

GULF OF MEXICO FISHERY MANAGEMENT COUNCIL  
REEF FISH MANAGEMENT COMMITTEE

Astor Crowne Plaza New Orleans, Louisiana

AUGUST 16-17, 2016

**VOTING MEMBERS**

- 10 John Greene.....Alabama
- 11 Kevin Anson.....Alabama
- 12 Leann Bosarge.....Mississippi
- 13 Doug Boyd.....Texas
- 14 Roy Crabtree.....NMFS, SERO, St. Petersburg, Florida
- 15 Pamela Dana.....Florida
- 16 Dale Diaz.....Mississippi
- 17 Myron Fischer (designee for Patrick Banks).....Louisiana
- 18 Tom Frazer.....Florida
- 19 Martha Guyas (designee for Nick Wiley).....Florida
- 20 Kelly Lucas (designee for Jamie Miller).....Mississippi
- 21 Campo Matens.....Louisiana
- 22 Robin Riechers.....Texas
- 23 John Sanchez.....Florida
- 24 Greg Stunz.....Texas
- 25 Ed Swindell.....Louisiana
- 26 David Walker.....Alabama

**NON-VOTING MEMBERS**

- 29 LCDR Leo Danaher.....USCG
- 30 Dave Donaldson.....GSMFC

**STAFF**

- 33 Steven Atran.....Senior Fishery Biologist
- 34 Assane Diagne.....Economist
- 35 Matt Freeman.....Economist
- 36 John Froeschke.....Fishery Biologist - Statistician
- 37 Douglas Gregory.....Executive Director
- 38 Beth Hager.....Administrative Officer
- 39 Karen Hoak.....Administrative & Financial Assistant
- 40 Morgan Kilgour.....Fishery Biologist
- 41 Ava Lasseter.....Anthropologist
- 42 Mara Levy.....NOAA General Counsel
- 43 Emily Muehlstein.....Fisheries Outreach Specialist
- 44 Ryan Rindone.....Fishery Biologist/SEDAR Liaison
- 45 Claire Roberts.....EFH Specialist
- 46 Bernadine Roy.....Office Manager
- 47 Camilla Shireman.....Administrative Assistant
- 48 Carrie Simmons.....Deputy Director

1  
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17 Chad Hanson.....Pew Charitable Trusts  
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1 The Reef Fish Management Committee of the Gulf of Mexico Fishery  
2 Management Council convened at the Astor Crowne Plaza, New  
3 Orleans, Louisiana, Tuesday morning, August 16, 2016, and was  
4 called to order by Chairman Johnny Greene.

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

10 **CHAIRMAN JOHNNY GREENE:** The first item on our agenda is the  
11 Adoption of the Agenda. Are there any additions? Dr. Simmons.

12  
13 **DR. CARRIE SIMMONS:** Mr. Chairman, if the committee is in  
14 agreement, could we please move the Reef Fish Landings Summaries  
15 from the full council agenda, and it's Tab A, Number 8, to the  
16 Reef Fish Committee and potentially put that before Item Number  
17 IV, Draft Amendment 46, the triggerfish document? We also have  
18 a supplemental landings information that will be Tab A, Number  
19 8(a) that we'll be adding to the website and emailing out, if  
20 you're in agreement to making those changes.

21  
22 **CHAIRMAN GREENE:** Thank you. Anyone have any disagreement with  
23 that? Seeing none, Mr. Diaz.

24  
25 **MR. DALE DIAZ:** Thank you, Mr. Greene. Under Other Business, I  
26 would like to add a discussion about the red snapper ACT for the  
27 charter for-hire sector.

28  
29 **CHAIRMAN GREENE:** Okay. Thank you. Any further additions or  
30 modifications to the agenda? Is there any opposition to the  
31 agenda as it has been rewritten? Seeing none, the agenda will  
32 be modified as we move on. The next item will be Approval of  
33 the Minutes. Is there any additions or edits to the minutes?  
34 Seeing none, is there any opposition to the approval of the  
35 minutes as written? Seeing none, we will move on.

36  
37 Action Item Number III is the Next Steps, Tab B, Number 3. I  
38 find that document very useful, and I appreciate staff's time in  
39 facilitating that. Seeing that, we will move on to Item Number  
40 IV, Draft Amendment 36, Commercial IFQ Program Modifications.  
41 We have a couple of presentations and a few other things going  
42 on. With that, I will turn it over to staff to move forward  
43 with that. I guess what would be Dr. Lasseter.

44  
45 **DRAFT AMENDMENT 36A - COMMERCIAL IFQ PROGRAM MODIFICATIONS**  
46

47 **DR. AVA LASSETER:** Thank you, Mr. Chairman. We're going to  
48 start and Dr. Jessica Stephen from the National Marine Fisheries

1 Service is going to give us a presentation, an overview, on the  
2 IFQ program, the process and the terms. I will turn it over to  
3 her.

4  
5 **PRESENTATION ON SHAREHOLDER PROCESS AND TERMS**  
6

7 **DR. JESSICA STEPHEN:** What I've also done is everyone should  
8 have a handout. That's what we call a fact sheet. We do these  
9 for different participants in the program. We have one for the  
10 participants that is oriented towards them, we have one for law  
11 enforcement that is oriented towards their kinds of questions,  
12 and this is more of a general public one, which is oriented to  
13 probably the types of questions you're going to have, and you  
14 will see a lot of duplication of this in the slides, and so this  
15 is something you can refer to throughout, to kind of remember  
16 some of the terms.

17  
18 What I'm going to do is go through a couple of slides and then  
19 stop and ask if anyone has any questions before we move on to  
20 the next kind of topic within the presentation.

21  
22 At the last council meeting, there was a lot of discussion about  
23 what exactly share and allocation meant, and so I wanted to  
24 devote a little bit of time to talking about that. With a  
25 share, that is the percentage of the commercial quota, and it's  
26 typically expressed in decimals. Within the red snapper and  
27 grouper-tilefish program, those decimals go out four to six  
28 percentages. If you took everybody's share percentage and  
29 summed them up, you get 100 percent per share category.

30  
31 Shares are multiplied by the quota in order to give you  
32 allocation, and so shares result in allocation at the start of  
33 every year. When we think of allocation, that's the annual  
34 pounds that are given to the shareholder accounts based on the  
35 shares that they have, and so we give out the entire allocation  
36 on January 1. Then there typically is a lot of transfer of  
37 allocation.

38  
39 Allocation is what is used to harvest the species, and it can be  
40 transferred in part or in total, depending on how the  
41 participants want to transfer it. It does expire at the end of  
42 every year.

43  
44 One of the other things people talk about, and this is where I  
45 think a lot of confusion with shares come in is that fishermen  
46 refer to shares as I've got shares in X amount of pounds. That  
47 is confusing, because we just said shares are in a percentage.

48

1 A percentage, of course, is not something that any of us can  
2 kind of grasp completely, and so what they're actually talking  
3 about is something we call equivalent pounds, and that's used to  
4 express what that share percentage is, in a poundage term, at  
5 that specific point in time. As the quota changes, what those  
6 shares are worth, in the sense of poundage, can change.

7  
8 What I've done is given you an example. This is actually gag,  
9 and these are two different years of where we had gag  
10 allocation. In both situations, they have a share percentage of  
11 0.0015 percent, but, when the quota was equal to 1.41 million  
12 pounds, that gave them 2,115 pounds. That was the equivalent  
13 pounds, or the amount of allocation they received. In another  
14 year, the quota dropped to 0.430 million pounds. Their  
15 percentage stayed the same. It's still 0.0015, but, this time,  
16 that only equated to 645 pounds. I would like to stop here and  
17 see if anyone has any questions on shares and allocations and  
18 how the poundage is calculated.

19  
20 **CHAIRMAN GREENE:** Thank you. Any questions or discussion?  
21 Seeing none, thank you.

22  
23 **DR. STEPHEN:** The next thing I want to go through is the  
24 structure of the system. We have different types of accounts in  
25 this system, and the first one is a shareholder account. The  
26 shareholder account is always composed of a unique set of  
27 entities belonging to that account. You will never have the  
28 same mix of entities within one account.

29  
30 shareholder accounts may hold shares and allocation. It doesn't  
31 mean they always do, and so that account type could have zero  
32 shares, but it's still a shareholder account role. Shareholder  
33 accounts can transfer shares and they can transfer allocation.  
34 They are also associated with the vessel accounts. Everyone who  
35 participates in the program must be a U.S. citizen or a  
36 permanent resident alien.

37  
38 The next level, that has a subset level underneath it called  
39 vessel accounts. Vessel accounts must belong to a shareholder  
40 account. The way it works is that the names on the permit for  
41 that vessel must match the shareholder account names as well,  
42 and that's how we're able to link up whether they are legally  
43 allowed to make landings using that vessel account. The other  
44 important thing to remember about vessel accounts is you have to  
45 have sufficient allocation in that vessel account prior to doing  
46 the landing transaction.

47  
48 The third type of account we have is what is called the dealer

1 account. The big thing to know is the dealer accounts cannot  
2 hold shares or allocation. If a dealer wants to hold shares or  
3 allocation, they have to obtain a shareholder account through  
4 the system.

5  
6 Dealer accounts must always be associated with a federal dealer  
7 permit, and their main function is to complete the landing  
8 transactions and to collect the cost recovery fees from the  
9 fishermen and then pay that fee to NMFS quarterly.

10  
11 As I mentioned before, each shareholder account is a unique set  
12 of entities, and so there can be a single or multiple  
13 individuals on that account, and that's represented kind of by  
14 the blue figure seen in this figure.

15  
16 They can be a single business or multiple businesses,  
17 represented by the group of yellow figures here, and, finally,  
18 they can also be a combination of an individual and a business.  
19 You will start to see how we get into kind of confusion when  
20 we're talking about the accounts, because of the variety of ways  
21 people can belong to an account.

22  
23 Shareholder accounts have different attributes to them. They  
24 may or may not have shares, as I mentioned earlier, or they may  
25 or may not have a permit. What you see on the left-hand side  
26 are accounts that have shares, represented by the share symbol,  
27 and they may or may not have a permit with it, and so the upper  
28 left-hand corner is an account that has shares and has a permit.  
29 The bottom one has shares, but no permit.

30  
31 One of the important things to realize is that the accounts with  
32 permits are the only accounts that can harvest fish. What you  
33 see on the right-hand are what we call sometimes the allocation-  
34 only accounts. These are still shareholder accounts, but we're  
35 distinguishing those in the fact that they only hold allocation  
36 and did not have shares with them. Again, they can have a  
37 permit or not.

38  
39 The other important thing to recognize is that allocation moves  
40 through the system. In 2013, we started collecting the reasons  
41 for these allocation transfers, and those are depicted in the  
42 series of graphics below there. They can transfer for sale, for  
43 money, or they can transfer them to a related account. They can  
44 give it as a gift. They can barter. I will give you some red  
45 snapper shares and you give me some red grouper shares or  
46 allocation. They can barter shares for allocation or shares for  
47 shares or allocation for allocation.

48



1 Finally, there is a package deal account. Typically, when  
2 someone is getting out of it or moving things around, they might  
3 sell their shares and their allocation together, or they will  
4 sell their vessel, their permit, and their shares, or any  
5 combination of those different attributes. I am going to stop  
6 there and ask if there are any questions on this portion of it.  
7 Okay.

8  
9 The next thing I'm going to get into is we're thinking about the  
10 way that people are related to each other. I am going to start  
11 in the upper left-hand corner. This is a shareholder account  
12 with shares, but without a permit, and it's owned by J. Smith.  
13 J. Smith is the sole entity in that account.

14  
15 Going over with the first blue arrow, he transfers his  
16 allocation to a company called ABC Incorporated. That is the  
17 actual name on the permit and it's the name of the shareholder  
18 account. That is owned 50 percent by J. Smith and 50 percent by  
19 A. Jones. Because J. Smith is involved in the account starting  
20 the transfer as well as the account receiving it, we call that a  
21 related account.

22  
23 ABC Incorporated then transfers some allocation to A. Jones XYZ  
24 LLC, in the bottom corner, and that's an example of a person and  
25 a business jointly owning the account. Because A. Jones is in  
26 ABC Incorporated and is the single person participating in that  
27 account, that again is a related account.

28  
29 If we look at J. Smith transferring to A. Jones and XYZ, and  
30 that's your orange arrow going down, there is no direct  
31 relationship, and so we would not call that a related account.  
32 Keep in mind that J. Smith is related indirectly to Account A.  
33 Jones and XYZ through A. Jones's connection to him in Account  
34 ABC Incorporated.

35  
36 Finally, J. Smith might transfer allocation to A. Smith. This  
37 is considered an unrelated account transfer, because there are  
38 no entities the same between those accounts, but, when he  
39 transferred the allocation, he put down the reason that it was a  
40 related account. Most likely, you can assume there is some  
41 family relationship between that and they consider that related.  
42 Now we have where they are self-claiming a relationship that we  
43 could not designate by the entities.

44  
45 What this graphic shows is in 2014 the number of related  
46 accounts. Every blue square you see is a shareholder account.  
47 If they're linked with a gray line, we had some entity the same  
48 between the two. If they are linked in a red line, there was

1 not an entity the same, but they claimed that they were related  
2 through the allocation reasons. I would like to stop here and  
3 ask if there are any questions about related accounts. Just to  
4 give you a little bit of statistics on related accounts, in  
5 2014, 61 percent of all the accounts were related to each other.

6  
7 The other important term used a lot of times when referring to  
8 the IFQ accounts is the word "lease". Fishermen use this to  
9 mean that they are transferring allocation to each other. What  
10 NMFS does is we track the allocations. We don't track  
11 individual pounds. To walk you through an example, we're going  
12 to start at the top.

13  
14 We have three accounts, the blue, the green, and the purple  
15 account. The blue account has 100 pounds, and he transfers 100  
16 pounds to the green account. That's pretty straightforward at  
17 that point. Now the green account went from fifty to 150  
18 pounds, and he decides to transfer 100 pounds to the purple  
19 account.

20  
21 Whose hundred pounds did he transfer? Was it fifty of his and  
22 fifty of the blue? Was it one pound of his and forty-nine of  
23 the blue? The thing is we don't know. The system doesn't track  
24 it that way. Once the allocation is in the pool, it is just a  
25 pool of allocation. You don't know where it originated from as  
26 individual pounds.

27  
28 Taking this onward, the purple account now transfers fifty  
29 pounds of that back to the blue account. Whose fifty pounds did  
30 he transfer? He started the year with no pounds, and he  
31 received them from the green account. This is kind of the  
32 confusion of you can't track individual pounds of allocation to  
33 figure out who had allocation and where it ended up.

34  
35 At the end of the day here, we have fifty pounds in everybody's  
36 account, and so what happened? We started with 150 pounds of  
37 allocation and we ended with 150 pounds of allocation, because  
38 there were no landings at this point. The total amount of  
39 allocation transferred was 250 pounds.

40  
41 This explains why typically in the annual reports you will see  
42 that, in some share categories, we have allocation transfers  
43 that are greater than the quota itself. Multiply this by many  
44 different times of people transferring allocation back and forth  
45 and you can see there is difficulty in tracking who the original  
46 owner of allocation would be if you were trying to do some type  
47 of use-it-or-lose-it type of clause. Are there any questions on  
48 this point?

1  
2 **MR. KEVIN ANSON:** Going back to your statement about you would  
3 be hard pressed to find out who is transferring or leasing, I  
4 mean they have to -- You have to know that those pounds have  
5 been deducted from their account, so that when you go to look at  
6 the landings information that you will have some idea as to  
7 whether or not they have pounds that they should be landing, and  
8 so shouldn't you be able to tell who is at least divesting,  
9 because they're also then reporting whether they have a  
10 relationship or a non-relationship transfer, correct?

11  
12 **DR. STEPHEN:** Right, and so we can tell who is moving allocation  
13 to who and we can tell who is landing it. What we can't tell is  
14 who originally had the pounds that were landed as in the  
15 individual pounds. Going back to the example where the green  
16 account transfers 100 pounds to the purple account, let's say  
17 the purple account landed those 100 pounds. Who do we attribute  
18 as the owner of that original 100 pounds? That's where we can't  
19 make the track going back. We can't say it was fifty of green's  
20 and fifty of blue's. It could have been anyone's, throughout  
21 whatever process of however many times the pounds went into  
22 green's account before that final transfer.

23  
24 **MR. ANSON:** But you can establish whether or not they are in  
25 fact using it or losing it, because there will be pounds  
26 reported to somebody. You will be able to tell whether or not  
27 that person who originally was given the pounds, based on their  
28 share, reported it or not. If they have pounds and they didn't  
29 report, but yet they reported that they transferred pounds, they  
30 didn't necessarily then use them. I guess that's what I'm  
31 getting at.

32  
33 **DR. STEPHEN:** Yes, and this is the difficulty in the word "use".  
34 If use is strictly meant as landing, we can tell everyone who  
35 landed, and we can tell somewhere that it came from different  
36 accounts, but, if they didn't land everything, then whose pounds  
37 did they not land? If use is in the terms of just transferring,  
38 we've got that tracked easily. You transferred pounds there and  
39 you used it, in that sense. That's where the definition of use  
40 gets murky and people have kind of different interpretations of  
41 it.

42  
43 **CHAIRMAN GREENE:** Thank you. Any further questions? Mr. Diaz.

44  
45 **MR. DIAZ:** What is the advantage of having a related account?

46  
47 **DR. STEPHEN:** There are probably a couple of different reasons.  
48 Some people are involved in multiple businesses and they have

1 different business partners, and so they have set up a permit  
2 with their different business partners. Other people  
3 incorporate every single one of their vessels. If one vessel  
4 sinks or is sued or has some problem, it doesn't affect the rest  
5 of the vessels they own.

6  
7 Then we've also had the point where some people are purposely  
8 wanting to divest their shares. Not divest, but separate their  
9 assets from each other. If the shares are held in a separate  
10 account that has no permit, when something occurs on the boat,  
11 if there was some legal problem, they can't go after that  
12 account where the shares are.

13  
14 We have had a lot more of that as the program has grown, which  
15 is why you see more related accounts as we go through time.  
16 Part of it is they've kind of gotten smart about how to keep  
17 things separate from each other. It, unfortunately, makes it a  
18 little bit more difficult for us to manage and track.

19  
20 **CHAIRMAN GREENE:** Any further discussion? Okay, Dr. Stephen.

21  
22 **DR. STEPHEN:** Okay. Going on, we talk about the red snapper  
23 program and the grouper-tilefish program, and one thing to keep  
24 in mind is we have one account for both of these programs  
25 managed in the same system, and so there is a large degree of  
26 overlap. All said and done, we have 756 accounts with shares in  
27 one of the share categories in either program.

28  
29 More of them are in the grouper-tilefish. We have 645 accounts  
30 with grouper-tilefish shares, versus 386 with red snapper. The  
31 key point to note is that there are about 275 of those that have  
32 shares in both programs. The little schematic below just shows  
33 you the overlap by the amount of accounts that have both of  
34 those combinations.

35  
36 If you look at that diagonal going down with the Number 6, there  
37 are only six accounts that solely have just deepwater grouper  
38 and shares in no other account. If you move down a row, you see  
39 that red grouper and deepwater grouper, there are 308 accounts  
40 that have shares in both of those categories.

41  
42 You can see the biggest overlap occurs with gag and shallow-  
43 water grouper, which logically makes sense. They probably had a  
44 history, where the shares came from that. If you look at the  
45 bottom row, you can see how much overlap there is with red  
46 snapper and the other grouper-tilefish program.

47  
48 I don't want to spend a lot of time on this graph. I just

1 grabbed from our accounts some different people's kind of  
2 percentages of what they have in the different categories, and I  
3 just wanted to highlight some of the kind of concerns when  
4 thinking about who has a high shareholder account.

5  
6 In the top row, you see that there's a person who might be high  
7 in deepwater grouper, shallow-water grouper, tilefish, and red  
8 snapper, but you also have places where they could be high just  
9 in one category and not high in others.

10  
11 For example, we have the one, above five lines down, where they  
12 have low red snapper and high grouper-tilefish. They have a  
13 very low percentage of red snapper, but they are high in other  
14 categories, and we were thinking about -- If you want to think  
15 about redistribution at any point in time, when we're talking  
16 about those accounts that were inactivated, you need to think  
17 about how these interact and relate to each other. Were there  
18 any questions on that? Those are just more there for  
19 illustration points.

20  
21 The last thing I kind of want to go over is fishing in the IFQ  
22 system, just go through what the fishermen do for an entire  
23 trip. What they have to do is declare a fishing trip prior to  
24 leaving. They can either declare that through their VMS unit or  
25 through VMS's call service.

26  
27 I have an example here of what the VMS screen looks like. Not  
28 all the screens look the same. This just happens to be one  
29 screen that we had all on one screen, so I could show it to you.  
30 They select that it's a trip declaration, that it's a hail-out  
31 for them. They select the type, which would be a Gulf reef fish  
32 trip. They then select their activity, which would be reef  
33 fish. Finally, they would select their permit type, which would  
34 be commercial.

35  
36 Then, after they're out and they're fishing, they have been  
37 three to twenty-four hours in which they have to give advance  
38 notice of landing. They have three different ways they can do  
39 that. They can, again, use their VMS. They can use the IFQ  
40 website. Now, that typically means they're calling someone back  
41 on land to do it for them, or they can use the SERO call service  
42 center, which is 24/7, and it only accepts hail-in  
43 notifications.

44  
45 They must only land at approved landing locations, and they can  
46 land at any point in time. There is not a time restriction for  
47 when they're tying up to the dock. There is a time restriction  
48 on when fish can be offloaded from the vessel, and so they only

1 can be offloaded between 6:00 A.M. and 6:00 P.M.

2  
3 Keep in mind too that some fishermen deal with multiple dealers,  
4 and so they might actually have one fishing trip that gets  
5 spread out among more than one dealer. If they do do that, they  
6 have to put in another notification if they move the vessel.  
7 They have to wait the three to twenty-four hours and, of course,  
8 still only offload between 6:00 A.M. and 6:00 P.M.

9  
10 The final step of the process is that the dealer completes the  
11 IFQ landing transaction within ninety-six hours of the  
12 notification or on the day of offload, whichever is sooner. At  
13 that point in time, allocation is now deducted from the vessel  
14 account and the trip is considered complete.

15  
16 **CHAIRMAN GREENE:** Leann.

17  
18 **MS. LEANN BOSARGE:** Just to make sure, the definition of "land",  
19 where you say land only at approved locations, you mean to  
20 actually touch the dock and tie-up to the dock? You don't mean  
21 actually take fish off the boat?

22  
23 **DR. STEPHEN:** Correct.

24  
25 **MS. BOSARGE:** They have to hail-in, but they cannot actually tie  
26 up the boat and go to the dock until whatever timeframe they  
27 told you they would be there?

28  
29 **DR. STEPHEN:** Correct, and they cannot land prior to their  
30 timeframe. If they said, I'm coming in at 10:00 A.M., you can't  
31 come in at 9:50. You've got to kind of idle out there until  
32 10:00 A.M. They are given an hour window from 10:00 A.M. until  
33 11:00 A.M. in which to land, because we don't expect anyone to  
34 be exact on what they're doing.

35  
36 Within that timeframe, they're allowed one additional  
37 modification to their pre-landing notification, as long as they  
38 are not changing their landing location or their dealer. That  
39 modification then doesn't require an additional three hours. If  
40 they change the amount of fish they had onboard or they change  
41 the time, you know the weather is bad and I thought I was going  
42 to make it at ten and now it's going to be noon, they can do  
43 that without waiting an additional three hours.

44  
45 **CHAIRMAN GREENE:** Mr. Swindell.

46  
47 **MR. ED SWINDELL:** Is there any prohibition on landing aboard  
48 another ship? Say someone wants to put together a processing

1 ship and start collecting from these vessels before they ever  
2 touch land?  
3  
4 **DR. STEPHEN:** There is no at-sea transfers allowed, and a vessel  
5 couldn't be considered an approved landing location, and so that  
6 would be prohibited in the system.  
7  
8 **MR. SWINDELL:** Thank you.  
9  
10 **DR. STEPHEN:** I think that's all I have for you guys.  
11  
12 **CHAIRMAN GREENE:** Thank you. Any further discussion or  
13 questions? Mr. Boyd.  
14  
15 **MR. BOYD:** Thank you. I have a couple of questions. One, you  
16 said that, in the accounting process, that it's possible and  
17 normal to have more share transfers than there is quota. In the  
18 accounting process, is it possible to have more of the quota  
19 caught than there is quota, because of the accounting process?  
20  
21 **DR. STEPHEN:** No, you cannot land more quota than is caught,  
22 with the exception that we do have a 10 percent overage rule for  
23 accounts that have shares. Typically, it's their last trip of  
24 the year. It's a one-time per share category. They can land 10  
25 percent more than the allocation in that vessel account. That  
26 is then taken from them at the start of the year, before they  
27 receive all of their allocation.  
28  
29 **MR. BOYD:** Okay. Kind of a follow-up question. Who is the  
30 record keeper for all of this accounting?  
31  
32 **DR. STEPHEN:** All of this goes through our online system, and it  
33 resides at SERO, and so the catch share staff manages what it is  
34 occurring with it.  
35  
36 **MR. BOYD:** One other question. How often is the actual catch  
37 versus the quota balanced in the processing and during a  
38 particular period?  
39  
40 **DR. STEPHEN:** I'm not quite sure if -- When they make the  
41 landing, it's immediately deducted off the allocation for their  
42 account, which deducts it from the quota from the program.  
43  
44 **MR. BOYD:** Is there an overall balancing of catch versus quota  
45 on a monthly basis or a weekly basis or an annual basis?  
46  
47 **DR. STEPHEN:** It's daily. It's at the time of the transaction.  
48 It's real-time, so to speak.

1  
2 **CHAIRMAN GREENE:** Thank you. Any further questions or  
3 discussion? Seeing none, I guess we will move on to the next  
4 item, which will be a presentation I guess from Dr. Lasseter.

5  
6 **PRESENTATION ON OVERVIEW OF QUOTA BANKS**

7  
8 **DR. LASSETER:** Thank you, Mr. Chairman. While that presentation  
9 is coming up, I will just make a couple of comments. Our next  
10 presentation is going to address quota banks, which is something  
11 you have as an alternative in Amendment 36A as a mechanism for  
12 distributing the shares from these inactivated accounts, the  
13 shares and allocation from these inactivated accounts.

14  
15 One of the examples I'm going to give here, I believe one of the  
16 organizers may be here in the audience, but he sent along a box  
17 of publications that his group has put together, and I have  
18 distributed those to council members. You each have a little  
19 booklet there, and then there is some in the back as well.

20  
21 I am going to try to keep this simple and focused on what is a  
22 quota bank and talk about goals and then give you some examples.  
23 When I am giving examples, I am actually going to interrupt my  
24 presentation and turn it over to Eric Brazer from the  
25 Shareholders' Alliance and allow them to talk a few minutes to  
26 you about their program here in the Gulf of Mexico.

27  
28 Then we'll come back and kind of pull it together and talk about  
29 how this can be applied to the council process. As we're going  
30 to through and talking about this, some things you could be  
31 thinking about are how this information could be applied in the  
32 Gulf to the IFQ programs. How would this work? That question  
33 is going to be something for NMFS, of course, to tackle, in  
34 terms of setting up this type of a system, but also what is it  
35 that the council wants to use this quota bank for, if you decide  
36 to go forward with one.

37  
38 Your question is should a quota bank be used for distributing  
39 shares in these inactivated accounts, or, alternately, we do  
40 have 36B coming along, and you have some items for consideration  
41 in there. Could a quota bank be applicable for some of those?  
42 That would be at a later meeting.

43  
44 What is a quota bank? I have provided some quotes here from  
45 some of the literature that I have found. There is a catch  
46 share design manual, and I've provided the website link to that  
47 in the very last slide. In their glossary, they defined a quota  
48 bank as a collection of harvesting privileges in which certain



1 rules and stipulations govern the use of the privileges and the  
2 distribution of benefits.

3  
4 These quota banks are always in the form of a catch share type  
5 of program, where these harvesting privileges, in terms of the  
6 Gulf programs, would be the shares, or possibly allocation.  
7 Those are the harvesting privileges.

8  
9 They are gathered together in this pool, essentially, and there  
10 would be rules as to who may access that quota and under what  
11 conditions they would be able to use those benefits. Then just  
12 some text from that manual that I thought was interesting as  
13 well spoke to a way of enhancing community benefits, including  
14 access to new entrants, and this was a theme among some of the  
15 examples that we found around the country.

16  
17 There is also an example outside of the U.S. that these programs  
18 have largely been -- In the states at least, they have largely  
19 been founded to address a particular problem that was identified  
20 by industry within the program and the industry has taken steps  
21 to organize and address to enhance community benefits.

22  
23 Then, finally, the last one, and this comes from the publication  
24 that you have on your tables, is it's a tool to address the  
25 challenges created by catch shares, and this spoke specifically  
26 to their particular area. It was the industry coming together  
27 and identifying problems within the industry. They came up with  
28 this tool and are solving what they identified as a local  
29 problem.

30  
31 Moving on to our program goals, as I just noted, it was the  
32 industry really driving the creation of these quota banks to  
33 address some issue, and so, of course, our goals and objectives  
34 would be important if the council is interested in going forward  
35 with these.

36  
37 What would be the purpose of the quota bank and what does the  
38 council want to achieve through a quota bank? Be keeping that  
39 in mind. Again, our main consideration is who would be eligible  
40 to obtain the quota and what requirements should be put in place  
41 for the use of that quota? Here, I am kind of keeping it  
42 general, if I'm referring to shares or allocation. Currently,  
43 your alternative is speaking to distributing the allocation  
44 specifically, but it could, of course, be used as a mechanism  
45 for shares as well.

46  
47 Here is our first example. This comes from the west coast, the  
48 Morro Bay Community Quota Fund, and a little bit of the

1 background is that this was actually prompted by the Nature  
2 Conservancy had come into the area and had bought up some trawl  
3 permits with associated quota on them.

4  
5 Actually, they had exceeded what would be the local share caps  
6 for those programs and they needed to divest some of their  
7 shares. A mechanism that they found was to put the quota into  
8 the communities and promote local stewardship over those  
9 resources. The sense was, and I've got a quote here that was  
10 good, but it was to anchor the quota in the community.

11  
12 Now, eventually, the Nature Conservancy has fully divested all  
13 of their shares to the the quota bank. Part of their funds  
14 coming in is using to continue to pay off -- It was a loan. It  
15 was not a gift, and so they are still using what they bring in  
16 for lease fees to pay back the Nature Conservancy.

17  
18 Also, there are about four of these funds along the coast,  
19 spaced a few hours apart, and so they really are, each one,  
20 trying to focus on maintaining access for local fishermen,  
21 quota, and also to land that quota back in the community.

22  
23 I have provided the goals here from that program, and the key  
24 part is really having an environmentally-sustainable fishery  
25 built upon local stewardship of these groundfish resources, and  
26 lots of the language in the program goals, you can see, pertains  
27 to the social goals. Provide for the next generation of  
28 smaller-boat fishermen.

29  
30 Finally, to move to answer their questions of who may obtain  
31 quota and under what conditions, the program has quota for over  
32 thirty different species that are under catch share programs out  
33 there of varying amounts. Some of the quota that they have, the  
34 fish are not even available locally, and so quota for those  
35 species, they would lease it fishermen that requested anywhere,  
36 and they would offer it at market-based prices.

37  
38 Quota that they have for species that there is demand to catch  
39 locally and that the local fishermen want them, the fund manager  
40 will provide a better lease rate to local fishermen and the best  
41 lease rate to those local fishermen who are landing locally, and  
42 so you can see how their goals, what they're trying to achieve,  
43 matches their requirements of who may obtain the quota and what  
44 are the requirements for them, if they do obtain that quota.

45  
46 **CHAIRMAN GREENE:** Ms. Bosarge.

47  
48 **MS. BOSARGE:** You said that Nature Conservancy, and I'm not sure

1 what fishery this is, bought up a lot of these permits in the  
2 beginning and then they kind of had too many and they were over  
3 the share cap, and so they created this quota bank to divest of  
4 some of them, but just, generally speaking, why were they  
5 purchasing all of those in the beginning?  
6

7 **DR. LASSETER:** I kind of glossed over a lot of the history, and  
8 I have also provided the links to all of these at the end, if  
9 you would like to explore them further. I don't think it was  
10 the TNC that actually created the fund. They helped this group  
11 create the fund, but there was a long history of these  
12 groundfish resources being overfished. There were a lot of  
13 issues of overcapitalization in that area for a very long time,  
14 and there had already been one government buy-out of these trawl  
15 permits.  
16

17 When TNC actually came in, that was after that first stage, but  
18 they had bought out some more trawl permits of people that were  
19 just trying to get out of the fishery. They had this quota and  
20 then what were they going to do with it?  
21

22 They decided that, hey, we could use this quota to help promote  
23 local, sustainable use of these resources, and so I think they  
24 were very key in helping guide the development of these. I  
25 don't know to what extent. I just had a brief interview with  
26 this organizer for a couple of hours. Did that answer your  
27 question?  
28

29 **MS. BOSARGE:** Yes.  
30

31 **DR. LASSETER:** Okay. Great. I have also provided a little  
32 graphic here that I found on one of the programs that just kind  
33 of showed the structure of how the Morro Bay one is run, where  
34 you do have a board. I will point out that TNC is no longer  
35 even a part of the board anymore. They are completely removed  
36 from this process completely, and so you have the actual board  
37 and this quota fund.  
38

39 They have a leasing manager who is in charge of communicating  
40 with various fishermen that want access to the quota, and he  
41 defines the terms and whatnot. They also have this risk pool,  
42 which they use for fishermen, local fishermen, who would need  
43 some of the fish that -- Let me just take a step back. It is a  
44 full-retention fishery, requiring 100 percent observer coverage,  
45 and so there is no you can just throw fish back. If you're out  
46 fishing and you have fish, you have come across fish, you can't  
47 just throw it back. Here, this risk pool provides a mechanism  
48 for these guys to be able to bring those fish in.

1  
2 I like this also, just because it kind of shows how some of  
3 these are actual financial transactions and others are just the  
4 movement of the quota through the system.

5  
6 Another example, and this is actually -- I am not sure if we  
7 have this manager in the audience yet, but the Cape Cod  
8 Fisheries Trust is another example, and I have provided the  
9 goals here. Again, it's similar to the Morro Bay, in that they  
10 were concerned about the local communities, and so their goals  
11 are to strengthen the Cape Cod fishing businesses, protect New  
12 England's fishing resources, keep fishing as a way of life on  
13 Cape Cod, and develop a sustainable community-based model.

14  
15 What's interesting about this program is that there were  
16 actually three separate programs. One of them only has one  
17 boat. When I say three separate programs, it covers three  
18 different catch share programs that are under both the New  
19 England and Mid-Atlantic Fishery Management Councils  
20 jurisdiction.

21  
22 It's kind of like a professionalization program for fishermen,  
23 where you have classes. You have your freshmen, your  
24 sophomores, your juniors, and your seniors. Then there is  
25 different program requirements and different benefits and access  
26 to quota that you get as you go through this program.

27  
28 You move through it in stages, and so there is a whole  
29 application process. Some people carry all the way through and  
30 some people will leave the program, but, basically, as you move  
31 through the program, you must attend council meetings even. You  
32 must attend classes and you must be engaged in learning how to  
33 not only fish, but also how to be a professional fisherman, and  
34 paying your taxes and making sure you are completing all of your  
35 bookwork.

36  
37 In the program, when you're a beginner, you would be able to  
38 secure a larger amount of quota in those early years of the  
39 program. Then, as you move through the stages, you are expected  
40 to have invested yourself in the quota. Then you are  
41 essentially weaned off the program as you get to the later  
42 stages.

43  
44 Then I'm just going to touch on a couple of other programs  
45 before we turn it over to Eric. This is an example of a program  
46 outside of the U.S. They are called fish pools in Denmark, and  
47 they're essentially voluntary cooperatives that facilitate these  
48 transfers of the harvesting privileges.

1  
2 What I thought was interesting about this one is that all the  
3 different fish pools, which are essentially separate quota  
4 banks, are all located and housed and accessed through the same  
5 common website, and the government does monitor and provide  
6 publicly what would be equivalent to share and allocation  
7 transfers.

8  
9 Everything is online, and so it's not so much individuals  
10 privately coming one to another. All of these transfers go  
11 through this online system and are recorded, and one of these  
12 fish pools happens to operate to provide access to these new  
13 entrants, and I just wanted to point out that there is a fee for  
14 entering this. Again, these pools were formed to address some  
15 of these issues that the industry felt needed to be addressed  
16 after catch shares came into place.

17  
18 Then, finally, just one last one, Local Fish Fund in Alaska, and  
19 it was, again, designed to improve the local retention of these  
20 economic benefits. Again, we have that trying to maintain local  
21 community access to quota as a fundamental goal, but, of course,  
22 the goals are then tied to who has access to quota and what are  
23 the conditions they are required to follow for accessing that  
24 quota.

25  
26 I am going to turn it over to Eric Brazer for a moment. I  
27 believe he's here in the back, and I'm going to let him speak  
28 for a few minutes about the quota bank here in the Gulf of  
29 Mexico.

30  
31 **CHAIRMAN GREENE:** Thank you. Eric.

32  
33 **PRESENTATION ON SHAREHOLDERS' ALLIANCE QUOTA BANK PROGRAM**

34  
35 **MR. ERIC BRAZER:** Thank you, Ava, and thank you, committee, for  
36 giving me the chance to speak for a few minutes. I'm Eric  
37 Brazer. I'm the Deputy Director of the Gulf of Mexico Reef Fish  
38 Shareholders' Alliance, and I'm going to give you a brief  
39 overview of the Gulf of Mexico reef fish quota bank that we  
40 established in 2015. I'm going to keep it fairly high-level,  
41 and so, if you have specific questions, get with me afterwards  
42 or find me during the break, and I will be happy to talk more  
43 about it.

44  
45 We started the program, like I said, in 2015. We saw great  
46 success elsewhere. Ava did a great job of highlighting some of  
47 the other examples throughout the country. In the interest of  
48 full disclosure, before I came to the Gulf of Mexico, I spent

1 eight years working on Cape Cod with the Cape Cod Fisheries  
2 Trust, and so I was able to take some of the knowledge I gained  
3 up there and bring it down to the Gulf to start our quota bank.

4  
5 One of the things that I wanted to bring across is that we're  
6 thinking about the quota bank as it's a model. It's a process  
7 by which a community of fishermen come together to leverage  
8 their problem-solving skills with the allocation they have  
9 access to. We are using quota to solve problems. That's really  
10 what we're doing in the Gulf of Mexico.

11  
12 Two primary concerns exist in the Gulf that we have decided to  
13 engage in, number one being the red snapper discards in the  
14 grouper fishery in the eastern Gulf, and the second issue we're  
15 trying to address is the issue of fishery transition to the next  
16 generation of red snapper fishermen.

17  
18 We built our quota bank around these very specific purposes, and  
19 so everything we do, the operations we have in place and our  
20 evaluation system, it all folds back into these stated  
21 priorities.

22  
23 Here are our goals and objectives. You can see it's more than  
24 just a biological program. We do want to reduce red snapper  
25 discards and discard mortality in the Gulf of Mexico, but we  
26 also have a system of economic goals that we're trying to  
27 achieve by improving the profitability of grouper fishing  
28 businesses and providing some business stability for the next  
29 generation of commercial fishermen.

30  
31 We're also trying to achieve some social goals as well. We're  
32 trying to support this next generation of fishermen, help them  
33 establish themselves and get foothold in the fishery, increase  
34 the accountability of the commercial fishery, and also build  
35 capacity for more fishermen to participate in this process here.  
36 It's very important to us, if you're part of the quota bank  
37 program, that you start to pay attention and get involved in the  
38 regulatory process, at the state level and at the federal level.

39  
40 In terms of our operations, our board of directors of the  
41 Shareholders' Alliance runs the quota bank. I manage the day-  
42 to-day operations of it. It is a program of the Shareholders'  
43 Alliance, and the Shareholders' Alliance is a 501(c) nonprofit,  
44 and we have an established IFQ account that Jessica helped us  
45 set up, thank you very much, and so it's run through that system  
46 online that Jessica talked about earlier.

47  
48 For the allocation, we have a board policy. The Shareholders'

1 Alliance board actually contributes annual allocation. They  
2 donate annual allocation every year to help fund the quota bank,  
3 and we also have some agreements where we're leasing in  
4 allocation as well and turning it around and leasing it back out  
5 to the members. We also have some agreements where we're  
6 leasing in allocation as well and turning it around and leasing  
7 it back out to the members.

8  
9 We have set the bar for participation pretty high, and we've  
10 done that on purpose, because we believe that if you're a member  
11 of this quota bank that you should be committed to the goals and  
12 the purpose of the program.

13  
14 We have eligibility criteria. We have a system of best business  
15 practices. We have an operations plan that you have to sign.  
16 We have an application process that you have to fill out. We  
17 ask you to join the Shareholders' Alliance and support the  
18 advocacy work that we do and get more involved in this  
19 management process.

20  
21 Once you have put together your paperwork, the board receives it  
22 and the board reviews it and the board vets it. Again, we want  
23 people participating in this program that are committed to the  
24 cause, and we do that through the board process. If you meet  
25 the eligibility criteria, then we approve you and you're part of  
26 the program.

27  
28 This is just a brief summary of some of the performance measures  
29 we've had. Like I said, we started in 2015. We got a bit of a  
30 late start, but we were able to lease out 50,000 pounds last  
31 year. We have met that goal already this year, and we're on  
32 track to do 75,000 pounds of red snapper allocation. That has  
33 an ex-vessel value of somewhere north of \$250,000 to the  
34 participants.

35  
36 We have more than tripled our membership in the program between  
37 last year and this year, from six to twenty, and we have almost  
38 quadrupled the number of fishing communities in the Gulf that  
39 are working with the program, from four to fifteen in just over  
40 a year.

41  
42 The quota bank, it's a program of the Shareholders' Alliance,  
43 but we're also trying to run it like a business. Looking  
44 forward, we're trying to promote financial growth and fiscal  
45 stability. We are looking for ways to increase our impact, and  
46 whether that's reducing more discards or addressing the next  
47 generation issues and trying to address other issues with the  
48 catch share programs in the Gulf that may come up in the near

1 future.

2  
3 There is a role for this in the discussions this week with  
4 Amendment 36A. We believe that quota banks can offer a viable  
5 alternative for some of this unused and available allocation  
6 that you will be talking about very soon. The council is  
7 considering a NMFS-run quota bank. We are not quite sure what  
8 that looks like or how that would operate or how you would build  
9 a system to ensure it's doing what you want it to do, and we  
10 look forward to this discussion that you guys will have on those  
11 issues.

12  
13 We would like the council to consider an additional alternative  
14 to allow an industry-run quota bank to handle some of this  
15 allocation as well, and that doesn't have to be ours. It could  
16 be anyone who wants to set up a quota bank to start to solve  
17 problems with some of this available allocation.

18  
19 In summary, we have built a system that's more than just an  
20 allocation transaction. It's more than just John leasing  
21 allocation to Joe. We are trying to use this allocation and the  
22 fishermen involved to leverage triple bottom-line impacts,  
23 biological, economic, and social impacts. It really is a  
24 grassroots program. This came from the ground up. The  
25 fishermen developed it, and we implemented it, and it has a very  
26 specific purpose, goals, and objectives.

27  
28 Just as important, it has a system in place for us to ensure  
29 that those objectives are being met. With that, I will turn it  
30 back over to Ava, unless you have questions, or I can talk to  
31 you guys during the break, but thank you very much for your  
32 time.

33  
34 **CHAIRMAN GREENE:** Thank you. Dr. Lucas.

35  
36 **DR. KELLY LUCAS:** Eric, I was just looking at you all's website.  
37 It's .org. Are you a 501(c)(3) or (c)(6) or what are you all  
38 classified as?

39  
40 **MR. BRAZER:** Right now, we're a 501(c)(6) organization.

41  
42 **CHAIRMAN GREENE:** Andy Strelcheck.

43  
44 **MR. ANDY STRELCHECK:** Thanks, Eric, for the presentation.  
45 First, I wanted to commend you and the Shareholders' Alliance  
46 for proactively working on these challenges and issues that  
47 we're facing. I have a couple of questions.

48



1 You had outlined in your presentation obviously one of the goals  
2 is to reduce discards and discard mortality. At one point, I  
3 know I talked to you about collecting observer data or observer  
4 coverage. What is the sense, in terms of how that's helping to  
5 address the discard mortality problem for red snapper?  
6

7 **MR. BRAZER:** It's something we're working on now. We're  
8 addressing the discards directly and indirectly. Directly,  
9 we're providing that allocation to the fishermen that need it,  
10 that would otherwise be discarding those red snapper on the  
11 grouper trips, and so there is a direct conservation benefit  
12 there.  
13

14 Through our application process and our operations plan and our  
15 best business practices, we're trying to encourage fishermen to  
16 fish more selectively and to avoid -- If they don't have the  
17 allocation, to avoid red snapper, when they can. We may only be  
18 dealing with 50,000 pounds now, but our hope is that the program  
19 we have built is actually reducing those discards by more than  
20 that 50,000 pounds. We are, right now, trying to figure out how  
21 we quantify that.  
22

23 **MR. STRELCHECK:** Then my second question is you had alluded, at  
24 the end, about a NMFS-run quota bank versus an industry-run  
25 quota bank. I guess, right now, there is no regulatory  
26 framework for what you're actually doing, and so you already  
27 have, essentially, the ability to run an industry-run quota  
28 bank. Do you see advantages to codifying regulations that would  
29 better clarify quota banks run by industry, if we went down that  
30 path of considering industry-run quota banks?  
31

32 **MR. BRAZER:** I think it depends on what the purpose and goals of  
33 these programs will be. I mean, I think we would be hesitant to  
34 put in place a program or a set of definitions of what a quota  
35 bank looks like, how it operates, especially without the input  
36 of the industry. I think, at this point, if there is a way to  
37 do it through the model that we have on the ground that exists  
38 already, we would like to see that option explored a little bit  
39 more, but I think we want to kind of stop short of defining in  
40 the regulations what an industry-based quota bank looks like.  
41 Thank you.  
42

43 **CHAIRMAN GREENE:** Thank you. Any further discussion? Mr. Diaz.  
44

45 **MR. DIAZ:** Thank you, Eric. I also want to commend you and the  
46 Shareholders' Alliance. I think it's a good step forward to try  
47 to help with some of the problems. I am just trying to clarify  
48 it in my mind. You said that some of the allocation is donated.

1 Are the participants that use it, do they lease it, and what is  
2 the advantage of leasing from this quota bank as opposed to  
3 trying to get on the open market and leasing it, if they are  
4 indeed leasing it?

5  
6 **MR. BRAZER:** We've done a lot of work to reach out into the  
7 communities in the eastern Gulf of Mexico, to try and find those  
8 fishermen and those businesses that need the allocation but  
9 can't access it, for whatever reason. They may not be able to  
10 find it in the open market or they may not have built the  
11 relationships to access that allocation.

12  
13 We go out and we try and find those fishermen. The benefit of  
14 working with us is that we can provide you the allocation that  
15 you need over the course of the year. If you need 1,000 pounds  
16 over the course of the year or if you need 3,000 pounds over the  
17 course of the year, we will commit to getting you that  
18 allocation.

19  
20 We will also commit to working with you and educating you a  
21 little bit on the management process as well. By being involved  
22 with us, not only do you get a financial benefit and the  
23 allocation benefit, but you also get to peek behind the curtain  
24 and see a little bit more about what happens at meetings like  
25 this. The fishermen that we work with are finding a lot of  
26 value in that as well. Maybe they were unaware or maybe they  
27 were disenfranchised, but they're starting to come back into the  
28 fray and get a little bit more involved in this process, and  
29 there has been a lot of value with that.

30  
31 **CHAIRMAN GREENE:** Thank you. Any further discussion? Seeing  
32 none, thank you, Eric. We will move on to our next item, which  
33 will be Dr. Lasseter and Review of Draft Amendment, Tab B,  
34 Number 7, unless there is anything I'm skipping over.

35  
36 **REVIEW OF DRAFT AMENDMENT**

37  
38 **DR. LASSETER:** I only had one more slide on that presentation,  
39 and it was really just to kind of bring all of it back together  
40 and, when we get into the amendment and we get into the action  
41 about alternatives, to keep in mind what is the purpose of what  
42 you will be wanting to do and what do you want to achieve  
43 through the quota bank, and, finally, the considerations would  
44 be who would be eligible to obtain that quota and under what  
45 requirements, under what parameters, as well.

46  
47 Here is the slide with all of the references that were included  
48 in the presentation as well as these other quota banks, if you

1 would like to read more about them. Before we get into the  
2 amendment, I just wanted to provide the opportunity to ask any  
3 questions about quota banks specifically. I think you asked  
4 Eric most of the questions, but was there anything else on the  
5 examples that I gave? Hearing none, I will go ahead and move  
6 into the document. Let's go to page 2.

7  
8 We have updated, again, the Chapter 1 and Chapter 2 in your  
9 document. Page 2, we have a little text box there. Jessica  
10 provided a presentation, and also you have your laminated card  
11 of some of this information, and I also just wanted to point  
12 out, again, the document also some of this for you highlighted,  
13 in terms of what is a share and what is allocation and how that  
14 works. Also, in Appendix A, we still have the glossary of the  
15 terms used in the program.

16  
17 If we scroll down to the next page, we have another text box  
18 here. We have added this one, added an example, which was also  
19 used in Jessica's example. We've used a broad quota of just  
20 one-million pounds, to show how this proportion of shares times  
21 your quota, the total quota for that species, results in the  
22 pounds of allocation for that year represented by those shares.

23  
24 Then, in that, is an example of the quota changing and how that  
25 would work and, should that shareholder sell some of the shares,  
26 how the allocation would then be recalculated in the following  
27 year. That is there for you as well.

28  
29 Let's move down to Action 1, which begins on page 14. Action 1  
30 addresses the commercial-permitted reef fish vessel hail-in  
31 requirement. Currently, your no-action alternative is that the  
32 owner or operator of a vessel that is landing IFQ species for  
33 red snapper, grouper, tilefish, must contact NMFS, must hail-in,  
34 and provide a notification at least three hours and no more than  
35 twenty-four hours in advance of landing.

36  
37 Now, coming out of the five-year review for red snapper, one of  
38 the recommendations was that this requirement be expanded to  
39 include not just those vessels landing IFQ, but all reef-fish-  
40 permitted vessels, because it was possible -- Some fishermen had  
41 heard stories of people landing IFQ species and just not  
42 hailing-in, not declaring it.

43  
44 We have provided two alternatives here. The difference between  
45 the two of these pertains to which species onboard the permitted  
46 vessel must hail-in for. All the other requirements would  
47 remain the same. One thing that we're talking about here is  
48 expanding the requirement of trips that must hail-in, but,

1 because these are not only IFQ species, under either one of  
2 these alternatives, these vessels would still need to land at  
3 approved landing locations.

4  
5 Because they're possibly not landing at places that they are  
6 used to landing IFQ species, we could expect, we should assume,  
7 that the number of approved landing locations would need to  
8 increase. To what extent, I don't believe it's simple to  
9 quantify that, but that is a concern that law enforcement has  
10 expressed.

11  
12 I am going to briefly compare the two alternatives. The  
13 difference between them is Alternative 2 would require any one  
14 of these reef-fish-permitted vessels if it's landing any  
15 commercial reef fish species, and so basically the non-IFQ  
16 species. That reef fish vessel would also need to hail-in, even  
17 if it's just landing gray triggerfish or amberjack or whatever  
18 else it might be landing. If it's under reef fish, it would be  
19 required to hail-in.

20  
21 Alternative 3 would apply that requirement to hail-in to that  
22 reef-fish-permitted vessel any time it leaves to go commercially  
23 harvest any species. That could be a federally-managed species,  
24 if it's on a lobster trap, or it could be a state-managed  
25 species, if it's blue crab fishing, and so that is very much  
26 wide open.

27  
28 On the Alternative 2, if we scroll down to page 17, there is a  
29 table, Table 2.1.2, where we have provided the additional number  
30 of trips taken that harvest -- This is the additional number of  
31 trips taken in recent years that have harvested reef fish and  
32 IFQ species. Basically, you can see the difference. This would  
33 be the potential number of additional hail-ins that NMFS would  
34 receive from which the Office of Law Enforcement would decide  
35 who they go and check. It could be an additional thousand trips  
36 or so.

37  
38 If we scroll back up, for Alternative 3, we do not yet have the  
39 data quantified of how many additional trips we would be talking  
40 about. I did want to clarify something about this Alternative  
41 3. When the IPT got together and crafted these alternatives, we  
42 interpreted the five-year review as talking about all reef fish  
43 species that these vessels might be landing.

44  
45 Then the IPT also came up with the alternative of or if they're  
46 landing any commercially-caught species, and we wanted to make  
47 sure that this is really what your intention was, or did you  
48 perhaps want to redefine Alternative 3 to be just finfish

1 species and perhaps avoid some of these other commercially-  
2 caught species, and so that's one question I had for you. Then,  
3 depending on how we modify Alternative 3, we will have the data  
4 quantified for estimating the additional number of trips that  
5 would be expected to be hailing-in under that alternative.

6  
7 **CHAIRMAN GREENE:** Ms. Levy.

8  
9 **MS. MARA LEVY:** Just a question to clarify. Did you say before  
10 that under Alternative 2 or 3, if you have no IFQ species, you  
11 still need to land at an approved landing location? If that's  
12 what you said, I think we need to make that more clear in the  
13 alternatives, because, the way it reads now, it's not super  
14 clear. It just says you need to provide location of landing.  
15 If we're going to say you need to go to an approved landing  
16 location no matter what, I think we need to make that more  
17 clear.

18  
19 **DR. LASSETER:** We could definitely do that, and that was a  
20 recommendation from law enforcement, that the only way that  
21 could work would be if we required the approved landing  
22 locations, and so we will add that to the alternatives.

23  
24 Elaborating on that as well, NOAA OLE has had an opportunity to  
25 look at this just initially, but without the data quantifying  
26 the additional number of trips that would potentially result  
27 under Alternative 3, and so they have requested the opportunity  
28 to look at this again. Also, we are planning on taking this  
29 action to your Law Enforcement Committee at the Gulf States  
30 meeting in October, to provide them another opportunity to look  
31 at these alternatives with the estimation of additional trips as  
32 well.

33  
34 **CHAIRMAN GREENE:** Okay. Thank you. Ms. Bosarge.

35  
36 **MS. BOSARGE:** Just to clarify, they always have to hail-out.  
37 Well, let me back up. If they are a reef-fish-permitted vessel,  
38 a commercial reef-fish-permitted vessel, before they leave the  
39 dock, presumably in the morning, they have to hail-out and let  
40 the government know, essentially, that they're going out  
41 fishing.

42  
43 Now, when they hail out, they can say I'm going for an IFQ reef  
44 fish species or whatever. They can say I'm going for pleasure  
45 today with my family on this boat, or I guess there's a few  
46 other options.

47  
48 If they're not going to land an IFQ species, then they don't

1 have to hail back in, and so this is options for, if you're not  
2 landing IFQ species, do we still want you to hail-in and how far  
3 do we want to take it? Do we want it to be only for if you said  
4 you were going to catch some other kind of reef fish or is it if  
5 you're going commercial fishing period that you're going to have  
6 to -- If you're going out king mackerel fishing, you're still  
7 going to need to call the government three hours before you get  
8 in, so that somebody can meet you at the dock? That's what this  
9 is, right? Okay.

10  
11 **DR. LASSETER:** Correct, and the way you just described that last  
12 part is currently the way that Alternative 3 is worded, and I  
13 did want to ask the committee, is that your intention? Did you  
14 really want to require these vessels to hail-in if they have  
15 absolutely anything commercial or did you want to narrow it more  
16 to finfish? I did want some clarification on that.

17  
18 **CHAIRMAN GREENE:** Okay, committee. What would you like to do  
19 here? Mr. Fischer.

20  
21 **MR. MYRON FISCHER:** Thank you, Mr. Chair. It's on that subject  
22 of Alternative 3. I think we have to specify specifically what  
23 we're looking at. Although Alternative 3 states commercial reef  
24 fish permitted, and I'm following up with Leann. If a trawl  
25 boat has a commercial reef fish, would he have to hail-in every  
26 time he comes in with shrimp landings? How does this fall in  
27 with the mackerel fishermen?

28  
29 I don't know if we're ready to put this one in the back of the  
30 discount stack quite yet, but I could see a lot of problems if  
31 we start tweaking the wording to what it would include and maybe  
32 including vessels that are not under the scope of this document  
33 and what the fallout could be. I just wanted to put it up for  
34 conversation and tell us to be cautious as we look at the  
35 wording of Alternative 3, because you do have some reef-fish-  
36 permitted vessels that prosecute other fisheries.

37  
38 **CHAIRMAN GREENE:** Thank you. Andy.

39  
40 **MR. STRELCHECK:** I think Alternative 2 is preferred, from a NMFS  
41 perspective, at this point. You leave obviously some loopholes  
42 or holes in the system by requiring commercially-caught species,  
43 all species, in Alternative 3, because vessels that don't have a  
44 reef fish permit wouldn't have to report then their catch at  
45 that point. The VMS is intended for reef-fish-permitted  
46 vessels, and so I think it makes a lot of sense for Alternative  
47 2 at this stage.

48

1 The other thing I wanted to ask Ava is the distinction in  
2 Alternative 2 for IFQ versus non-IFQ landing requirements. It  
3 looks like you're distinguishing that IFQ would still have to  
4 report dealer and estimated weights, but non-IFQ landings would  
5 not include that information, and so I'm curious about the IPT  
6 discussion related to that and some of the challenges,  
7 potentially, with having two different landing forms.  
8

9 **DR. LASSETER:** The IPT envisioned all of the requirements to  
10 essentially be the same, as far as what would be required for  
11 reporting. That was my understanding, meaning that you would  
12 have to have the approved landing sites and whatnot. As for  
13 what would need to be changed on your VMS form, how specific we  
14 would need to be, we have not gone into that much detail.  
15

16 **CHAIRMAN GREENE:** Mr. Riechers.  
17

18 **MR. ROBIN RIECHERS:** Getting at Alternative 3 here a little bit,  
19 Ava, as the IPT worked through this, is it there because we were  
20 silent on other commercial species in the past, or is there  
21 trying to flesh out a suite of alternatives and give a range or  
22 is there some issue that we're trying to address? At least in  
23 my thinking, when we think about other commercially-caught  
24 species, if the trip wasn't intended for that purpose of  
25 commercial reef fish, and they went out for other species,  
26 thinking of lobster, shrimp, crabs, the other species that we  
27 can think of here, I am just not certain why we would be wanting  
28 to track that in that same way.  
29

30 **DR. LASSETER:** Thank you, Mr. Riechers. That's spot-on with  
31 both of those. The IPT, one, was trying to provide a range of  
32 alternatives, but, also, I don't believe we were fully clear  
33 with what was the intention of the recommendation that came out  
34 of the five-year review. Were they speaking to just all reef  
35 fish landings or were they wanting that to be more broad, but we  
36 did provide a broader range of alternatives, recognizing that  
37 this Alternative 3 is wide open.  
38

39 Now, the preliminary comments that we did get from the Office of  
40 Law Enforcement, and this speaks to something that Ms. Bosarge  
41 said also, is they do not visit every single vessel that has  
42 hailed-in. You don't know if you're going to be checked or not,  
43 and so there has been talk that, by opening it wide up and make  
44 everybody do it, they could decide on where they wanted to focus  
45 their enforcement efforts. If a problem is identified, it maybe  
46 gives them more enforcement capabilities.  
47

48 **CHAIRMAN GREENE:** One second, Mr. Riechers. Ms. Levy is waving

1 her hand. Maybe she can shed some light on that, but if you  
2 want to follow up, continue.

3  
4 **MR. RIECHERS:** I would just say I'm going to let it go to law  
5 enforcement, but my inclination is to not have this in here in  
6 this form, or certainly not have it as the preferred, but I will  
7 let it go to law enforcement.

8  
9 The whole notion that you just talked about also, from a law  
10 enforcement perspective, unfortunately gives them a lot more  
11 notifications that they're trying to decide which ones are  
12 important or not, and that may actually be worse for them, as  
13 opposed to better, but I will let them comment on that at their  
14 next meeting.

15  
16 **CHAIRMAN GREENE:** Thank you, Mr. Riechers. Ms. Levy.

17  
18 **MS. LEVY:** Thank you. I have two comments. The first is  
19 related to the difference between what would be required for IFQ  
20 species landings and no IFQ species landings and what they would  
21 need to report. I recall, at least in discussions with the IPT,  
22 that we did intend for them to be different.

23  
24 We intended it to be less burdensome if you weren't going to be  
25 catching and coming in with IFQ species, and so we wanted to  
26 know, one, that you said that you didn't have any IFQ species,  
27 where you would be landing, what day and what time, and your  
28 vessel number, but we didn't want to then create a situation  
29 where you had to report an estimated pounds of every species you  
30 caught that wasn't an IFQ species, and so I think there was some  
31 intention there to make it a little bit different.

32  
33 Then, with respect to Alternative 3, you certainly don't have to  
34 pick it as a preferred, but it seems reasonable to consider,  
35 based on what the purpose and need of this particular action is,  
36 to have everybody who has a permit to commercially land reef  
37 fish to have to tell you when they're coming in.

38  
39 You may decide that it's not something that you want to pursue  
40 or it's too burdensome or there are reasons why we don't want to  
41 do it, but the whole point is that these vessels are allowed to  
42 land these species, including the IFQ species, and it seems like  
43 it's at least reasonable to consider whether you would want to  
44 know when these vessels are actually going to come in with their  
45 catch.

46  
47 **CHAIRMAN GREENE:** Thank you. Any further discussion? Mr.  
48 Walker.



1  
2 **MR. DAVID WALKER:** The Shareholders', I guess the letter we gave  
3 is to support the expansion of the hail-in requirements to  
4 improve the loopholes. I know they're in the five-year ad hoc  
5 panel review. There was some discussion. There was concerns of  
6 if you didn't have any IFQ species, that it was just vermilion  
7 and amberjack, that you could just come in during the middle of  
8 the night and unload your fish. There was some concern about  
9 that, trying to close some of those loopholes. I am fine with  
10 Alternative 2 or 3, but I'm leaning towards 2 right now.

11  
12 **CHAIRMAN GREENE:** Thank you, Mr. Walker. Mr. Sanchez.

13  
14 **MR. JOHN SANCHEZ:** I'm undecided, but I would like to hear from  
15 law enforcement. With limited law enforcement resources, I  
16 would hate to throw an undue burden that's really not going to  
17 accomplish a whole heck of a lot on them, and I would like to  
18 hear what they have to say in respect to that.

19  
20 **CHAIRMAN GREENE:** Thank you, Mr. Sanchez. Ms. Bosarge.

21  
22 **MS. BOSARGE:** Ava, if you want some feedback on your question  
23 about the finfish versus others, for that Alternative 3, I can't  
24 think -- Maybe it's different in Louisiana, because they do have  
25 some boats that are a little bit smaller, but I can't think of a  
26 shrimp boat, offhand, that would have a commercial reef fish  
27 permit.

28  
29 I mean those boats are built for two different things. A shrimp  
30 boat is slow and built to tow a load. Typically, when you go  
31 out for reef fish, you need something that will move and get out  
32 where you're going in a decently short period of time and then  
33 catch your fish and get back in.

34  
35 Maybe, I guess, in Louisiana, you might could find one or two,  
36 but I would think it would be few and far between. If you  
37 wanted to do finfish, I don't really see where you would be  
38 having a big risk that there's a bunch of shrimp boats out there  
39 with reef fish permits that you're going to miss.

40  
41 **CHAIRMAN GREENE:** Thank you. It seems like there's some intent  
42 for any form of finfish that is commercially regulated, but it  
43 doesn't seem like there is much for shrimp or crabs or anything  
44 purely recreational or purely commercial that is not under an  
45 IFQ or reef fish type of species. Any further discussion? Mr.  
46 Strelcheck.

47  
48 **MR. STRELCHECK:** Just to add on to John's comment, we are

1 certainly cognizant of the increased burden on enforcement.  
2 That was one of the reasons why we wanted to provide some data  
3 to look at the number of IFQ trips versus the number of  
4 commercial reef fish trips, and you're looking at about a 10 to  
5 15 percent increase. It's about a thousand trips per year, on  
6 average, and so about three trips per day.

7  
8 They're getting automatic email notifications, and so they're  
9 able to cull through this. Yes, it's an increased burden, but  
10 we don't look at it as substantial, and it could really assist  
11 them for trips that are reporting reef fish, but non-IFQ  
12 species.

13  
14 **CHAIRMAN GREENE:** Ms. Levy.

15  
16 **MS. LEVY:** Just a comment. If you decide to change Alternative  
17 3 from commercial reef-fish-permitted vessels landing any  
18 commercially-caught species from the Gulf to any -- I don't know  
19 what it would say, maybe commercially-caught finfish species,  
20 but I think we need to be specific about what we mean by  
21 finfish. I mean it may have some definition, but we're going to  
22 need to put whatever definition we think that means, so that  
23 people are clear about what the distinction is.

24  
25 **CHAIRMAN GREENE:** Thank you. Based on my comment earlier, I was  
26 thinking of commercially-caught reef fish and not specifically  
27 finfish. That seems like a very broad spectrum that could go,  
28 but that was just a comment. Does anyone else wish to weigh in  
29 at this point? Ms. Levy.

30  
31 **MS. LEVY:** That's essentially Alternative 2, right? Alternative  
32 2 is a commercial reef fish permit landing any commercially-  
33 caught reef fish from the Gulf. I guess we need to ask whether  
34 that commercially-caught reef fish is only Gulf-managed reef  
35 fish or it means any reef fish that we define as reef fish. I  
36 suspect we were talking about managed species, but I think we  
37 need to clarify that as well.

38  
39 **CHAIRMAN GREENE:** I agree. Mr. Anson.

40  
41 **MR. ANSON:** I was just having a sidebar conversation with Ava,  
42 and she understands that there is the distinction, but she is  
43 going to try to provide some data for next time and for law  
44 enforcement, quite frankly, that kind of breaks out those  
45 various distinctions there of finfish and then other and kind of  
46 numerically identify how many trips that could be, potentially,  
47 and such.

48

1 She is comfortable with leaving it as is right now, so that she  
2 can go forward and kind of get the whole broad picture. Then,  
3 maybe later on, we can come back and further refine that, as far  
4 as whether it is a finfish and a definition of a finfish and  
5 maybe that kind of stuff.

6  
7 **CHAIRMAN GREENE:** Thank you. Any further discussion? Dr.  
8 Lasseter, back to you.

9  
10 **DR. LASSETER:** Perfect. Thank you, Mr. Chairman. We will move  
11 to Action 2. Action 2 now has two sub-actions, and this action  
12 addresses the inactivated IFQ shareholder accounts. As we have  
13 discussed, there are some IFQ accounts that were created at the  
14 time of the share distribution and the person to whom the shares  
15 were distributed has never accessed, logged-in, or in any other  
16 way participated in the program through that account.

17  
18 Over time, the number and quantity of shares held in these  
19 accounts has drastically decreased, as other commercial  
20 fishermen have located, tracked these guys down, and arranged to  
21 acquire their quota, but we do still have about 43,000 or 44,000  
22 pounds across all of the IFQ species held in these accounts.

23  
24 There are two sub-actions here. The first one addresses which  
25 of these shares should be returned to NMFS. Then the Action 2.2  
26 will address what to do with those once they are returned to  
27 NMFS.

28  
29 First, Action 2.1, of course, our Alternative 1 is our no-action  
30 alternative. IFQ shares held in these accounts may remain in  
31 those accounts and continue to be unused. Alternative 2  
32 addresses shares in the red snapper IFQ program, those accounts  
33 that have never been activated in that current system. It  
34 provides two options, to return those shares to NMFS on the  
35 effective date of the final rule implementing this amendment or  
36 one year following, give them one more year following the  
37 effective date of the final rule implementing this amendment.

38  
39 Alternative 3 is essentially the same as Alternative 2, but,  
40 instead of the red snapper IFQ program, it would address the  
41 grouper-tilefish IFQ program only, the shares in the grouper-  
42 tilefish IFQ program held in those inactivated accounts. Then,  
43 finally, Alternative 4 addresses both. It would apply to both  
44 the red snapper and the grouper-tilefish IFQ programs. Of  
45 course, you have the same options, Option a and b, provided  
46 under that, to have it take effect immediately upon  
47 implementation of this amendment or provide one additional year  
48 for the participants to do something with that quota, and I will

1 turn it over for questions.

2

3 **CHAIRMAN GREENE:** Mr. Riechers.

4

5 **MR. RIECHERS:** It's not a question, Ava, and I certainly can  
6 make it in the form of a motion, but I don't see any reason in  
7 the world why we need Alternative 4 when you can get to the same  
8 place with Alternative 2 and 3. We're always looking for ease  
9 of analysis and less verbiage when we can find it. That seems,  
10 to me, that's one that can go away. If you want it in the form  
11 of a motion, I will do it.

12

13 **DR. LASSETER:** I think it's always better to have a motion, and  
14 so that would be great, Mr. Riechers.

15

16 **MR. RIECHERS:** I would move that we remove Alternative 4 in  
17 Action 2.1 to considered but rejected or wherever it goes at  
18 this point, but it's redundant.

19

20 **CHAIRMAN GREENE:** Thank you. We have a motion on the floor. Is  
21 there a second for this motion? It's seconded by Mr. Matens. I  
22 will give Ava just a second here to make sure that everybody is  
23 on the same page. Mr. Walker.

24

25 **MR. WALKER:** I opposed this. Industry, I think the letter that  
26 they had written, at least the Shareholders' Alliance, and I  
27 would like to hear some more testimony, but it was that they  
28 supported Alternative 4. They were in support of Alternative 4.

29

30 **CHAIRMAN GREENE:** Mr. Riechers.

31

32 **MR. RIECHERS:** David, you can get to the same place by having  
33 two preferred alternatives, Alternative 2 and 3, and then, if  
34 you want to have the same preferred sub-option, you're in the  
35 same place. That's all I'm saying, is that it's just redundant  
36 of the other two alternatives there, and you can get to the same  
37 place just by having multiple preferreds, which we allow. In  
38 fact, it even footnotes and says that.

39

40 **CHAIRMAN GREENE:** Mr. Swindell.

41

42 **MR. SWINDELL:** Robin, wouldn't it be the same thing if you  
43 deleted Alternative 2 and 3 and just had 4?

44

45 **MR. RIECHERS:** It would be, but then you don't have the option  
46 of if, for some reason, you wanted to choose one or the other,  
47 both species, or IFQ programs or you wanted a different  
48 implementation date, which the sub-options give you. I wouldn't

1 think there's a reason why we would want to do that, but I am  
2 not going to be foregone in that conclusion and delete those two  
3 at this point.

4  
5 **MR. SWINDELL:** It would seem, to me, that when you have  
6 Alternatives 1, 2, 3, or 4, that you're going to choose one of  
7 them and not both of them. I don't know why you would, unless -  
8 - You can. Thank you.

9  
10 **MR. RIECHERS:** In past documents, we have often, if the suite of  
11 alternatives is designed where there is really multiple options  
12 in there, we have often used some level of multiple preferreds.  
13 Again, I am not going to fall on my sword over this one way or  
14 the other. If you guys want to leave it in there, vote no.

15  
16 **CHAIRMAN GREENE:** Thank you. Is there further discussion? We  
17 have a motion on the floor. **All those in favor of the motion**  
18 **before you, please raise your hand; all those opposed, like**  
19 **sign. The motion carries.** Mr. Matens.

20  
21 **MR. CAMP MATENS:** Thank you, Mr. Chair. I wanted to ask Ava a  
22 question. Ava, there is forty-three-some-odd-thousand pounds of  
23 fish that are here. How many individual accounts are those or  
24 does that represent?

25  
26 **DR. LASSETER:** Could we go back to the document and look at the  
27 top of page 20? We have a table, Table 2.2.1. We have broken  
28 it down for you into the number of accounts. I think we can  
29 assume, and I'm going to look over at Jessica, assume that these  
30 are probably not related to other accounts, we assume, or else  
31 they probably would have accessed them to move them, and so I'm  
32 going to assume that these would be individuals also associated  
33 with each one of these accounts.

34  
35 I will point out that, on NMFS's website, on the Southeast  
36 Regional website, if you go into the list of current permit  
37 holders, you can actually see that NMFS has noted with an X all  
38 of the initial accounts that have not been activated, and so you  
39 can see who those are, and that's also how some of the fishermen  
40 have been able to access these people.

41  
42 Basically, the whole grouper-tilefish program, about fifty-five  
43 accounts have been broken up by the different species or species  
44 groups within that, and then there are still forty-nine  
45 inactivated accounts in the red snapper program, and most of  
46 these accounts have very, very little quota, but there is one  
47 red snapper account that's got a -- It's gone? Okay. It's  
48 gone. I looked a while ago, and I think it had like 12,000

1 pounds or something, but it's gone. In that case, do you have a  
2 sense of how this number has changed since April 20?

3  
4 **DR. STEPHEN:** I haven't really looked at it, but I don't recall  
5 many -- In order for these guys to access their account, they  
6 have to send us paperwork that validates their citizenship, in  
7 order to take their account out of suspended and activate it. I  
8 don't really recall having many, maybe one or two, and so that  
9 number probably has not changed.

10  
11 **DR. LASSETER:** Except that if it was the person with the largest  
12 amount. That was over 10,000 pounds, I believe.

13  
14 **DR. STEPHEN:** I can go back and double-check on that for you.

15  
16 **DR. LASSETER:** If that is true, then that would be about 19,000  
17 pounds for the red snapper, possibly, and so it might bring this  
18 down 10,000 pounds.

19  
20 **CHAIRMAN GREENE:** Thank you. Chairman Anson.

21  
22 **MR. ANSON:** Thank you. Ava, this might be a question for you or  
23 it might be a question for Andy. What is the communication you  
24 expect to have with the account holders as this document goes  
25 forward and looks like it's going to go through for approval?  
26 We have the two options. One is they won't basically have any  
27 time once it goes into final implementation and it's done. Then  
28 another option is the one-year notice. Is there going to be a  
29 mailing that's done at some point, either as the document is  
30 progressing, to give them notice, one last chance, if you will,  
31 or will a letter go out once it is implemented, if we choose the  
32 one-year option, and the letter will state that you have one  
33 year to kind of activate this account?

34  
35 **MR. STRELCHECK:** Good question, Kevin. I don't think we've made  
36 any sort of final determination on how that will be done, but we  
37 have, in the past, sent letters to account holders that haven't  
38 opened their accounts, and we found that actually to be fairly  
39 unsuccessful, because of mailing addresses changing and people  
40 not being able to be found.

41  
42 We did, a year or two ago, post all of the accounts with  
43 inactive shares on our website, and industry has looked at that  
44 and certainly taken it upon themselves to find a lot of people  
45 that we've been unable to find, but we will certainly have to go  
46 out and convey that these changes are coming and try to reach  
47 out to those that have accounts that are inactive.

48

1 **MR. ANSON:** Based on your history of trying to communicate with  
2 the folks with the addresses you had on file and working with  
3 industry and that little bit of push, do you feel like you have  
4 kind of beat the bushes enough to notify those folks? If we  
5 chose Sub-Option a for these, that that would be fine? Mara,  
6 you can certainly chime in. I mean there isn't anybody that's  
7 going to necessarily call foul if we chose Sub-Option a and  
8 didn't select Sub-Option b?

9  
10 **MS. LEVY:** The Federal Register notice, the proposed rule, is  
11 legal notice that this is happening, and so I don't think  
12 there's any basis to challenge doing this upon implementation of  
13 the final rule, and I'm sure NMFS will do whatever outreach they  
14 can, but I think, given that these accounts have just been  
15 sitting there, that, unless someone can find these people, I  
16 don't know if it will help very much.

17  
18 **MR. ANSON:** Thank you.

19  
20 **CHAIRMAN GREENE:** Thank you. Any further discussion? Okay, Dr.  
21 Lasseter.

22  
23 **DR. LASSETER:** Thank you, Mr. Chairman. We will move on to  
24 Action 2.2. It begins on page 21. This action addresses how  
25 those shares from those inactivated accounts would be  
26 redistributed. Of course, your Alternative 1 is always your no  
27 action, do not redistribute those shares. They would, of  
28 course, then just remain with NMFS. Alternative 2 would  
29 redistribute the shares from each share category equally among  
30 all the shareholders of that same share category.

31  
32 Again, the share categories are each of the rows, for example,  
33 in the last table that we saw, and so deepwater grouper is one,  
34 shallow-water grouper is another, red grouper, gag grouper, and  
35 then all the tilefish are considered one share category.

36  
37 Alternative 2 would redistribute the shares, again, from each  
38 share category, but according to the proportion of shares held  
39 by shareholders of that share category at the time the shares  
40 are returned to NMFS. This is similar to how, when the quota is  
41 distributed out to the shareholders at the beginning of the  
42 year, how much allocation they get from those shares in  
43 proportion to their existing shareholdings.

44  
45 Alternative 4 would redistribute the red snapper shares amongst  
46 the existing grouper-tilefish shareholders, again in proportion  
47 to their shareholdings, and the inverse, to redistribute those  
48 shares from those inactivated grouper-tilefish accounts amongst

1 those red snapper shareholders, and, again, in proportion to  
2 their existing shareholdings.

3  
4 Alternative 5, this is one of our new alternatives since the  
5 last council meeting, when you added it. It would redistribute  
6 the shares from each of the share categories to the allocation-  
7 only account holders. Again, these are the accounts that have  
8 to be created by people that want to be able to to acquire  
9 allocation to go out and fish, but that they do not actually  
10 hold shares in that account.

11  
12 Now, keep in mind that that account could be related to another  
13 shareholder account that does have shares, but the idea here was  
14 to distribute -- Your idea from the last meeting, as we  
15 understood it, was to redistribute those shares to those  
16 accounts that do not hold shares. Is there any question on that  
17 one? That's a new alternative that you added.

18  
19 **CHAIRMAN GREENE:** Ms. Bosarge.

20  
21 **MS. BOSARGE:** You might have just said it while I was trying to  
22 ask Kevin if I missed the answer, but, anyway, that one, where  
23 it's redistributed to someone with an allocation-only account, I  
24 am assuming that person would be allocation-only with a permit,  
25 so that you know that they actually have a boat and are fishing.

26  
27 **DR. STEPHEN:** Actually, you could have an allocation-only person  
28 who does not have a permit, because there are some people that  
29 are just using that account to transfer allocation between other  
30 accounts. If you want the permit stipulation, I would suggest  
31 adding it. There is a handful of accounts that have allocation  
32 without permits and without shares.

33  
34 **MS. BOSARGE:** One follow-up. What would you suggest, since you  
35 see how these accounts work? If our goal is to make sure that  
36 that goes to someone that is a fisherman that wants to come up  
37 in this industry and grow his business, but he currently doesn't  
38 own shares, but he is leasing or whatever from someone else and  
39 actually actively fishing, if that's the group that we're  
40 targeting, do we need to put something in there that says  
41 allocation-only with a permit?

42  
43 **DR. STEPHEN:** If you're talking actually fishing, you could say  
44 allocation-only and landed, because you have to have the permit  
45 to land. Now, keep in mind the graph I showed before, that 61  
46 percent of the accounts are related to each other, and so you  
47 can have allocation-only accounts that are related to someone  
48 who has shares that they purposely were separating their assets.



1 It's up to the council if they want to distinguish between that.  
2 As soon as you start to try and make distinctions between  
3 related accounts, you complicate this greatly.

4

5 **CHAIRMAN GREENE:** Ms. Levy.

6

7 **MS. LEVY:** Could you specify, to get at what Leann was talking  
8 about, that you are only going to redistribute these shares into  
9 allocation-only accounts that have landings or permits that are  
10 not related to any account that has shares? Looking solely at  
11 those accounts that have allocation only and either have a  
12 permit or landings associated with it, whatever you want, but no  
13 relationship to another account with shares.

14

15 **DR. STEPHEN:** Yes, because we can figure out the relatedness.  
16 It's a little time consuming to make sure you're tracking  
17 everything correctly. We can do that, but I would suggest we  
18 have a specific point in time that you establish, that we're  
19 looking at that point in time, because relationships change.

20

21 **CHAIRMAN GREENE:** Thank you. Any further discussion? Okay, Dr.  
22 Lasseter.

23

24 **DR. LASSETER:** Thank you, Mr. Chairman. Our final alternative  
25 in this action is Alternative 6. This is the only alternative  
26 that would not redistribute the shares, but only the allocation  
27 of those shares from the inactivated accounts. Here is our  
28 quota bank option.

29

30 Alternative 6 states do not redistribute shares, but distribute  
31 the annual allocation associated with the shares to  
32 participants, as yet undefined, through a NMFS quota bank each  
33 year. Here, it just says participants. If you were to go this  
34 route, you would want to define which specifically, which we  
35 have some options here, and under what parameters, under what  
36 requirements.

37

38 Option 6a would distribute that allocation equally among  
39 whatever participants are defined. Option 6b would distribute  
40 the red snapper allocation, and we're only speaking of red  
41 snapper here, the red snapper allocation equally among  
42 participants who are fishing and landing red snapper in the  
43 eastern Gulf. Again, this whole alternative was added at the  
44 last council meeting, and we will need some additional  
45 clarification for who these participants would be and what would  
46 be defined as the eastern Gulf, what would be the boundaries of  
47 defining within the eastern Gulf. That's another key point of  
48 this as well.

1  
2 You did hear a bit about quota banks before we started, before  
3 we got into the document, and so this also gets at do you want  
4 to pursue this route with this allocation, and I would just  
5 point out, again, think about how much quota we're talking about  
6 in these accounts. Is this a route we want to go?

7  
8 Now, the quota bank could be used for something additional, and  
9 I want to point that out as well. We haven't gotten into 36B  
10 yet, but there might be something there that you might find a  
11 function for this tool, but you would kind of want to be  
12 considering that in designing the quota bank as well. You would  
13 want your goals and your purpose of it to encompass that more  
14 broadly, if that is the direction you were going to go. I am  
15 going to stop there and see if there's any questions.

16  
17 **CHAIRMAN GREENE:** Thank you. Mr. Matens.

18  
19 **MR. MATENS:** I'm sorry. Maybe it's in here and I just can't  
20 find it, but if these snapper go to the people in the eastern  
21 Gulf, which I am not against or for, how many pounds of snapper  
22 is it?

23  
24 **DR. LASSETER:** That's a good question. We are talking now  
25 about, as of April 20, 2016, given the current quota, we were  
26 talking about less than 29,000 pounds. Who those participants  
27 would be, that would also have to be defined and the geographic  
28 domain, and so I'm not sure how many people are landing. Would  
29 you provide it to anybody that's landing or would you want to  
30 narrow it? But we're not talking about a lot of pounds, a lot  
31 of red snapper. It's 28,000 or 29,000 pounds.

32  
33 **MR. MATENS:** To that point, is there anyone, yourself or anyone  
34 else, do you think that would solve the issue of the bycatch  
35 issue of snapper in eastern Gulf?

36  
37 **DR. LASSETER:** I would not like to speak to bycatch, as not a  
38 biologist, but, given that the quota bank program that we heard  
39 from the Shareholders' Alliance is trying to bump up their  
40 program to I believe he said 75,000 pounds this year, and they  
41 are only allowing that allocation to be used for incidentally-  
42 caught red snapper on grouper trips. You are not allowed to  
43 target those fish.

44  
45 If they're talking about 75,000 pounds and they still could have  
46 a greater demand -- Jessica pointed out that possibly that  
47 largest account within that 29,000 pounds might be gone, and we  
48 might be talking about 18,000 pounds of fish. I am not a

1 biologist, but I would suspect this is not going to satisfy your  
2 bycatch problem.

3  
4 **DR. STEPHEN:** That account is still there. It's still the  
5 28,000. I just checked. The account is still there.

6  
7 **CHAIRMAN GREENE:** Thank you. Mr. Diaz.

8  
9 **MR. DIAZ:** I guess this question is for Jessica. We talk in the  
10 document about at what point is this cost prohibitive to try to  
11 set this up, and I really don't have a feel for how much it  
12 would cost. Can you speak to that at all?

13  
14 **DR. STEPHEN:** I would just say that Alternative 6 with the quota  
15 bank would involve an awful lot of work to set something up for  
16 a very small amount of pounds. As Ava mentioned, quota banks  
17 are considered in 36B, where there might be different avenues in  
18 order to obtain allocation to put into it. In that sense, I  
19 would think it would be fairly cost-prohibitive to spend the  
20 time to set it up and figure out what our goals and objectives  
21 of the quota bank were for 28,000 pounds of red snapper, which  
22 is the highest per-share category we have right now.

23  
24 **CHAIRMAN GREENE:** Thank you. Ms. Bosarge.

25  
26 **MS. BOSARGE:** Mara, the suggestion you threw out about that  
27 Alternative 5 a second ago, with that discussion, I think that  
28 was our intent, was, if we were to redistribute those shares to  
29 people that didn't have shares before and we wanted them to go  
30 to fishermen that were out there actively fishing but were not  
31 shareholders in that fishery at the moment, hopefully your  
32 younger generation that's coming up in it, and so -- We had a  
33 discussion, but, I guess, in order to make that change, if  
34 that's the direction that we wanted to go with that Alternative  
35 5, we would need a motion.

36  
37 Before I make the motion, I want to make sure that I get the  
38 wording right. You said, and I am looking at both of you  
39 ladies, to make sure I get this right. It would be more like  
40 redistribute the shares from each share category to the  
41 allocation-only account holders with a commercial reef fish  
42 permit and landings and no related accounts with shares for that  
43 category. Is that right?

44  
45 **DR. STEPHEN:** That sounds right. The only thing you might want  
46 to consider is what timeframe are we looking at for landings?  
47 Is it the current year or a couple of years?

48

1 **MS. BOSARGE:** I would let the IPT flesh that part out if I could  
2 just get this motion for the main gist of it right. **I would**  
3 **like to make a motion, please, that we amend Alternative 5 in**  
4 **Action 2.2 to read: Redistribute the shares from each share**  
5 **category to the allocation-only account holders with a**  
6 **commercial reef fish permit and landings, but not related to**  
7 **other accounts with shares in that category.** If I get a second,  
8 I will try and make sure I have it right.

9  
10 **CHAIRMAN GREENE:** I am going to Ms. Bosarge a minute here to  
11 read her motion and make sure it's correct, along with everyone  
12 else. I think we realize the intent here, but let's make sure  
13 we capture it.

14  
15 **MS. BOSARGE:** It's pretty complicated, but I think that's my  
16 motion.

17  
18 **CHAIRMAN GREENE:** We have a motion on the floor. Is there a  
19 second for this motion? It's seconded by Mr. Diaz. Is there  
20 further discussion? Ms. Bosarge.

21  
22 **MS. BOSARGE:** As I stated earlier, I am not going to muddy up  
23 that motion anymore, but I'm sure there would be some options on  
24 what timeframe would look like to determine that, some point in  
25 the past, and so I will leave that up to staff to give us some  
26 kind of decent range for that.

27  
28 **CHAIRMAN GREENE:** Thank you. Is there further discussion by the  
29 committee? **Is there any opposition to the motion on the floor**  
30 **before you? Seeing no opposition, the motion carries.** Mr.  
31 Strelcheck.

32  
33 **MR. STRELCHECK:** I would like to make a motion. **I would like to**  
34 **move that Alternative 6 be moved to considered but rejected. If**  
35 **I get a second, I can describe why.**

36  
37 **CHAIRMAN GREENE:** We have a motion going up on the board to move  
38 Alternative 6 to considered but rejected.

39  
40 **MR. DIAZ:** Second for discussion.

41  
42 **MR. STRELCHECK:** We've already discussed that quota banks are  
43 being considered in 36B. I think there're more viable avenues  
44 for their consideration in that amendment, given the amount of  
45 quota is so small for what we're considering to be redistributed  
46 here. It's 28,000 pounds for red snapper, and I believe almost  
47 half of that for grouper-tilefish.

1 My expectation is those numbers will continue to go down as  
2 these conversations occur, and it just doesn't seem like a  
3 viable option to set up a quota bank for such a small amount of  
4 quota that would have to be redistributed, and so my  
5 recommendation is to move it considered but rejected, but  
6 maintain it in 36B for further discussion.

7  
8 **CHAIRMAN GREENE:** Thank you, Mr. Strelcheck. Any further  
9 discussion on the motion on the floor? **Seeing no further**  
10 **discussion, is there any opposition to the motion on the board**  
11 **before you? Seeing no opposition, the motion carries.** Dr.  
12 Lasseter.

13  
14 **DR. LASSETER:** Thank you, Mr. Chairman. Our final action is  
15 Action 3, and it begins on page 24. Action 3 addresses  
16 retaining annual allocation before a quota reduction, and so  
17 this action mirrors the framework action that recently withheld  
18 quota before the anticipated reallocation of red snapper, and so  
19 that was done in a framework action. In order to make this kind  
20 of a potentially future anticipated quota modification, to not  
21 have to engage in a framework action each time this happens,  
22 this would give the Regional Administrator the authority to do  
23 so.

24  
25 Alternative 1 would continue to distribute 100 percent of both  
26 programs' annual allocation to IFQ shareholders on January 1 of  
27 each year. Alternative 2 provides the Regional Administrator  
28 the authority to withhold the amount of annual allocation from  
29 either program, red snapper or grouper tilefish, before  
30 distribution at the beginning of a year in which a commercial  
31 quota reduction is expected to occur.

32  
33 It provides a couple of options. Withheld red snapper and  
34 grouper tilefish annual allocation will be distributed to  
35 shareholders if the effective date of the final rule  
36 implementing the quota reduction has not occurred by, Option a,  
37 June 1, or, Option b, August 1. I will turn this over for any  
38 discussion or questions.

39  
40 **CHAIRMAN GREENE:** Thank you. Is there any discussion? Seeing  
41 no discussion, Dr. Lasseter.

42  
43 **DR. LASSETER:** Thank you, Mr. Chairman. Okay. That's the last  
44 action of this amendment, and I wanted to briefly ask the  
45 committee about your expected timeline for the document. The  
46 IPT is going to continue -- We're going to modify the document  
47 to reflect the motions that pass in full council, of course.

48

1 We have previously held scoping meetings. We would need to hold  
2 public hearings at some point. Is there any sentiment amongst  
3 the committee members about the timeline for how they see this  
4 document going?

5  
6 **CHAIRMAN GREENE:** Dr. Simmons.

7  
8 **DR. CARRIE SIMMONS:** Thank you, Mr. Chairman. I'm glad Ava  
9 brought this up, because I was going to bring it up if you  
10 didn't, but I guess my question would be to the Regional Office  
11 staff and to Ava, in thinking about the IPT.

12  
13 Based on the additional data requests that were just discussed,  
14 do we think we can bring a public hearing draft to the October  
15 council meeting or do we need some more flexibility, and it  
16 would be very draft, since we don't have all of the options  
17 finalized under some of the alternatives, to January?

18  
19 I guess I'm not really sure how in-depth we need to go, and,  
20 also, we're having the Law Enforcement AP look at that, but,  
21 before we work towards that public hearing draft, it seems like  
22 some of our alternatives and options are still changing and  
23 moving around in this document, and so I'm glad we're talking  
24 about this. Thank you.

25  
26 **CHAIRMAN GREENE:** Thank you. Is there discussion? Mr. Boyd.

27  
28 **MR. DOUG BOYD:** A different topic, and so I will wait.

29  
30 **CHAIRMAN GREENE:** Thank you. Is there discussion about this  
31 topic? Does anyone want to weigh in? Then I will weigh in. I  
32 guess we're going to have the Law Enforcement AP look at some of  
33 this stuff, the landing notification and it seems like we've  
34 added some stuff, and so, as much as I want to get this thing  
35 off the table and move on to other things, I think it may be --  
36 It just seems like I really want to hear what they have to say  
37 about the landing deal, because there is some confusion there.

38  
39 I have read it three or four times, and I still want to kind of  
40 clarify it in my own mind, and so I would assume that we would  
41 bring it back in October with the updated analysis and let the  
42 law enforcement people have their opportunity at it and then  
43 we'll move forward at that particular point. Is there anyone on  
44 the committee that disagrees or would have a different point of  
45 view? Please speak up now. Mr. Fischer.

46  
47 **MR. FISCHER:** My understanding is in October we will be taking  
48 full preferred alternatives and moving forward for public

1 hearings.

2  
3 **CHAIRMAN GREENE:** That's correct, and what I did not say but  
4 meant to say.

5  
6 **MR. FISCHER:** You may have said it, and I'm trying to shuffle  
7 through my junk file right here and get to the microphone, and I  
8 might not have heard it.

9  
10 **CHAIRMAN GREENE:** I'm with you. Dr. Lasseter.

11  
12 **DR. LASSETER:** What I just understood was we were not working  
13 towards a public hearing draft and we were just going to revise  
14 the document based on your direction and get these extra  
15 analyses, and so you do want us to work towards a public hearing  
16 draft in October?

17  
18 **CHAIRMAN GREENE:** Mr. Fischer wants to continue with it, but I  
19 really want to hear what the law enforcement has to weigh in on,  
20 and I think that's going to hamper the decision that's  
21 ultimately made. Don't leave it up to me. You all are on the  
22 committee, and does anybody want to speak up and say anything  
23 now? If it's up to me, I would just bring it back in October  
24 and hear what the law enforcement has and then go for scoping in  
25 the first part of the year. Ms. Gerhart.

26  
27 **MS. SUE GERHART:** Just in terms of getting the analysis that you  
28 need to make your decision for preferreds, if we don't have  
29 solidified actions and alternatives, then it's difficult to do  
30 that analysis. We would prefer that you had all of that  
31 information before you made those decisions. For that, we  
32 wouldn't have all of that for October, but it's up to you when  
33 you want to make those decisions.

34  
35 **CHAIRMAN GREENE:** Thank you. Okay. Let's just do as we laid  
36 out a minute ago. Let's let the staff and IPT have time to come  
37 back with the analysis in October and let's hear what the Law  
38 Enforcement Committee has to say about it. Then we will move  
39 forward after that particular point. I don't see anybody  
40 opposing it, and so I guess that's the intention of how we will  
41 progress from here. Okay, Dr. Lasseter, do you have anything  
42 else?

43  
44 **DR. LASSETER:** I am good. Thank you, Mr. Chairman.

45  
46 **CHAIRMAN GREENE:** Okay. We are up for a break, almost on time.

47  
48 **MR. MATENS:** I just want to go back to Action 2.2 for a second.

1 Dr. Lasseter, has staff or the IPT had any discussions about an  
2 alternative that would allow NMFS to auction and redistribute  
3 any shares, as another alternative?  
4

5 **DR. LASSETER:** The IPT has not discussed it. I believe at the  
6 last meeting that we talked about the committee modifying and  
7 providing additional alternatives. If that's an alternative you  
8 would like to add -- I am trying to get the attention of  
9 somebody over at NMFS staff. Adding an alternative for  
10 auctions, if that's the committee will, should they make that as  
11 a motion?  
12

13 **MR. STRELCHECK:** They can make a motion if they would like. I  
14 guess I would go back to it's such a small quantity of fish, and  
15 so you're going to potentially have to set up a very complicated  
16 system in order to auction off the fish with that process, and  
17 so that would be my main concern, is the quantity of fish that  
18 we would be distributing and the cumbersome process that would  
19 have to be developed to do so.  
20

21 **CHAIRMAN GREENE:** Thank you. Any further discussion before we  
22 leave? Mr. Strelcheck.  
23

24 **MR. STRELCHECK:** I wanted to go back to Action 2.2, Alternative  
25 4. This was something I believe that was added at the last  
26 council meeting. I just wanted to note that there is concerns  
27 here about the distribution of grouper-tilefish shareholdings to  
28 red snapper shareholders and vice versa, primarily because there  
29 is often fishermen that fish for red snapper but not grouper-  
30 tilefish or certain species of grouper-tilefish and vice versa.  
31

32 You potentially, if you select this as an alternative, you, with  
33 this alternative, would be distributing shareholdings to people  
34 that wouldn't necessarily be using those shares to begin with,  
35 and I think about the deepwater grouper and tilefish fishery, in  
36 particular, it's a very unique fishery and very limited number  
37 of vessels that participate in it, and so, going down this path,  
38 I think that's a huge downside to selecting this as a preferred  
39 alternative or even having it as an alternative.  
40

41 **CHAIRMAN GREENE:** Thank you. Is there further discussion? Mr.  
42 Boyd.  
43

44 **MR. BOYD:** I am going to offer a motion, and my motion is going  
45 to be Alternative 6, but I may need some help in wordsmithing  
46 this. To add Alternative 6 in 2.2 to distribute allocation in  
47 non-activated IFQ accounts through an auction by National Marine  
48 Fisheries to the highest bidder, in a silent bid, no-reserve



1 **format.** If I get a second, I will talk about it.  
2  
3 **CHAIRMAN GREENE:** Let's make sure we get this correct on the  
4 board. Ms. Levy.  
5  
6 **MS. LEVY:** When we first started talking about looking at  
7 Amendment 36 in general and what we could and could not do with  
8 respect to modifying the red snapper IFQ program, based on the  
9 referendum provisions that are expressed for red snapper, that  
10 you have to have a referendum before you start working on a new  
11 plan and what would constitute a new plan, the one thing that I  
12 said would trigger that requirement is establishing an auction,  
13 because the provisions that talk about auctions talk about in  
14 establishing the LAPP program that you can consider auctions.  
15  
16 The council decided, way back when we started talking about  
17 this, not to consider auctions, so as to not trigger the  
18 requirement to have a referendum before you start working on it.  
19 I don't think we can add this now without going back to that  
20 referendum discussion, and then it's going to trigger a whole  
21 host of things, because we've already started working on it  
22 without having the referendum.  
23  
24 If you want to consider some kind of auction with respect to at  
25 least the red snapper IFQ program, we're going to have to have a  
26 referendum about that before you can start working on it.  
27 Grouper-tilefish is not the same situation, because it has a  
28 different referendum provision.  
29  
30 **CHAIRMAN GREENE:** Thank you. We have a motion on the board. It  
31 was seconded by Mr. Matens. Any further discussion?  
32  
33 **MR. BOYD:** My reasoning on this is that we don't have all of the  
34 alternatives that are available to us here, and that's my sole  
35 reason. I think that any time that we have allocation that's  
36 available and people are currently buying that allocation up,  
37 why can't the American public receive the funds for that? An  
38 auction seems like the right thing to do, and it is a viable  
39 alternative. Now, saying that, Mara, did we have a vote not to  
40 do a referendum earlier or go through that process?  
41  
42 **MS. LEVY:** You had a discussion about what to include in  
43 Amendment 36, what you were going to make 36 about, what was  
44 going to be in there, and the one thing that was highlighted  
45 that you could not include without first having a referendum was  
46 an auction requirement for red snapper.  
47  
48 Before you started actually working on Amendment 36, you decided

1 you weren't going to include that, because you couldn't without  
2 first having the referendum, because remember red snapper has  
3 the before you begin working on it referendum and then the  
4 before you submit it referendum. It has the requirement for two  
5 of them, not like the regular limited access privilege program  
6 referendum requirements.

7  
8 **CHAIRMAN GREENE:** Thank you. We have a motion on the floor, and  
9 it's been seconded. How do you all wish to proceed? Mr. Matens  
10 seconded the motion. Ms. Bosarge.

11  
12 **MS. BOSARGE:** Doug, I guess, if that was the avenue you wanted  
13 to proceed, you could always make a motion that started a new  
14 document, a separate document, to go down that path. I mean I  
15 am trying to throw something out there, because, based on what  
16 Mara said, I feel like I have to vote against this motion, and I  
17 don't want you to feel like, if that's something you really want  
18 to consider, that it's just not possible. I think you would  
19 just have to do it in a new document that we haven't started  
20 yet.

21  
22 **MR. BOYD:** This document is modifying the IFQ program. This  
23 seems like the appropriate place to do that. Mara, if this  
24 motion passed, why wouldn't it be a part of the analysis of the  
25 document? It isn't approved and it isn't a part of the finished  
26 amendment yet.

27  
28 **MS. LEVY:** Right, but, under the red snapper referendum  
29 provisions, in order to prepare a plan that creates a limited  
30 access privilege program, you have to have a referendum. In  
31 order for the council to start preparing a plan that creates a  
32 limited access privilege program, you have to have a referendum.

33  
34 The reason that I had said that having an auction is equivalent  
35 to creating a new limited access privilege program plan is  
36 because, under the limited access privilege provisions that talk  
37 about auctions, it says, in establishing a limited access  
38 privilege program, the council shall consider and may provide  
39 for an auction system. It's very clear that the auction comes  
40 in when you're establishing the plan.

41  
42 If you're going to now put an auction into this, in my mind,  
43 there is a very strong argument that you are establishing a new  
44 plan. If that's true, then we have to have a referendum before  
45 you start preparing that.

46  
47 If you want to have a motion to hold a referendum to allow you  
48 to start preparing a plan to establish a new system that

1 includes an auction, that seems feasible, to me. Passing this,  
2 to me, says that we have to stop and hold a referendum to allow  
3 the council to continue to prepare a new plan that includes an  
4 auction system.

5

6 **CHAIRMAN GREENE:** Thank you. Mr. Riechers.

7

8 **MR. RIECHERS:** Mara, and certainly I don't question your legal  
9 interpretation, but I guess what I would suggest is that isn't  
10 this just a way to handle the undistributed allocation shares  
11 and not an entire IFQ referendum or plan?

12

13 That just provides a different alternative, as opposed to the  
14 alternatives that are there or to the alternatives, which we  
15 considered and put in rejected of a quota bank kind of system.  
16 While there may be reasons not to do this, I don't think at it  
17 as a full IFQ program discussion. It's a way to handle some  
18 undistributed shares.

19

20 **MS. LEVY:** I think the issue for me is that the language about  
21 auctions talks about establishing a limited access privilege  
22 program and providing an auction system, if appropriate, to  
23 collect royalties for the initial or any subsequent distribution  
24 of allocations in the program.

25

26 It's specifically saying when you create this program that you  
27 can consider an auction, or you have to consider an auction  
28 system, and you can implement it for the initial distribution  
29 and any subsequent distributions. This is a subsequent  
30 distribution, and so, if you read that language, you are, in  
31 essence, creating a new plan that is going to consider an  
32 auction for subsequent distribution, and it's very hard to then  
33 say that this doesn't fall under the referendum provision that  
34 requires that you have a referendum to allow yourself to prepare  
35 such a plan.

36

37 I know it's awkward, because 407(c) is awkward, because it has  
38 been in there for so long and it's an awkward provision to apply  
39 today, but it's still there. I understand what you're saying,  
40 and I understand that it doesn't fit neatly into a box, but,  
41 when you look at the two provisions together, it's sort of the  
42 only reasonable interpretation that I can come up with.

43

44 **CHAIRMAN GREENE:** Thank you. Is there further discussion? Mr.  
45 Boyd.

46

47 **MR. BOYD:** Based on Mara's interpretation, I will withdraw my  
48 motion, but I don't know that I agree with it, even though she

1 read it out of the book. Thank you.

2  
3 **CHAIRMAN GREENE:** The motion has been withdrawn. With that, is  
4 there any further discussion before we leave Amendment 36 and go  
5 to break? Seeing none, we're going to take a fifteen-minute  
6 break and pick back up at 10:50.

7  
8 (Whereupon, a brief recess was taken.)

9  
10 **CHAIRMAN GREENE:** We're going to move on, but I just want to  
11 circle back to our discussion about the timeline and what we're  
12 going to do with with Amendment 36. I have talked to Sue  
13 Gerhart about how we're going to handle this, or her idea of how  
14 we should handle this, and they're going to bring back some  
15 additional analysis to us in October.

16  
17 After that, we want to see what the Law Enforcement Committee  
18 comes out with their ideas, and then we're going to try to move  
19 forward toward a public hearing draft in February, and so just  
20 to make sure that everybody is clear on the intent. I certainly  
21 don't want to mislead anybody, and, if anybody has any issues  
22 with that, please speak up now. Otherwise, we're going to  
23 continue on our agenda.

24  
25 We're going to turn now to our next action item, which is Review  
26 of Headboat Collaborative Project. That will be Tab B, Number  
27 8, and Dr. Stephen.

28  
29 **REVIEW OF HEADBOAT COLLABORATIVE PROJECT**  
30 **OVERVIEW**

31  
32 **DR. STEPHEN:** At the last council meeting, you guys had asked  
33 for an update of where we were after the two-year headboat pilot  
34 program. I'm going to give the first half of the presentation,  
35 and then Josh Abbott will give the second half of the  
36 presentation.

37  
38 Just an overview, to remind you guys about this program, it was  
39 a two-year allocation-based program just for red snapper and gag  
40 with 100 percent catch accountability. We have between  
41 seventeen to nineteen vessels across the Gulf participating, and  
42 they were monitored through VMS hail-out and hail-ins, approved  
43 landing locations, and trip-level reporting requirements.

44  
45 A review of how the quota distribution went, NMFS distributed  
46 the quota to the Headboat Collaborative manager. This was a  
47 collaborative program, and so it was a little different than the  
48 commercial-style IFQ program. The manager then determined how

1 to distribute that to the vessels and distributed the allocation  
2 to the vessels.

3  
4 When the vessels were going on a fishing trip, they needed to do  
5 a VMS declaration. At the declaration level, we sent an email  
6 to law enforcement and dockside samplers, to let them know a  
7 trip was going out. One hour before landing, the vessels had to  
8 do a pre-landing notification. Again, an email went out to law  
9 enforcement and dockside samplers that said exactly what time  
10 they were landing, where they were landing, and the exact count  
11 they had of red snapper and gag onboard.

12  
13 The vessel would land at an approved landing location, and a  
14 subset of that were dockside samplers there to validate the  
15 catch against what was put in during the hail-in. They would  
16 submit their e-log on the day that the trip was completed, and  
17 then those landings were sent from the Southeast Headboat Survey  
18 Program to SERO and the allocation was deducted from their  
19 account.

20  
21 There was a tag system involved in this program. This tag  
22 system though was developed by the participants and the manager  
23 and not by NMFS. They did use a waterproof tag. They color-  
24 coded it for species, and the crew was responsible for filling  
25 out information on that, such as the vessel's name, the  
26 customer, and the date. Tags were kind of attached to the fish  
27 in a different way. Some of them attached them to the fish and  
28 some to the stringer. On others, they put it in the fillet bag.

29  
30 Let's go over what they landed. This was a program where we  
31 converted pounds over to number of fish, and so I will display  
32 information both in pounds and in the conversion to fish. For  
33 gag, in the green, in the first year, they landed 50 percent of  
34 the fish, and about 51 percent of it as in pounds, and there was  
35 a little bit less in 2015. They had about 30 percent fish and  
36 37 percent in pounds.

37  
38 For red snapper, in the red, we see that they had 98.9 percent  
39 of their fish landed the first year and 95.8 percent by weight.  
40 In the second year, it was 84.9 percent of the fish and 89.8  
41 percent by weight.

42  
43 Comparing the trips over the two different years, in both years  
44 we had over 3,000 trips. Of those, only between 51 to 60  
45 percent of the trips actually landed red snapper or gag, and you  
46 can see that there were more trips landing red snapper, 41 to 38  
47 percent, versus gag, which was 22 to 16 percent.

48

1 One thing I would like to point out is that they had a variety  
2 of different types of trip lengths that they were running. They  
3 had half-day trips, three-quarter-day trips, full-day trips, and  
4 multi-day trips. The majority of the trips were either half-day  
5 or three-quarter-day trips. In half-day trips or in the three-  
6 quarter, we could have two trips per day. We had full-day  
7 trips, and very few of the vessels did multi-day trips.

8  
9 We wanted to look at kind of the seasonal pattern of trips of  
10 the Headboat Collaborative Program versus the entire survey, and  
11 so the orange-colored line that you see running through there is  
12 all survey trips, trips for vessels all from the headboat  
13 survey, and you can see that, in the blue line, it's any trip  
14 taken by a vessel in the collaborative. The green line is the  
15 trips that actually landed species for that. What I want to  
16 point out is that the seasonal pattern was the same for the  
17 headboat vessel trips versus the entire SRHS trips.

18  
19 When we look at the percentage of fish that were landed, in red  
20 snapper, there is a very similar pattern between 2014 and 2015,  
21 where you see June and July having the bulk amount of poundage  
22 of fish landed. In gag, there was a little bit different  
23 distribution in it. Typically, when you see a high value that  
24 you see in December of 2015, this is something we see in the  
25 commercial IFQ programs where they're trying to use up some  
26 allocation at the end of the year, and it's also a time where  
27 gags might be harvested more.

28  
29 Talking about converting fish to pounds, we did a pre-season  
30 conversion, and that was an annual conversion prior to the start  
31 of the program, where we looked across all months by region, and  
32 we did it by region because there can be differences in weight  
33 by the regions.

34  
35 We also compared that to an in-season conversion. In-seasons  
36 were done monthly instead of annually, and, there again, per  
37 region. We updated those in-season weights every fifteen to  
38 thirty days, and those were based on the dockside sampling. You  
39 can see that there were differences between pre-season and in-  
40 season conversions, depending on the years. In one year, we  
41 ended up at negative 3.3 percent. That meant we estimated a  
42 greater weight for the pre-season than the in-season. In  
43 another year, we ended at 5.5, in which the in-season was  
44 greater than the pre-season. Monthly, you had a lot more  
45 variation, and that had a lot to do with sample sizes.

46  
47 Speaking of different weights by region, this is just a quick  
48 table that shows you the different weights that they were for

1 each of the different regions that we looked at and the range of  
2 weight differences. This highlights the need to make sure that  
3 we're looking at regional differences in weights in any program  
4 going forward where we're looking at fish and weight  
5 conversions.

6  
7 There were allocation transfers allowed between the vessels, and  
8 so we had four different transfer reasons that were allowed to  
9 be selected. There was a no-comment, and that had the greatest  
10 number of reasons selected. Then we had a barter/trade, and  
11 that would be someone giving red snapper allocation for gag  
12 allocation or vice versa. There was also sale to another  
13 vessel, in which case someone was selling the allocation they  
14 had to another vessel or a gift between vessels.

15  
16 Most of the transactions occurred within the same region, and so  
17 we didn't see a lot of cross-region transfers. Looking at it by  
18 species, we saw that there were more transfers of red snapper  
19 allocation than gag. We had about eleven to ten accounts doing  
20 the transfers, and they did between nineteen to twenty-eight  
21 total transfers within the years, and this equated to about 5 to  
22 6 percent of the quota moving between different vessels.

23  
24 When you look at gag, there were only a handful of accounts that  
25 were doing transfers, and they only did a very small number of  
26 them, and it was less than 1 percent, up to 2 percent, of the  
27 quota for the gag transfers, and so this was a very different  
28 picture than what we have seen commercially, where the  
29 allocation transfers could exceed the quota.

30  
31 What I wanted to do was look at trip validation across the two  
32 different years. The solid color in these graphs represents the  
33 total number of trips taken, and the hatched marks that you see  
34 are the number of trips that were validated for those.

35  
36 Overall, we had 23 to 26 percent trip validations per year,  
37 which is a really good subsample of that. That equated to  
38 between 707 to 904 trips per year. By month, we ranged between  
39 11 percent to 47 percent per month, or thirty-five to 109 trips.  
40 One thing to keep in mind is that in the summer months you have  
41 many more trips, and so it looks like you're validating less for  
42 the amount of trips taken, but you are roughly the same among  
43 the different months in the amount of trips you're validating  
44 overall.

45  
46 With the validation, we looked for what discrepancies there were  
47 between the hail-in that gave you the number of fish and the  
48 number of fish that the dockside samplers saw. Then we also

1 compared that to the number of fish entered in the landing  
2 transaction. There were only thirty trips out of the 3,000,  
3 actually out of the 6,000 for both years, that had  
4 discrepancies.

5  
6 All of these had to do with red snapper. We had a higher number  
7 of discrepancies in 2014. That was actually due mostly to a  
8 learning curve of getting used to the software and getting used  
9 to counting it. Typically, the fish were only off by one or  
10 two, and sometimes they were overcounts and sometimes they were  
11 undercounts.

12  
13 All of the discrepancies were corrected in the IFQ system, and  
14 so that actually was deducted from the allocation appropriately  
15 after we resolved what the discrepancy was. Discrepancies  
16 occurred for a variety of different reasons. Initially, there  
17 was an unfamiliarity with the software, or, if a new captain was  
18 put onboard that wasn't familiar with the software, they were  
19 the ones entering the information.

20  
21 There was occasionally a mixing of the same-day trips. They  
22 accidentally put the landing transaction in for the first trip  
23 versus the second trip, and those were fairly easy to figure  
24 out. We had some transposing of numbers. Instead of twelve, it  
25 was twenty-one, for example. Some of them, they identified the  
26 species wrong or selected the wrong species. When they were  
27 looking at the application, they thought they had red snapper,  
28 and they accidentally selected, for example, something like red  
29 porgy. Then there was just pure miscounting, where they thought  
30 they counted correctly and they didn't.

31  
32 When we looked into reporting compliance, VMS was integral to  
33 the compliance tracking of this program. VMS allowed us to  
34 validate when a vessel actually left the port, and so we could  
35 see that they were out. If they had forgotten to make a hail-  
36 out, we could track through VMS that they were out, and  
37 sometimes troubleshoot if there was a problem with the unit  
38 versus a problem with someone new not understanding the  
39 requirement to hail-out.

40  
41 Altogether, we only had 8 percent of the trips missing a hail-  
42 out, and the majority of those were due to technical errors with  
43 the software that we corrected. This, again, was a burning-in  
44 program of making sure the forms worked correctly.

45  
46 When we came to hail-ins, we had about 7 percent of the trips  
47 missing a hail-in. Again, the majority of those were technical  
48 errors. We had about 4 percent of the time where the e-logs



1 were submitted late. They were supposed to be submitted on the  
2 day of the trip. A lot of times, the late submissions were  
3 either due to a technical glitch, again, a new captain who was  
4 unaware of the more stringent reporting requirements versus the  
5 SRHS program, or pure forgetfulness, and we did a phone call to  
6 remind them, and we immediately got that thereafter, for the  
7 most part. You can see the actual counts in the table below, if  
8 you're interested.

9  
10 What I'm going to go into now are some of the lessons we learned  
11 from this program. In respect to harvest, we realized that they  
12 were making trips year-round and actually harvesting both  
13 species year-round. We had near real-time landings  
14 accountability, and we had very high reporting compliance with  
15 that.

16  
17 The allocation transfers allowed for a lot of flexibility. If  
18 someone was coming up short on one of the species, they could  
19 contact someone and get the allocation and be legal before  
20 landing. It allowed us to move the fish to where they were  
21 needed for harvest.

22  
23 When it came to the software that we used and the hardware, we  
24 had some lessons learned there. One was the learning curve for  
25 new software is there, and it's going to take maybe a couple of  
26 months to get someone really comfortable and used to the new  
27 system.

28  
29 If you have a change-out of captains or mates, whoever is  
30 assigned to do it, we need to make sure we have a good training  
31 program, so they understand clearly what is needed in the hail-  
32 out and hail-in requirements and the timing of reports. We also  
33 learned that the vessel owners relied more on the managers to  
34 make sure their balances were correct rather than checking it  
35 themselves.

36  
37 I think, with any of the programs we have kind of coming up in  
38 the pipeline, considering that they are going to have to be  
39 accountable for their own thing, they will probably check their  
40 account on their own and not depend on the manager, who did  
41 that. It was helpful for us having the manager though, because  
42 we had one point of contact, and that made it much smoother when  
43 we were having any discrepancy checks or looking at anything.

44  
45 The other lesson learned is that we should only use one system  
46 for the landings. The landings were being reported through the  
47 Southeast Headboat Survey e-log program and then getting moved  
48 to the Regional Office. This created a slight lag in data

1 transmission between the two offices. It also increased our  
2 need to monitor and audit all the information, to make sure if a  
3 change occurred in one system that we captured it in the other  
4 system as well.

5  
6 Lessons learned according to VMS, we found out that a good  
7 working relationship with the vendor quickly helped us identify  
8 and solve any of the issues that were occurring. There were  
9 sometimes problems with the VMS that led to the missing hail-  
10 outs and hail-ins, and this is true even in commercial. There  
11 is occasional hiccups within the system.

12  
13 The one thing we noticed with this is that these were tablet-  
14 style VMS units, and we had one accidental switch between the  
15 tablets between two vessels owned by the same owner. The  
16 tablets got switched, and so the information coming to us looked  
17 like it was for the wrong vessel. This was actually caught by  
18 the vessel owners immediately. They called us and let us know.  
19 We let law enforcement know, and we were able to work out how to  
20 correct that data as it came in.

21  
22 One thing too is the entire program was run with VMS as your  
23 hail-in/hail-out alternatives. There were no back-ups, like  
24 there are in IFQ, of the website and the call service center.  
25 This could create a bottleneck, if there is delayed or missing  
26 hail-out and hail-ins. As I mentioned, commercial has a variety  
27 of ways to supply that data.

28  
29 When it came to enforcement of the program, the approved landing  
30 locations were really valued by the enforcement agents. They  
31 could ensure that a site existed and that it was accessible. By  
32 having an approved landing location, they had a code that marked  
33 where it was that simplified the hail-in process for them.

34  
35 The law enforcement did think that the tags identifying the  
36 participants was helpful, but not necessary for enforcement.  
37 What was good about this is that they were a small subset of a  
38 group working different from all the other headboats and charter  
39 boats around them, and so it allowed them to identify that  
40 subset well for fishing out of what would have been the regular  
41 season.

42  
43 The emails of the hail-outs and hail-ins was one of the most  
44 helpful aspects to both the enforcement agents and dockside  
45 samplers. It allowed them to plan their day. They had  
46 requested that additional information be added to the hail-out,  
47 such as what location they expected to return to and the  
48 expected return time. That would allow them to pre-plan their

1 day earlier than wait until they got the hail-in notification  
2 with that information.

3  
4 With respect to validations, the hail-outs and hail-ins were,  
5 again, helpful in predicting the work schedule. The catch  
6 validation, we felt it was needed, but aiming for 20 percent is  
7 probably adequate. Like I said, we had really high validation  
8 for that, but it was a small subsample.

9  
10 Keep in mind that current staffing might not be able to validate  
11 20 percent of all our charter headboats out there, nineteen  
12 vessels versus 1,200 vessels for the charter headboat programs.  
13 One other thing to consider is the seasonal increase in trips.  
14 Sampling was kept fairly steady throughout the timeframe, but  
15 you had more trips in the summer months, and so it might be  
16 somewhere where you want to increase your sampling or hire on  
17 some extra people or extra hours for those months where you know  
18 that there are more trips being taken.

19  
20 One thing that all the agents said is that the project improved  
21 the relationships between the captains of the vessels and the  
22 dockside samplers. They got to have a good working  
23 relationship. They were talking with them more, and there was  
24 more understanding of what the dockside sampling was doing  
25 because they had those conversations.

26  
27 With respect to weights, in-season weights, we did notice that  
28 they can be different than pre-season weights and that there  
29 were regional differences. The other big factor playing into  
30 this is the number of samples collected to create those in-  
31 season weights. There were times when we didn't probably have  
32 enough samples in a certain region to get a better estimate of  
33 the weights. We always looked at the entire SRH sampling  
34 weights to make sure, if we were low in numbers for just the  
35 headboat vessels, and so that's one thing to keep in mind.

36  
37 The other thing with weights versus fish for allocation is fish  
38 are easier to count, and so it's the preferred method by the  
39 participants as well as law enforcement with the ease of  
40 validation and timeliness of it.

41  
42 In-season weights though do need to be converted to pounds, and  
43 one mechanism to account for this would be kind of the idea  
44 that, if you were going to go forward with a program that has  
45 allocation in pounds given out to accounts, that you only  
46 convert that pounds to a fish when it gets pushed to the vessel,  
47 because a vessel is very specific to a region. Then you kind of  
48 account for any allocation transfers or in pounds between

1 vessels when your conversion is to number of fish based on your  
2 own conversion rate. At this point, I will take any questions  
3 about this portion of it, and then we'll pass it off to Josh.

4  
5 **CHAIRMAN GREENE:** Thank you. Dr. Lucas.

6  
7 **DR. LUCAS:** Jessica, you may have said this, but, on Slide  
8 Number 15, where you show the errors, it increases from 2014 to  
9 2015, and you may have clarified why you all saw the increase.  
10 I mean, I would expect that to go down over time and not up.

11  
12 **DR. STEPHEN:** One of the things is that we had some technical  
13 glitches in January and February of 2015 that created a lot of  
14 missing hail-ins and hail-outs. It took us a long time, working  
15 with the vendor and VMS, to figure out what exactly was going  
16 wrong.

17  
18 In those cases, the participants were doing the right thing.  
19 They were using it, and they were hailing in and out. We just  
20 had a higher percentage of technical problems. Once we resolved  
21 that for the second half of the year, that percentage went down.

22  
23 **CHAIRMAN GREENE:** Thank you. Dr. Ponwith.

24  
25 **DR. BONNIE PONWITH:** That was my exact question, and let me ask  
26 then, and so that helps explain the hail-in and hail-out issues,  
27 but how about the late e-logs? It's still a low number, but  
28 it's a significant jump between the two years.

29  
30 **DR. STEPHEN:** We did have two additional vessels, and so we had  
31 to build in their learning curve initially for that, and I think  
32 we had more of a transition in who was running the vessels.  
33 Again, it's a learning curve for the different captains and  
34 mates who might have been submitting it. It was more strict  
35 than what they were used to otherwise submitting.

36  
37 We also probably eyeballed it a little bit more in 2015 and  
38 caught the late ones in a closer timeframe than we initially  
39 looked at, and so there might be a little bit of bias in that as  
40 well from how much we were paying attention to it.

41  
42 **CHAIRMAN GREENE:** Thank you. To that point, what do you  
43 consider a late e-log?

44  
45 **DR. STEPHEN:** The e-logs were supposed to be submitted on the  
46 day of the trip. We typically gave at least until the next  
47 morning, depending on our lag of when the information came to  
48 us. After that, we had staff members start calling and asking

1 for it. There was only a handful of times where we had to make  
2 multiple phone calls in order to get an e-log in.

3  
4 Some of that too might have been some of the lags in -- When  
5 they submitted the e-log, they typically had an iPhone or phone  
6 application to it. Sometimes there was a glitch between that  
7 communicating forward to the server that hosts it, and so then  
8 it looked delayed when it was not, and we couldn't always back-  
9 correct for which one of those were done -- There's not a  
10 timestamp in that system that shows us exactly when it was  
11 submitted.

12  
13 **CHAIRMAN GREENE:** Thank you. Chairman Anson.

14  
15 **MR. ANSON:** Thank you, Mr. Chair. Dr. Stephen, in one of your  
16 slides, you mentioned a suggestion of a 20 percent validation  
17 rate, and that number seems a little high to me, based on prior  
18 conversations and meetings I've been in relative to recreational  
19 fisheries validations, if you will, or targets. I am just  
20 wondering, why was that number 20 percent? Then did that number  
21 relate the same to the other headboat vessels that were not  
22 participating in the Headboat Collaborative? Was that 20  
23 percent -- You gave a range there of what the actual sampling  
24 rate was, and is that comparable to the non-collaborative boats?

25  
26 **DR. STEPHEN:** My 20 percent is probably a lofty goal.  
27 Typically, a good 20 percent gets you an idea of what is  
28 occurring in it with good subsampling. In comparison to the  
29 other ones, I didn't actually look at the comparison of the  
30 other ones. We can dig into that with Ken Brennan's group and  
31 see what the comparison was. We were probably enhancing  
32 validation a little bit more for this program and more effort  
33 was put into this.

34  
35 **CHAIRMAN GREENE:** Thank you. Mr. Strelcheck.

36  
37 **MR. STRELCHECK:** I wanted to draw a linkage between our  
38 discussion yesterday on electronic reporting and obviously where  
39 you're moving with catch shares. Jessica acknowledged the  
40 utility of VMS in terms of confirming the trips occurred and  
41 whether logbooks were submitted or hail-ins or hail-outs were or  
42 were not reported. I wanted Jessica just to kind of touch upon  
43 that a little bit more, about the validation process, whether  
44 you're talking VMS or some GPS-enabled device, and how is that  
45 assisting us, in terms of ensuring that these landings are  
46 reported?

47  
48 **DR. STEPHEN:** I can expand on that a little bit. When we're

1 looking at validating whether a trip ever occurred or not,  
2 having something affixed to the vessel that is independent of  
3 the operator, that sends some kind of notification when it  
4 crosses a boundary, is almost invaluable in realizing when a  
5 trip is being made.

6  
7 For example, if there is a VMS that failed to hail-out, then law  
8 enforcement doesn't know and port agents don't know, possibly  
9 until that hail-in. Depending on your timeframe of a hail-in,  
10 it might not be adequate time.

11  
12 On the other hand, if you have something that is not affixed to  
13 it and not a VMS and someone just forgets to put it in as a  
14 hail-out, you have that same problem, where you don't know the  
15 trip is going out. That ability to know for sure that a trip is  
16 being made was invaluable, and what we did is we would look in  
17 VMS and track to make sure we had hail-outs matching each one of  
18 the vessels.

19  
20 This was helpful too, because you would figure out if there was  
21 a problem with some of the communications systems somewhere.  
22 You would figure out if there was a user error on someone's part  
23 of, oh, I thought I did it correctly, and then we would walk  
24 them through and they had one more button they had to hit do it.

25  
26 I think that that ability to know exactly how many trips are  
27 going on is one of the things you need to truly do the  
28 validation of trip level. Then you have the validation of what  
29 was caught, and that's where the hail-in information of knowing  
30 how many fish were onboard and having someone there to verify it  
31 was really helpful in this program.

32  
33 In the commercial program, you have the fishermen, the  
34 commercial fishermen, and you have a dealer. That's where your  
35 kind of validation ends up sitting, because they're validating  
36 each other. You have the estimate from the commercial guy and  
37 then you have the actual landings, and so there is a two-step  
38 verification there. In this recreational fishery, there is not  
39 a dealer, and so you don't have a two-step verification. Having  
40 a port agent there, they, in essence, act like that dealer in  
41 the two-step verification process.

42  
43 **CHAIRMAN GREENE:** Thank you. Is there further discussion? Mr.  
44 Swindell.

45  
46 **MR. SWINDELL:** I really believe that the system is working  
47 better than I thought it was going to work. I am real pleased  
48 with all of this. Have you gotten any recommendations from the

1 users, the captains or whoever, on the vessels about  
2 improvements? I see you've got recommendations from law  
3 enforcement and others, but how about the users, the captains?  
4

5 **DR. STEPHEN:** We worked with them a lot throughout, and so a lot  
6 of suggestions we tried to embed right there. I keep thinking  
7 back to the agents' ideas of sampling. I guess if Randy is  
8 here, he might want to comment to some of the nature of any  
9 suggestions they had. I do see him back there.

10  
11 **MR. STRELCHECK:** I guess, just to add, this was a grassroots,  
12 bottom-up approach that the industry took in coming to us with  
13 an exempted fishing permit. From the implementation of it, I  
14 feel like we had a very collaborative process. As Jessica  
15 pointed out, we worked very closely with Randy and his wife,  
16 Susan, has the Headboat Collaborative managers, and we discussed  
17 ongoing issues and troubleshooting.

18  
19 If there were problems with the VMS, what's being done and how  
20 can we fix things? The sampling, I talked about yesterday, in  
21 terms of making sure it's efficient at the end of the trip, so  
22 it's meeting the agency's needs as well as the fishermen's  
23 needs, and so there was a lot of things that can revolve through  
24 time that were suggestions that came out of just working  
25 collaboratively with the industry on the project.

26  
27 **CHAIRMAN GREENE:** Thank you. Randy, I will give you just a  
28 minute to answer his question, please.

29  
30 **MR. RANDY BOGGS:** The question that I heard posed was the  
31 changes we would like to see made to the VMS. The only thing  
32 that we saw that was a major issue is, if you made a mistake and  
33 you did go forward and you hit "enter" into the system, there  
34 was not a way for you to recover that and go back.

35  
36 Then we would have to go through our validators to do that, and  
37 so there was no -- Like, if you realized that you punched in --  
38 My fingers are big, and it's a small touchscreen. If you  
39 clicked on twenty-one instead of twenty-three, you couldn't  
40 immediately go back from the boat and correct that mistake on  
41 the boat. You had to wait until you got home to do it, and it  
42 was not a problem with that.

43  
44 The only problem that we saw, through CLS America, across all  
45 the boats, seems to be that when you have downtime with the boat  
46 that the VMS continues to ping, and that does seem to be a draw  
47 on the batteries on the boat.

48

1 Other than that, there is always the phone-in option, if your  
2 VMS was down, which we did use that sometimes. Then, if it's on  
3 the weekends, of course, nobody is there, but they get the  
4 information and it doesn't get processed until Monday, and so  
5 that was the only other issues that we really saw out of the  
6 VMS. It seemed to work really, really well. It was fairly  
7 simple.

8  
9 I guess one of the harder parts for it was the fact that you  
10 couldn't go back and correct it from the vessel. Then the small  
11 screen size, when you're in the Gulf, even -- My boats are  
12 sixty-five foot, and, even with them rocking and rolling,  
13 sometimes you will push the wrong button, and it's nice to be  
14 able to go back and correct.

15  
16 **CHAIRMAN GREENE:** Thank you. Any further discussion? Mr.  
17 Swindell.

18  
19 **MR. SWINDELL:** I thank you for that, because one of the things  
20 that I was looking for is you've got to -- For the system to  
21 work the best we can make it, it's to have everybody involved  
22 really having what they need to make it work, and it sounds like  
23 it's working well from their side, but like something bigger --  
24 I was mentioning to some guy yesterday that the boats that have  
25 a center console, they need something that is big numbers. I  
26 got back to older people and they make big calculators, so that  
27 you can really push it well.

28  
29 I just was wondering if there's anything that they -- You want  
30 the user to feel comfortable and be willing to do it quickly and  
31 easily, and that's where you're going to get your better  
32 information. I have one other question along all of that, and  
33 that is the VMS. Who is paying attention to the information  
34 that the VMS sends out, and how difficult is this? Is this a  
35 big problem that's being created?

36  
37 **DR. STEPHEN:** With respect to how this program ran with VMS, we  
38 have a whole VMS unit that tracks all the data coming in. The  
39 catch share staff had access to what the system called vTrack,  
40 and we could go in there and look, and we could run queries. We  
41 actually set up some predetermined ones, and we just got those  
42 seventeen to nineteen vessels and didn't have to wade through  
43 everything else.

44  
45 With this, we looked at it a lot for validation as our main  
46 point. I know we used a lot of the VMS too as a method of  
47 sending emails out to notify people. VMS staff probably has  
48 their own purposes and needs, when they're looking into it for



1 things that are more enforcement-related than the catch share  
2 program related.

3  
4 Just to go back to your other point, there is probably  
5 technology out there that we can look into. When you're looking  
6 at any kind of application, you're used to a finger swipe to  
7 make something bigger and, again, I mentioned yesterday that I  
8 was out in San Diego. They actually have their application  
9 where you can enlarge it, so you didn't fat-finger it as you  
10 were going through, or you could see it better. It takes a  
11 little bit more technology and work to make sure you have that  
12 built into a system to work, but those are things we could  
13 consider.

14  
15 When we built the forms for this, we worked hand-in-hand with  
16 CLS America as well as the participants, and we came up with  
17 some things that like you could save a template of your default  
18 information, so you didn't have to always enter certain  
19 information over and over again. Again, those are tools we can  
20 go forward with if we decide to go with a VMS or some  
21 application, and that would kind of apply to both.

22  
23 **MR. SWINDELL:** Just one follow-up. I appreciate what you're  
24 doing, and I think it's great. It seems, to me, to be working  
25 real well, and so just don't give up on improvements on both  
26 sides of the fence, so to speak. Thank you.

27  
28 **CHAIRMAN GREENE:** Thank you. Mr. Fischer.

29  
30 **MR. FISCHER:** Thank you, Mr. Chair. I was looking at the slides  
31 when you were speaking, and you mentioned the seventeen to  
32 nineteen boats. On the suggested alternatives, where it says a  
33 VMS bottleneck, I guess I would like to hear something about it.  
34 If we had seventeen boats and we had a bottleneck, I am worried  
35 about what the future might hold.

36  
37 **DR. STEPHEN:** The bottleneck wasn't necessarily with the amount  
38 of boats. It was with the vendor or communication to the VMS  
39 system. If something happened where the VMS system wasn't  
40 communicating either with the catch share system or from the  
41 vendor to the VMS system, you kind of got a bottleneck, where  
42 none of those notifications were making it through to the right  
43 spot.

44  
45 Like I said, in January of 2015, we had a problem where that was  
46 happening. A field was changed, and no one realized quite what  
47 the implications of that was, going through all the different  
48 systems, and we worked really diligently to get to it. Working

1 with the vendors, we were able to notify participants that were  
2 having problems that we were working on it. They would  
3 sometimes give us a phone call, so we had a heads-up and could  
4 try an alternative mechanism, and that's also where -- With the  
5 commercial program, we have these alternatives.

6  
7 If your VMS unit is acting up when you're out fishing, you can  
8 get within range of cell phone and call our twenty-four-hour,  
9 seven-day-a-week service that takes care of the notification and  
10 puts it in the system. Then you are legal.

11  
12 Typically, with those, when they talk to us and tell us there is  
13 a problem, we refer them down to our VMS units, because they can  
14 troubleshoot what's going on and tell them to make sure that  
15 you're declaring in and out through the call service center if  
16 something is wrong. If your VMS is not pinging, you have to  
17 deal with VMS unit enforcement about what the regulations are  
18 for going out.

19  
20 **CHAIRMAN GREENE:** Thank you. Any further discussion? Okay. We  
21 have one more presentation. Are you complete with this?

22  
23 **DR. STEPHEN:** Yes, and so Josh Abbott should be up next with  
24 more of the economic view of the program.

25  
26 **CHAIRMAN GREENE:** Okay. Thank you. Come on up and let's go  
27 into it and see where we end up. This should have been emailed  
28 about 9:40 this morning. It should be in your inbox, if you're  
29 searching for it.

### 30 31 **SUMMARY RESULTS**

32  
33 **DR. JOSH ABBOTT:** Hello. My name is Josh Abbott. Just a quick  
34 personal introduction here. I am an Associate Professor at  
35 Arizona State University. I am a fisheries economist. I have  
36 worked in a number of different regions, the Gulf of Mexico,  
37 Alaska, the Pacific Northwest, and some other areas. A lot of  
38 this has involved partnerships with NMFS at different regions  
39 and science centers.

40  
41 I was brought in specifically to sort of be the researcher of  
42 record for the EFP, looking at the socioeconomic impacts of this  
43 policy experiment. In terms of data, the data that we drew upon  
44 here, the stuff in black is our existing data sources that we  
45 received from NMFS. Primarily, we had detailed data from  
46 vessels that were inside the Gulf Headboat Collaborative and  
47 then we had more aggregated and censored data from those that  
48 were outside, in order to protect confidentiality.

1  
2 The stuff in red, the data sources in red, these were things  
3 that were actually gathered as primary data under the program,  
4 including some economic surveys that were done on an annual  
5 basis, looking at trip pricing, input costs, as well as some  
6 more qualitative information about how their decision-making had  
7 been changing or not as a result of the program.

8  
9 We also, in addition to this part that was looking at headboat  
10 performance, also looked at surveying passengers, and so we  
11 handed out two-page surveys, intercept surveys, to people that  
12 were passengers that were taking trips on Gulf Headboat  
13 Collaborative trips. Then we followed up with them through an  
14 online economic valuation survey.

15  
16 There is a lot of facts that I'm going to sort of hit the high  
17 points of and a lot of analysis here. In a nutshell, here is  
18 what happened, in three bullet points.

19  
20 Under the EFP, we saw that angler access to trips, so the number  
21 of anglers that were on trips that landed either red snapper or  
22 gag grouper, dramatically increased, especially in the spring  
23 and late summer, and that's consistent with what you just saw  
24 from Jessica.

25  
26 We saw that vessels reduced red snapper landings per customer,  
27 effectively sort of a voluntary bag limit reduction, on their  
28 red snapper trips. By doing this, they maintained overall  
29 landings and dramatically reduced their discards of the EFP  
30 species.

31  
32 We also saw that economic returns, compared to 2013 and even  
33 2011 and 2012, grew. This was driven by increased profits from  
34 additional customer demand. We saw shifts of customers to  
35 higher-profit trips, particularly day trips, and also some  
36 modest increases in trip prices that vessels implemented for  
37 their EFP trips. A subsample of the vessels did that.

38  
39 I am going to blaze through this, because Jessica has basically  
40 covered this territory, but I wanted to just point out, really  
41 quickly, that the number of total trips increased for both the  
42 GHC group and the non-GHC, sort of the comparison group, and so  
43 this was actually a time of growing trips for both groups. In  
44 some ways, the number of trips actually grew more for those that  
45 were outside of the program than inside, and there's a lot of  
46 reasons why that may be the case, including a lot of management  
47 changes that occurred in 2014 and 2015 that make it very  
48 difficult to compare between these two groups.

1  
2 As you can see here, the number of red snapper trips for the GHC  
3 went up dramatically, as you may expect, as a result of the EFP,  
4 and then they stabilized pretty much to pretty much the same  
5 level in 2015.

6  
7 At the same time, we saw landings -- Landings did go up for the  
8 Gulf Headboat Collaborative, but they went up less than  
9 proportionally than the number of trips, in this case. Just a  
10 really quick summary here, and we saw a five-and-a-half percent  
11 increase in total trips for the Gulf Headboat Collaborative from  
12 2013 to 2015, versus a 13 percent increase for the non-GHC.

13  
14 We saw a 114 percent increase in red snapper or gag trips, all  
15 EFP landing trips, and that was met by about an 80 percent  
16 increase in landings, and so you see a much bigger increase in  
17 the number of trips than the landings that supported those  
18 trips.

19  
20 In 2015, you basically saw that red snapper trips stayed  
21 constant in the Headboat Collaborative, despite a fall in  
22 allocation, and so they actually had a lower allocation of red  
23 snapper in 2015 relative to 2014, and yet their trips stayed  
24 constant.

25  
26 Going to changes in operations, these are the ways that vessels  
27 shifted their behavior. First, we will look at changes in  
28 landings and trips by season. Basically, this graph shows  
29 exactly what Jessica has already showed you, that really the  
30 seasonal pattern of trips by EFP vessels didn't change. This  
31 didn't shift when they pursued trips as a group during the  
32 season, and so they are very comparable before and after the  
33 EFP.

34  
35 However, when you start looking at EFP species trips, trips that  
36 retained these species, you see that really a very significant  
37 share of red snapper trips occurred before the beginning of the  
38 June 1 season in both 2014 and 2015. Then there is also a  
39 smaller, but still significant, late summer and fall season that  
40 occurred as a result of this program.

41  
42 They still fished their hardest and had the most trips for red  
43 snapper during the main summer season, but they are still a very  
44 significant -- A plurality, actually, of their trips, as well as  
45 their landings, occurred outside of the main season. It's the  
46 same thing here for landings.

47  
48 Gag, basically it was sort of linear. The number of trips sort

1 of accumulated in a linear fashion throughout the year, and so  
2 you definitely see a very significant -- Roughly half the  
3 fishery was occurring before the traditional gag opening.

4  
5 What this basically shows us is that the number of anglers that  
6 were on trips that retained EFP species doubled as a result of  
7 this program, and so there is twice as many people that were on  
8 trips that retained these species as in previous years, roughly.  
9 Basically, by mid-season, the number of passengers that had been  
10 on an EFP-retaining trip was at the levels that had occurred at  
11 the end of the season in 2013 and before.

12  
13 The seasonal pattern of total trips didn't change much.  
14 However, the pattern of trips that retained EFP species changed  
15 in such a way that trips are spread much more evenly across the  
16 year, and there were substantial increases in the number of  
17 customers of EFP-retaining trips.

18  
19 You have a 161 percent increase in trips with red snapper  
20 retention, but you have only an 82 percent, or 31 percent, in  
21 2015, increase in total red snapper landings, and so, somehow or  
22 another, you have to make that work.

23  
24 What you see here is that, as you might expect, the number of  
25 fish per angler on these trips went down, and so roughly about a  
26 half a fish less, per angler, on average, for red snapper trips.  
27 It's similar for gag, although much smaller catch rates for  
28 gags. This is a much more muted finding for gag.

29  
30 However, it's really important to emphasize that the number of  
31 landings, in total, remained constant in 2014 and actually  
32 increased a bit in 2015, and so the overall bag that was brought  
33 home of sort of all reef fish stayed constant, or actually  
34 increased a bit in 2015. The reductions in red snapper per  
35 individual angler were compensated through landings of other  
36 species.

37  
38 A really important trend that seems to have occurred here  
39 economically is that a lot of red snapper trips, and, to a  
40 lesser extent, gag trips, became full-day trips, and so there  
41 were overall increases in full-day trips, and so these are trips  
42 of eight hours plus.

43  
44 Most of that occurred through shifting red snapper onto existing  
45 full-day trips that previously had not been able to land red  
46 snapper or gag. However, there were some -- Some of this  
47 occurred because of the actual taking of new full-day trips, and  
48 so this was definitely something that was noted among sort of

1 the majority of vessels, although not all of them.

2  
3 An interesting thing is that many vessel owners actually, in  
4 their surveys, reported that they were having half-day -- For  
5 half-day trips, they were having sort of a voluntary bag limit  
6 of one fish per angler. Then, for a full-day trip, they were  
7 having two fish.

8  
9 Obviously, legally, there is no differentiation between a half-  
10 day and a full-day in terms of you have a two-fish bag limit.  
11 This was sort of the way that they managed the scarcity under  
12 the program, and so you can definitely see that there was sort  
13 of a bigger wedge between retention in full-day trips and half-  
14 day trips in the program, and so, effectively, more red snapper  
15 landings per angler were shifted from these partial-day trips to  
16 longer trips, which are sort of a higher-value trip for the  
17 fleet.

18  
19 Just really quickly, I want to emphasize, in talking about  
20 discards in this setting, there is sort of a couple of different  
21 ways to think about discards. The traditional way that we  
22 mostly talk about it is discards per unit of catch. As an  
23 economist, you might want to think, well, how many discards do  
24 you get per unit of service provided, which would be the number  
25 of angler days that the industry is providing, and so I have  
26 sort of looked at it both ways.

27  
28 An important little bit of simple math here is that you can  
29 reduce your discards per angler in a couple of different ways.  
30 You can either reduce your discard rate, so increase your  
31 retention, or you can just catch fewer fish per angler, and so  
32 you can reduce your CPUE.

33  
34 What I basically want to show you is that discard rates of red  
35 snapper declined dramatically in the GHC, by 36 percent in 2014,  
36 and the catch rates of red snapper also declined, and this means  
37 that, overall, through both of those mechanisms, you are  
38 actually reducing the amount of discards per unit of service  
39 provided per angler day in the fishery, and so, overall, you're  
40 looking at discards per angler day going down by 60 percent,  
41 relative to 2013 and 2014, and 56 percent in 2015.

42  
43 The results are very similar for gag, but, for time, I'm going  
44 to suppress those results. They're in the slides if you want to  
45 see them.

46  
47 Just as an interesting comparison, this is the same comparison  
48 for discards, but looking at vessels that were outside of the

1 GHC. This is all the other vessels inside the headboat survey.  
2 What we actually see for red snapper, and this pattern is there  
3 for gag as well, is that discard rates basically stayed constant  
4 relative to 2013. While the EFP seems to have driven some  
5 reductions in discard rates for the GHC vessels, things were  
6 basically constant outside of that group.

7  
8 Now we're on to economic returns. There is a lot of challenges  
9 here, challenges of data measurement. Particularly, separating  
10 charter and headboat trips is problematic, given the way that  
11 logbook data is collected, and there is challenges of the  
12 resolution of gathering costs. There is also some challenges of  
13 comparing to what alternative. There is a lot of things that  
14 changed in this industry during the time of this experiment, and  
15 so, in some ways, you have multiple experiments going on at the  
16 same time.

17  
18 We had a nine-day season in 2014 and a forty-five-day season in  
19 sector separation in 2015, and so this is a difficult comparison  
20 to make, but, those provisos aside, estimated net revenues  
21 actually increased, and so this is holding prices constant. If  
22 you hold the prices constant, this is allowing us to sort of  
23 separate out just year-to-year price increases that are sort of  
24 normal in the industry. You bump your prices up by five or ten  
25 bucks.

26  
27 Holding prices constant at 2014 levels, we find that it's about  
28 a seven-and-a-half percent increase in revenues and roughly the  
29 same increases in net revenues or revenues net of fuel costs in  
30 the industry. For the 2014 cohort of GHC vessels, you're  
31 looking at about \$9 million in revenues in 2014.

32  
33 If you add onto that the premium that was charged by five  
34 vessels in 2014 and three in 2015, you get about a 1 percent  
35 increase in overall revenues, and so that little bit of premium  
36 that was charged by some vessels bumped up revenues by about 1  
37 percent, and so most of the changes in revenues we see here are  
38 not because of price changes, but they're because of other  
39 factors that I will go into shortly.

40  
41 An interesting thing is that the share of seasonal revenues  
42 actually shifted forward. Vessels are earning more of their  
43 revenues earlier in the year, and that makes some sense, given  
44 that they are shifting red snapper and gag to earlier in the  
45 season.

46  
47 There are some different drivers for increases here. One is  
48 that you can have more customers, and so this is what I'm

1 calling a quantity response, that basically more customers are  
2 getting on boats, perhaps because of this program.

3  
4 Another way that the EFP could feasibly increase revenues is  
5 that you could shift -- You have the flexibility, under the  
6 program, to shift customers to your more profitable trips. By  
7 moving your quota, your tags, onto the trips that are more  
8 profitable, you can actually increase profits in that way,  
9 holding customers constant, or you can charge more. As I said,  
10 that's about 1 percent effect, is the price premium.

11  
12 What this basically shows is that revenue per trip went up  
13 pretty substantially, about 10 percent in 2013, and most of  
14 that, if you look at the panel to the top right, was driven by  
15 increases in anglers per trip. They had more customers per trip  
16 in 2014. In 2015, you actually see the number of customers per  
17 trip fell off a bit. The gain in revenues in that year, in  
18 2015, was mostly driven by having more trips, as opposed to  
19 putting more people on the boats. You see very similar trends  
20 for net revenues or revenues here minus fuel costs.

21  
22 Another sort of important way in which revenues, net revenues,  
23 were increased was through a change in the product mix, and so  
24 what this figure shows, the left figure, is it basically shows  
25 how much the average price per customer went up, not because you  
26 raised the price, but because you moved people around across  
27 different trips, and so sort of the share of where people ended  
28 up, in terms of your half-day trips, your full-day trips, et  
29 cetera. We see that basically there's about a 2 percent  
30 increase in revenue per customer, just because of sort of moving  
31 customers onto more premium trips.

32  
33 A quick look at the price premium aspect. As I said, five  
34 vessels in 2014 and three in 2015 charged a small premium for  
35 trips with EFP tags. This was about five to twenty-bucks. It  
36 was roughly a 13 percent average markup on these trips. These  
37 are specifically for getting on an out-of-season red snapper or  
38 gag trip.

39  
40 All I did here was looked a little bit at what was the effect of  
41 that on customer demand? Do we see that when you put this  
42 premium in place, did customers vote with their feet and not get  
43 on these trips? Then also to look at what was the overall effect  
44 in revenue, and, basically what we found from this regression,  
45 was there was no effect of charging a premium. You raise the  
46 price by ten-dollars and there was no effect on the number of  
47 passengers on your trips compared to other boats that were not  
48 charging the premium.



1  
2 Also, if you raise the price by one-dollar, we, on average, saw  
3 that you increased trip revenues by thirty-nine dollars. Well,  
4 the average number of people on these boats is roughly thirty-  
5 nine people. Basically, you charge a buck more and you get  
6 thirty-nine more people paying a buck more. You don't see a  
7 reduction in demand, at least for the changes that we observe in  
8 our data.

9  
10 We see about an 8.9 percent, or a 7.1 percent increase in total  
11 revenues, depending upon the year, and most of this is from  
12 quantity, more passengers per trip or more trips. There are  
13 smaller increases from sort of more moving customers onto  
14 higher-value trips, and a little bit of an effect from charging  
15 a price premium.

16  
17 There is a lot of caveats to this. You might think maybe we  
18 should be comparing to what went on in the sector, the non-GHC  
19 sector, as opposed to just looking from 2013 to 2014 or 2015 for  
20 the people inside the EFP. There is a lot of challenges with  
21 doing that, in the sense that there were a lot of management  
22 changes that were going on that obviously these two groups were  
23 not subject to in the same way, and it makes these comparisons  
24 extremely challenging.

25  
26 I want to quickly touch upon some qualitative data from the  
27 survey. In addition to some of the more quantitative questions  
28 that were asked in the survey, we also asked some more open-  
29 ended questions and sort of Likert scale and multiple-choice  
30 questions as well.

31  
32 We asked this question: On the whole, do you think that  
33 participating enhanced the profitability of your headboat  
34 business in 2015, relative to 2013 and other recent years? What  
35 we found was that, in 2014, when we asked this question, and  
36 obviously the wording would have said 2014 and not 2015 in that  
37 year, but we found that 79 percent said yes. 14 percent said  
38 that they thought the revenue was about the same, being in the  
39 program versus being outside, and 1 said no.

40  
41 In 2015, no one said that they would have better off outside of  
42 the program, and 1 said that they would have been about the  
43 same. Overwhelmingly, the people thought that they were better  
44 off operating under this program than in the alternative.

45  
46 Actually, we asked a similar question that asked, particularly  
47 in 2015, do you think you would have been better off fishing in  
48 the forty-five-day season as opposed to being in this program?

1 The answers we extremely similar. There was actually no one  
2 that thought that they would be better off in 2015 fishing under  
3 the forty-five-day season than in this program.

4  
5 We asked them to rank the importance of different factors for  
6 their profits from fishing in the Gulf Headboat Collaborative,  
7 and what you can see here in orange are the -- The orange  
8 indicates factors that people said were very important, and so  
9 we have more customers per trip, charging a higher price for  
10 access, shifting customers to longer trips, running more trips,  
11 or lower cost per trip.

12  
13 In 2014, really they said it was all about getting more  
14 customers per trip as a result of this program, being able to  
15 offer a more attractive trip and therefore attract more  
16 customers. The second most was running more trips, and so  
17 basically this quantity effect that I talked about, and then  
18 lower cost came in as a pretty strong factor as well. Charging  
19 a higher price was sort of the least important factor.

20  
21 If you look at 2015, it really looks like running more trips  
22 became more important than getting more customers per trip, but,  
23 overall, these results are pretty similar. It's more about  
24 getting more customers overall and lowering costs, and these  
25 seem to be the factors that the captains themselves said were  
26 most important and sprung directly from the program.

27  
28 Probably more eloquent than anything I can say, in terms of  
29 data, are some of the things that were said in the comment boxes  
30 themselves, and so we said, can you comment on how, if at all,  
31 participating in the GHC changed your way of doing business?

32  
33 I won't bore you by reading through all of these, but there were  
34 a couple here that I think -- These are sort of -- Yes, I am  
35 pulling selectively from seventeen different responses, but this  
36 sort of covers the spectrum of the responses and sort of two  
37 that really hit home here was, one, we ran a lot more early-  
38 spring trips. Snowbirds don't fish if they can't keep. That's  
39 really getting to this idea of attracting a different segment of  
40 customers through the program.

41  
42 Another said the ability to offer red snapper trips year-round  
43 was the most important source of increased profit. Those who  
44 would not typically fish because they cannot catch red snapper  
45 were now willing to spend the money to go out fishing.

46  
47 We also asked a question about their decision-making with  
48 respect to weather. Did participating in the program make them

1 less likely, perhaps, to go out on a rough day at sea, and seven  
2 out of fourteen said that basically safety first and they would  
3 never have -- Basically, this program didn't change their  
4 decision-making at all.

5  
6 We did have one person say that, when you give a ten or fifteen-  
7 day season, you pretty much have to make a trip each day. With  
8 the collaborative program, you can reschedule a trip if the  
9 weather is less than desirable. The customer can choose another  
10 date. There are very few customers that enjoy fishing in rough  
11 seas, and so it's not about necessarily not making -- It's not  
12 so much saying that you were making unsafe trips before the  
13 program, but that you were making maybe uncomfortable trips, and  
14 this lets you not make those uncomfortable trips.

15  
16 I am just going to very quickly say that we did do an angler  
17 survey. I am not going to present the results of that here  
18 today. That work is still ongoing, but we did a quick, two-page  
19 angler survey that was administered by the trip. We have 10,718  
20 total surveys returned. That's a lot of pieces of paper.

21  
22 There are summary statistics here. None of them I think are  
23 particularly surprising. There is a lot of people that are  
24 quite experienced in fishing actually fishing on headboats, and  
25 I will just quickly show you the survey sample. As you might  
26 expect, you have a heavy number of people from the Gulf, but  
27 there is actually -- If you kind of go up the Mississippi Valley  
28 and into the Midwest, you actually have an awful lot of  
29 participation from all around the nation, and we have people all  
30 the way out into the West. We have substantial numbers of  
31 people even in the West that are in this fishery. That's just a  
32 little more detail.

33  
34 We have completed a follow-up internet survey, as we speak.  
35 This is actually designed to ask fishermen really -- To take  
36 them through choice scenarios where they are looking at a season  
37 that is more like the one they historically have had in this  
38 fishery and then looking at a season where they have more  
39 flexibility, but changing things like the price to make it where  
40 it's not clear that that alternative season is just uniformly  
41 dominates or just is so much better, so that we're able to look  
42 at the tradeoffs that fishermen are willing to make between  
43 seasonal flexibility and money, basically, and get a value of  
44 the program. I have samples of that here.

45  
46 We are currently refining this model, but we're already showing  
47 preliminary estimates that fishermen are willing to spend a  
48 substantial share of income to fish under a more flexible

1 season. The exact numbers are forthcoming.

2  
3 This is probably my last slide. Implications for a permanent  
4 program, all together, our results suggest really significant  
5 potential economic benefits to for-hire vessels and their  
6 customers from a permanent program, and so I think that,  
7 generally speaking, the results here are encouraging, looking  
8 forward to a potential permanent program.

9  
10 At the same time, I want to say that a two-year pilot can  
11 actually tell us only so much about what's going to occur  
12 economically under a permanent program. For one thing, there  
13 are a lot more costly or risky innovations that you probably are  
14 not going to make in a two-year, temporary program. You  
15 probably don't want to alienate your customers, for example, by  
16 really radically changing the nature of the kinds of trips you  
17 alter or pricing or things like that, and so some of those sort  
18 of innovations may be postponed.

19  
20 You can probably expect some innovations in trip structures and  
21 pricing that may better target that different fishermen have  
22 different objectives and want to catch different things at  
23 different times of the year, and you may see that evolve more in  
24 an allocation-based system.

25  
26 Finally, the sort of finding that there is no sensitivity to a  
27 premium price is probably a limited finding. If you did this  
28 for the entire sector, then you have competition and this is not  
29 so much a special thing that's only available on a subsample of  
30 boats, and so you may actually see that that finding is a little  
31 bit more of a figment of this pilot itself.

32  
33 I want to very quickly acknowledge Susan Boggs and Randy Boggs  
34 and all the GHC owners and crew for really putting in a lot of  
35 time for all of this data collection and as well as partners at  
36 NMFS for getting the data to me and answering a thousand  
37 questions. Thank you.

38  
39 **CHAIRMAN GREENE:** Thank you. We are up against our lunch-hour  
40 break, or actually a little bit into it. Will you be here after  
41 lunch, Dr. Abbott?

42  
43 **DR. ABBOTT:** Yes.

44  
45 **CHAIRMAN GREENE:** Chairman Anson, do you want to go on into  
46 questions now or do you want to wait until after lunch and pick  
47 back up where we are or how do you choose to proceed?

48

1 **MR. ANSON:** I think maybe let's break for lunch. That will give  
2 folks maybe a chance to think about some of those questions. We  
3 are just fifteen minutes behind, and so maybe we will stick with  
4 the hour-and-a-half lunch break and maybe make up some time  
5 later on and try to finish up by 5:00 or 5:30, but let's do  
6 that. So an hour-and-a-half for lunch.

7  
8 **CHAIRMAN GREENE:** Thank you.

9  
10 (Whereupon, the meeting recessed for lunch on August 16, 2016.)

11  
12 - - -

13  
14 August 16, 2016

15  
16 TUESDAY AFTERNOON SESSION

17  
18 - - -

19  
20 The Reef Fish Management Committee of the Gulf of Mexico Fishery  
21 Management Council reconvened at the Astor Crowne Plaza, New  
22 Orleans, Louisiana, Tuesday afternoon, August 16, 2016, and was  
23 called to order by Chairman Johnny Greene.

24  
25 **CHAIRMAN GREENE:** We did not allow committee members the  
26 opportunity to ask questions before lunch, and so I want to pick  
27 up right there. I know that Dr. Stunz had a couple of  
28 questions, and if anybody else has any, we will entertain those  
29 as well. We're going to try to make this brief. We are behind  
30 schedule, and so we'll try to get back on. With that, Dr.  
31 Stunz, if you're ready.

32  
33 **DR. GREG STUNZ:** Thanks, Mr. Chairman. I will try and make it  
34 brief, but I think there were some good points brought out by  
35 both of these actual presentations, and so I had a couple of  
36 questions. Dr. Abbott, thanks for your presentation. That was  
37 very informative.

38  
39 What I am taking from this, and maybe I am misinterpreting this,  
40 but it looks like it's good for the industry and also when you  
41 look at, from a managerial standpoint, that all of that is good,  
42 in terms of accounting for the catch and that kind of thing, but  
43 I don't know, and I don't see the screen up, but I have on my  
44 notes here that it was Slide 22.

45  
46 If you guys remember, it was something like 100 percent  
47 increase, 150 or 160 percent increase, in the trips, but then  
48 there was only something like 30 percent or something increase

1 in the actual catch, and so I am trying to figure out,  
2 especially with the condition that you hear of red snapper out  
3 there, why isn't that relationship a little bit stronger, and so  
4 I began to wonder, are the captains switching to something else  
5 after the red snapper or are the anglers potentially getting  
6 less quality trips or something or why wouldn't you have --  
7 That's the slide there. Why wouldn't you see a corresponding  
8 increase in the total red snapper landings?

9  
10 Then also, related to that, is you see that decrease from 2014  
11 to 2015, and is that indicative of the anglers saying, well, the  
12 first year was okay, but I wasn't allowed maybe, let's say, to  
13 catch red snapper, if that was what was going on, and then you  
14 get that reduction or something? I don't know, and I'm trying  
15 to interpret what that means.

16  
17 **DR. ABBOTT:** OF course, in this program, the EFP vessels are  
18 constrained by their allocations. They can only land so much.  
19 As I recall, I think they caught ninety-eight-point-something  
20 percent of their red snapper in 2014.

21  
22 Basically, this is, economically speaking, the question is what  
23 is the best use of that scarce snapper quota? What the industry  
24 did was -- There is sort of only so many ways you can stay  
25 within your allocation and also provide value to your customers.  
26 Effectively, what they chose to do is to give more customers a  
27 smaller number of fish, and so you have a larger number of  
28 customers catching, rather than two, catching an average less  
29 than that, particularly on the half-day trips. Some vessels  
30 were running one-fish bag limits on those half-days.

31  
32 Basically, if you're only fishing half the time, you're getting  
33 half the fish, whereas, in the recent years, most fishermen, in  
34 the peak season coming out of port on a half-day trip, would  
35 still catch the bag limit. This is basically a way of sort of -  
36 - Yes, there is some reallocation going on across different  
37 anglers, but, in the end, more anglers are going home with  
38 snapper, and so that's sort of how I would interpret that.

39  
40 **DR. STUNZ:** Just to follow up, Mr. Chair, if I could, I didn't  
41 know if that was an explanation of why you saw that drop from  
42 2014, or at least a possible explanation. I guess you don't  
43 know, because, as you say, there is a lot of variability and  
44 other moving targets going on within this, but you did bring up  
45 a point early on about the difficulty to compare this to the  
46 non-participants in this program.

47  
48 I am wondering -- In some instances, it looks like you did and

1 were able to, but, in some instances, you weren't able to  
2 compare what's going on, in terms of what are the catches and  
3 other things looking like in someone that wasn't in this  
4 collaborative program, and I wonder if you could shed some light  
5 on that.

6  
7 I mean the obvious comparison here is what does this look like  
8 going on to someone who was not in this program, and I see that  
9 some in your presentation, but not in some of the key areas  
10 where I think you would sort of see that.

11  
12 **DR. ABBOTT:** There are some real challenges, in terms of  
13 comparison here. If this had been just sort of a traditional --  
14 If 2014 and 2015 had been sort of relatively status quo seasons,  
15 they had been thirty or forty-five days in both years, there  
16 would have been a relatively clean comparison across the two  
17 groups.

18  
19 What you had instead was you had an unprecedented nine-day  
20 season in 2014, and then you had sector separation, which  
21 created a forty-five-day season for the non-GHC boats in 2015.  
22 This means that sort of the comparison group here -- You would  
23 want to say, well, what would have happened for the GHC boats if  
24 they had not been in the program, and that's a really weird sort  
25 of baseline comparison, in some respects, because the way that  
26 things were allocated under sector separation had something to  
27 do with the fact that the EFP was actually around, and so you  
28 had a division of quota across those groups.

29  
30 In terms of how informing how the future of the program might  
31 unfold, these two years, 2014 and 2015, are kind of very  
32 idiosyncratic, and you wouldn't expect to see a nine-day season  
33 followed by a forty-five-day season as a regular occurrence  
34 going forward. It's for that reason that we really didn't do  
35 these comparisons across the groups as much, because it's, in  
36 some sense, inviting a false comparison that doesn't really tell  
37 us a lot about the future.

38  
39 **DR. STUNZ:** Right, but I guess, without that comparison, we're  
40 still kind of missing what were the others doing. I guess maybe  
41 what might shed some light on this is this year coming up, and  
42 maybe the next one, to see what these guys are doing when  
43 they're not in this program or how they're adjusting their  
44 thing, but, of course, obviously that hasn't happened yet.

45  
46 **DR. ABBOTT:** Yes, that would be a useful extension, to see what  
47 they're doing now.

48

1 **CHAIRMAN GREENE:** Mr. Riechers.

2  
3 **MR. RIECHERS:** Kind of following on that vein a little bit,  
4 because you actually talk to the total revenues and revenue  
5 increases, but, even in the non-participating vessels, we saw,  
6 in I think it was the other presentation, the increase in number  
7 of trips and landings. While highlighted here, in reality, we  
8 don't know the difference between those two groups or whether  
9 they're the same. Is that fair to say?

10  
11 **DR. ABBOTT:** Yes, and if you sort of naively looked at trend  
12 line for what was going on for the non-GHC boats, you would say,  
13 well, they had more trips. Now, we don't know how they  
14 converted those into profits, because I don't have the data to  
15 do that, and no one, as far as I know, has the economic data to  
16 do that for the non-GHC.

17  
18 However, if you actually look at the trend lines before 2013  
19 between the GHC and the non-GHC boats, what you actually see is  
20 they don't parallel each other. The vessels that are inside the  
21 EFP are not exactly like those that are outside. Kind of taking  
22 the same trend that's there for the non-GHC and forecasting that  
23 forward as what would have happened for the EFP boats is, I  
24 think, probably not a very good strategy.

25  
26 **MR. RIECHERS:** Certainly, recognizing those differences, and I  
27 understand maybe the reason why it didn't happen, but, kind of  
28 following up on Greg's point, but, in a perfect world, and let's  
29 put it that way. In a perfect world, if you could climb back  
30 into that data and look at boats that had similar avidity and  
31 similar catch patterns and you have enough data to do that, and  
32 even if we could do that for 2014 and 2015 respectively and not  
33 lumping them, because they're such different years, while we  
34 wouldn't have all the economics, we would have a lot of the  
35 characteristics that lead you to those other economic  
36 parameters. Is there an explanation of why we can't do that?

37  
38 **DR. ABBOTT:** From my perspective, confidentiality. The data are  
39 not available to analyze for the non-GHC vessels, because of  
40 confidentiality.

41  
42 **MR. RIECHERS:** I guess I will ask maybe National Marine  
43 Fisheries Service. If we're lumping by bigger characteristics -  
44 - It would just make all this more meaningful is all I'm asking.  
45 Is there a way where we could create a big enough grouping to  
46 where there is not the confidentiality question? I mean, I  
47 would think there is. There normally is in our databases that  
48 we pool for catch statistics, et cetera, where we could make



1 that lump. Like I said, I think it would just help in thinking  
2 about increases in trips and increases across those angler types  
3 or partyboat types, in this case. I mean I just pose the  
4 question.

5  
6 **DR. STEPHEN:** We did give them some pooled data that wasn't  
7 confidential. We pooled the data as much as we could, so there  
8 was no confidentiality, and gave it to them. That's what he had  
9 to work with. You can expand more of the analysis.

10  
11 **DR. ABBOTT:** There are comparisons in some of the slides of what  
12 -- For example, in the discards, I have a comparison here, and  
13 so this graph, for example, is showing you what occurred in the  
14 world of discards for the group that was not outside, and that's  
15 using the anonymized, not confidential data.

16  
17 What we are able to do is make some comparisons by state and  
18 week, and that was sort of the minimal scale which we could  
19 disaggregate and still have some useful information that wasn't  
20 censored.

21  
22 Having said that, even if you -- I think this is sort of an  
23 important point for evaluating the policy in this case. Even if  
24 you could really match up, as best you could, the vessels that  
25 were as similar as you can find in the ports, you would still be  
26 comparing them over an unprecedented two-year period, where,  
27 yes, you could say, okay, maybe revenues went up by this much  
28 for this group versus that, but you would be comparing it to a  
29 two-year period that was sort of an unprecedented number of  
30 policy changes that came down the pike.

31  
32 If you were going to try to use that, ultimately, to predict how  
33 things would be different in the future, I would argue that  
34 probably, in an imperfect world, where you have that comparison  
35 versus one that says, well, let's use the same boats back a  
36 couple of years before, in a regime that's probably a little bit  
37 more like a stable management regime that we would have going  
38 forward, if we didn't look at Amendment 42, I would argue that  
39 that sort of comparison, just through time, 2013 to 2014 or  
40 2015, for the GHC is more valid.

41  
42 **MR. RIECHERS:** I am not going to argue whether you think it's  
43 more valid or not. You obviously do. I am just suggesting  
44 that, by looking at total revenues and revenues and suggesting  
45 because they went up, if we really can't compare it to the other  
46 boats not in there, I don't know that that's a conclusion that  
47 says it was a success, if you will.

48

1 **DR. ABBOTT:** What I would really point to more than the revenue  
2 numbers is -- I went into the different ways in which things  
3 changed, and so you can look at the ways that things changed  
4 that led to higher revenues. There is a demonstrable shift to  
5 higher-value trips. There is a demonstrable price premium and  
6 there's a demonstrable increase in full-day trips, which have a  
7 higher profit margin, and so you can definitely see -- It's not  
8 just a total number at the end. You can actually see changes in  
9 the way they're running their business, which led to higher  
10 profits, and that I would stand by.

11  
12 **MR. RIECHERS:** A follow-up?

13  
14 **CHAIRMAN GREENE:** Yes, sir.

15  
16 **MR. RIECHERS:** Certainly, because of the lengthening of the  
17 season, some of those shifts, as you suggest, are there and they  
18 won't be in the other group. It doesn't really tell us much  
19 about net profits, but it does say that they shifted some  
20 business patterns.

21  
22 Let me go back to the angler question for a second, because I  
23 think Greg hit on it. We have effort going up and catch going  
24 down, shifting to more expensive and longer trips, and so what  
25 does that tell us about the actual basically price or the  
26 valuation to the consumer on the back of the boat?

27  
28 Obviously, for the business, and getting away from the  
29 qualitative impacts and then what we can't say about the  
30 economics here, or what we can say, but what does it tell us  
31 about the valuation of the trip to that consumer that's on the  
32 back of the boat?

33  
34 **DR. ABBOTT:** The short answer is I will be able to answer the  
35 much better in a couple of months' time, when the recreational  
36 demand survey results are finalized. Preliminary results from  
37 that are certainly reflecting that there is a substantial  
38 willingness to pay, a willingness to pay over and above the  
39 price that fishermen are being charged for being able to have  
40 the seasonable flexibility.

41  
42 We see in the data, and I think I can safely say this, that  
43 there is a willingness to pay a higher price on a trip in order  
44 to have that trip when you want it and retain red snapper and  
45 gag as opposed to not.

46  
47 In terms of what can be said from the data at hand, I guess what  
48 I would say is that this was incurring in an environment where

1 most of these vessels were surrounded by other operations that  
2 were not in the program, and they had the option -- Customers  
3 had the alternative to go on an EFP vessel or one that did not  
4 have the tags for red snapper and gag.

5  
6 They chose to go. It wasn't like customers were made to take a  
7 full-day trip. They chose to take that higher-profit-margin  
8 trip, with the knowledge that they had a two-fish bag limit on  
9 it, and so I guess, from that perspective, I would say that I  
10 find it hard to believe that there would be a -- There is  
11 certainly no loss of angler welfare that is coming about by  
12 people choosing to go on a trip and pay a bit more, but also get  
13 a higher-value product.

14  
15 **MR. RIECHERS:** If you follow that, but I mean catch per unit  
16 effort is a key component of quality and value, and catch per  
17 unit effort has definitely been dramatically reduced. I am not  
18 suggesting that their willingness to pay isn't higher, and even  
19 willingness to pay on boats outside of the entity would be  
20 willing. I suspect willingness to pay for these trips, given  
21 the scarcity and the number of days, is actually high amongst  
22 all of those participants now. What actually -- I mean the  
23 consumer basically lost as catch per unit effort went down, in  
24 some respects.

25  
26 **DR. ABBOTT:** There is a couple of different ways to look at  
27 this. There is looking at what one individual angler gained or  
28 lost versus the total group, and what is definitely clear here  
29 is that far more people went home with a snapper or a gag in  
30 their bag.

31  
32 Now, those were spread out over a greater number of people, and  
33 so, yes, some people may not have caught as many fish as they  
34 liked. There are people out there currently at a two-bag limit  
35 during the regular season that would like to catch three.

36  
37 I guess what I would say is that those same people also had the  
38 opportunity to go fish in the June season and get the second  
39 fish, and so those that really had that desire could do that,  
40 and the truth is that on all of these vessels that, unless you  
41 were on a half-day trip, the overwhelming majority had a two-  
42 fish bag limit, which is the legal limit.

43  
44 There is a general -- I am sort of speaking outside of the data  
45 here, but there is a general principle in economics called the  
46 principle of diminishing marginal returns. The more you get of  
47 something, the less you're willing to pay for it. If you are  
48 shifting someone's second fish to become someone else's first

1 fish, the person that's getting the first fish is probably  
2 willing to pay more for it than the person that is giving up  
3 their second. Now, that again, I'm saying that's a general  
4 principle. It's not coming straight out of the data.  
5

6 **CHAIRMAN GREENE:** Thank you. Mr. Diaz.  
7

8 **MR. DIAZ:** Mr. Riechers covered what I was going to ask. Thank  
9 you, sir.  
10

11 **CHAIRMAN GREENE:** Dr. Stunz.  
12

13 **DR. STUNZ:** I wanted to follow up with you just a little bit. I  
14 would love to have seen that angler survey, which you said you  
15 are working on, but I guess we will see that pretty soon, the  
16 results of the angler survey that you have, because what I'm  
17 wondering is -- It's related to you talked about a premium that  
18 they paid, and I was wondering if you could explain that a  
19 little better. What exactly does that mean? Was it a premium  
20 for red snapper, for example, or some type of surcharge or what  
21 was that? I've got a follow-up question to that once I hear  
22 what you say.  
23

24 **DR. ABBOTT:** In 2014, five vessels, and, in 2015, three vessels  
25 charged a small premium, and the average was 13 percent over the  
26 regular price, for the opportunity to catch red snapper or gag  
27 on a particular trip. This was paid upfront. You caught it or  
28 you didn't. It wasn't, oh, you caught that snapper and now you  
29 want to keep it and now pay 13 percent more. It was an upfront  
30 trip fee.  
31

32 **DR. STUNZ:** One thing, just to step back, is we were talking  
33 about -- Robin was bringing up this issue about the comparisons  
34 and things, and I guess they're proprietary, the data, the  
35 confidentiality, but I guess you could just -- It seems like  
36 everyone in this program wants to know whether it works or not  
37 and is viable. Could you just not ask the other individuals --  
38 In another pilot we did, along similar lines, but we had for-  
39 hire captains coming to us wanting to give us their data outside  
40 of the confidentiality thing. It seems like there's not that  
41 many and you could just ask them if they would be willing to  
42 provide their information.  
43

44 Now, I know there is some issues with self-reported data, but I  
45 don't know. That's just a comment, that it would be useful to  
46 help with that comparative purposes, if they would be willing to  
47 provide that data outside of the federal.  
48

1 Anyway, back to the -- Were the captains actively avoiding red  
2 snapper then? If you could only catch one and you're extending  
3 the length of the trip, you've got to do something else, and, of  
4 course, red snapper are going to be obviously very available.  
5 Did they avoid -- What this gives the appearance, to me, is it's  
6 potentially sort of like you've got an insurance, in a way, that  
7 covered the snapper that you catch, but you're going to be  
8 fishing less-desirable species or something like that.

9  
10 **DR. ABBOTT:** There is sort of two different reservoirs you can  
11 put snapper in once you've caught them. You can land them or  
12 you can discard them, and we certainly aren't trying to  
13 encourage discards. Yes, within the -- There was a comparison  
14 here.

15  
16 This is looking at red snapper discards, and there are sort of  
17 two different ways that you can reduce your discards. You can  
18 cut back on your CPUE a bit or you can increase your retention  
19 rate. What you can see is that retention rates went up, but,  
20 yes, in order to stay within, to manage their quota to their  
21 highest value and to stay within the bag limits that they had  
22 per trip, there is definitely, in the data, a reduction in CPUE.

23  
24 I think Randy can speak more to what was going on operationally  
25 about that, but, certainly anecdotally, I have heard from  
26 captains saying that, yes, they were trying to fish clean and  
27 they didn't want to have discards and so they would try to avoid  
28 these species and go get other things that customers wanted.

29  
30 Part of what's going on in the recreational demand survey, and I  
31 can't show it to you today, but we actually looked at people's  
32 preferences for red snapper versus other species, and it's  
33 certainly not the case that other species don't have value in  
34 the portfolio of what they catch. As I showed, the overall  
35 landings stayed constant, even as red snapper landings per  
36 customer declined a bit.

37  
38 **CHAIRMAN GREENE:** Thank you. Ms. Bosarge.

39  
40 **MS. BOSARGE:** Thank you. I thought it was an excellent  
41 presentation, and I guess one of my take-aways from it was that  
42 CPUE is an important factor to some anglers, especially in the  
43 commercial sector. CPUE is pretty important. I mean they're  
44 out there to make a living off of it, and so you want to be as  
45 efficient as possible while you're out there.

46  
47 This analysis, to me, showed that the flexibility of the timing  
48 and the access has a very high premium or a high value for this

1 group of recreational anglers, that they have that flexibility.  
2 It's not so much that they have to have the sheer pounds of  
3 protein in the ice chest of red snapper when they hit the dock  
4 as much as it is they have that flexibility to go out there and  
5 at least pursue that fishery, one fish, one-and-a-half fish, per  
6 angler, whatever that average is, for a longer period of time.

7  
8 I think that's a take-away, because there may be some difference  
9 there between the anglers on these boats versus the goal of the  
10 anglers on the private boats, and I think that that will help us  
11 going forward, as we try and manage these two groups and come up  
12 with some strategies, to make sure that whatever is the most  
13 important to them in their idea of access is what we focus on.

14  
15 **DR. ABBOTT:** Yes, and there is a tendency, in a presentation  
16 like this, to focus on the average tendency of what went on, and  
17 so this sort of half-day, one-fish bag limit is what some  
18 vessels did, but one thing that definitely came out from the  
19 surveys, in talking to the individual vessel owners, is that  
20 they serve different clienteles, and there are definitely parts  
21 of the Gulf where a lot of the clientele is sort of trying to  
22 fill up their freezer, and they want to have sort of the biggest  
23 bag limit possible.

24  
25 Others want a more balanced portfolio. What a program like this  
26 does is it sort of allows different operations to take their  
27 allocation and use that in the way that allows them to do what  
28 works for their customers, and you could actually envision a  
29 world where you have a lot of variation there, and some people  
30 are doing tight bag limits and others are not, and customers are  
31 able to vote with their feet for the kind of fishing experience  
32 that they want.

33  
34 **CHAIRMAN GREENE:** Thank you. We're going to go ahead and move  
35 on, unless anybody has anything burning they want to jump in at  
36 this point. With that, we're going to move on ahead. Thank  
37 you, Dr. Abbott. We're going to pick up with the triggerfish.  
38 That will be the next thing.

39  
40 Now, staff had asked that if you have a motion that you're going  
41 to submit at some point to please submit it to them ahead of  
42 time, in the effort of time, because we are behind schedule.  
43 We're going to turn to triggerfish.

44  
45 If you will remember this morning, we started and we had a  
46 discussion about some landing updates. With that, I will turn  
47 to whomever is ready to jump in there.

48

1 **NMFS-SERO LANDINGS SUMMARIES**

2  
3 **MS. GERHART:** Thank you, Mr. Chair. We have commercial landings  
4 and recreational landings updates for you, as requested. There  
5 was an updated one sent out this morning. We originally, for  
6 the briefing book, did not have Wave 2 recreational landings.  
7 We have those now. Also, I updated the commercial, and so I am  
8 going to go through this briefly. Then, afterwards, Mike Larkin  
9 will come up, and he will talk a little bit about triggerfish  
10 and amberjack.

11  
12 First off, for commercial, there are only two species that we  
13 quota monitor. The rest of them are all under IFQ or are in  
14 stock ACLs. The commercial ACLs here are for gray triggerfish  
15 and amberjack. You can see that about half of gray triggerfish  
16 was caught, up until the last report we got, which was from last  
17 week. Amberjack right now, with the current reports we have, is  
18 at 94 percent. That did close down already, and so that is shut  
19 down, but we do get some late reporting with that.

20  
21 Looking at the recreational landings, I said Wave 2 may be  
22 available at the council meeting, and it is. We have also  
23 included some preliminary incomplete Wave 3 landings there.  
24 Those landings are only from the headboat survey and LA Creel,  
25 but I just wanted to put those in there to show you a little bit  
26 of what they are. There are no MRIP landings for those May/June  
27 landings that are there.

28  
29 You can see that, with the exception of triggerfish and  
30 amberjack, that they're well below their quotas at this point.  
31 However, triggerfish and amberjack, even with the preliminary  
32 May landings, have exceeded their ACL and greatly exceeded their  
33 ACTs. Again, Dr. Larkin will speak to that when I finish with  
34 this here.

35  
36 Then the next page is stock ACLs. These are ones where we do  
37 not have separate allocation for commercial and recreational,  
38 and so there is a single ACL that the landings are compared  
39 against, and you can see that most of those are well below their  
40 ACLs and, with the exception of maybe deepwater grouper is a  
41 little over half, but that's the highest one that's there. Now  
42 Dr. Larkin will talk, and if we can go to the Tab A-8(a),  
43 please.

44  
45 **DR. MIKE LARKIN:** I am going to provide the details of why did  
46 we close or why did we not reopen gray triggerfish and greater  
47 amberjack after their June/July closure. For this one, gray  
48 triggerfish, in early July, we had Wave 1. I guess, first of

1 all, we had to wait until the final 2015 landings were  
2 available.

3  
4 Once they were available, then we can determine what the overage  
5 was for 2015 and then subtract that from the ACT and ACL of  
6 2016. In 2015, the recreational landings had an overage of  
7 almost 40,000 pounds. Then, in 2016, the ACT was set at 117,000  
8 pounds. We actually predicted -- At that point, when we had  
9 final 2015 landings, we only had Wave 1 of 2016 available.

10  
11 You can see the little table here. Preliminary 2016 landings  
12 were at 71,000 pounds for January and February. Then we made  
13 predictions for March/April all the way through  
14 November/December. At that point, we only had Wave 1, and so we  
15 had to make predictions for the rest of the waves for 2016.

16  
17 Under that prediction, it looked like May 18 the ACT would have  
18 been exceeded. If you look at the bottom row there, you can see  
19 the cumulative landings and how they add up from wave to wave to  
20 wave, and you can see in May that it says the ACT was met there.  
21 Since then though, since we made that prediction and that  
22 closure -- Since then, because, just recently, we got Wave 2  
23 landings from the Science Center, as well as some other headboat  
24 and LA Creel landings, and it is confirmed that they did go  
25 above the ACT before the June closure. That's why we didn't  
26 open it up after the June/July closure, why we didn't open it up  
27 on August 1.

28  
29 Then, if we go to the next slide, this one is the same boat. We  
30 were waiting until we got 2015 final landings to determine what  
31 the overage was. In 2015, the greater amberjack recreational  
32 landings had an overage of almost 58,000 pounds. Then we were  
33 able to set the ACT and ACL, but we close when the ACT is met.  
34 In 2016, the ACT was just a little bit over a million pounds,  
35 and we predicted that it would exceed that on April 14.

36  
37 On this one, we actually had Wave 1, and then we had very  
38 preliminary estimates for Wave 2. We knew they were going to be  
39 really high, and so that one, we actually got a little bit ahead  
40 of the game and we closed it, and so therefore we did not reopen  
41 on August 1, because we got these in July. That's when we knew  
42 that Wave 2 was going to be really high. In fact, you can see  
43 it's about a million pounds, and so we knew that the ACT was  
44 going to be exceeded. Knowing that, that's why we did not  
45 reopen it. We found this out in July, and that's why we did not  
46 reopen it in August.

47  
48 If you go to the next slide, I provide more details of those



1 high landings in Wave 2, which really are the reason why the ACT  
2 was met, those really high landings, and, really, 80 percent of  
3 it came from MRIP.

4  
5 Wave 2, there was also headboat and LA Creel. There was no  
6 Texas -- We currently don't have Texas for 2016, but we expect  
7 those to be very low, the Texas Parks and Wildlife creel survey.  
8 Anyway, the details of those Wave 2 landings for those, they're  
9 actually MRIP converted to MRFSS.

10  
11 Some details of that, we had sixty-four dockside intercepts in  
12 Wave 2, which is the March/April wave, fifty-four in Florida,  
13 nine in Alabama, and one in Mississippi. These are actually  
14 intercepts that are used to make those predictions of the  
15 landings overall for the Gulf of Mexico. About 75 percent of  
16 the Wave 2 landings came from Florida. Most of those came from  
17 the Panhandle, Panama City and Destin, and just some questions  
18 we had, which I'm trying to address in the bottom half of this  
19 slide here, was, in January, there was an increase in the size  
20 limit from thirty to thirty-four inches, which the real purpose  
21 of it was to reduce harvest, and which is certainly not the  
22 case, since we had real high landings in Wave 2.

23  
24 I just did some preliminary look at the size distribution of the  
25 gray triggerfish that were harvested in 2016 relative to 2014  
26 and 2015. The 2016 is the black bars in that figure there. The  
27 X-axis is the fork length and the Y-axis is the percent of fish  
28 caught in those different sizes.

29  
30 You have the new size limit, the change, there. That red line  
31 is actually the new size limit. It looks like they are  
32 following the new size limits. It's not like the fishermen are  
33 still continuing to harvest fish in that thirty-one, thirty-two,  
34 and thirty-three inches fork length. There still is some  
35 undersized harvest, but I guess you could say the ratio of those  
36 fish in that thirty to thirty-four-inch window has dropped a lot  
37 in 2016.

38  
39 You can see that little comment there. Most fishermen follow  
40 the new size limit. You can see the thirty to thirty-four  
41 inches fork length. It decreased from about 46 percent of the  
42 fish harvested were in that window from 2014 and 2015, but then  
43 that dropped down to 19 percent with the new size limit.

44  
45 Really, what we're seeing those is larger fish. You see, if you  
46 go all the way to the right, that greater than forty inches fork  
47 length, that big, tall black bar there. What we're seeing now  
48 is much -- This is still very preliminary. We have only really

1 looked at Wave 1 and Wave 2 of 2016, but we're seeing a lot  
2 larger fish, which is contributing to the high landings in 2016  
3 for Wave 2. I kind of rambled through that there with a whole  
4 bunch of details, but I would be happy to take any questions on  
5 that.

6  
7 **CHAIRMAN GREENE:** Thank you. Any questions? Mr. Anson.

8  
9 **MR. ANSON:** How many fish, Dr. Larkin, does this represent that  
10 were sampled for those fifty-four, nine, and one interviews?

11  
12 **DR. LARKIN:** Sampled, it was ninety-nine. In Wave 2, there was  
13 actually a sample of 99 greater amberjack, but just keep in mind  
14 you have your fish that are sampled, fish which is used for fish  
15 per person, and that's multiplied by the sample weight, whether  
16 there was a lot of effort that day or low, and so that's kind of  
17 expanded up to determine what the total pounds would be or total  
18 numbers of fish for the different regions, if that helps, but it  
19 was ninety-nine total fish were actually you could say observed  
20 by dockside samplers.

21  
22 **MR. ANSON:** Then one other question related to gray triggerfish.  
23 You predicted the ACT was exceeded and so -- After the fact, you  
24 did a prediction, and this was in July, when you got the  
25 estimates. You did the analysis and then you predicted that the  
26 ACT was actually exceeded in May? Is that what you said?

27  
28 **DR. LARKIN:** Yes, and, actually, when we did this one, we only  
29 had Wave 1 landings so far, and so I had to predict the rest of  
30 the waves.

31  
32 **MR. ANSON:** At the time, you didn't know, back at the end of --  
33 Well, you got the Wave 1 estimates in July, and is that how it  
34 went?

35  
36 **DR. LARKIN:** Correct.

37  
38 **MR. ANSON:** Have you gotten the estimates for Wave 3 yet?

39  
40 **DR. LARKIN:** No, we haven't got those yet.

41  
42 **MR. ANSON:** Thank you.

43  
44 **CHAIRMAN GREENE:** Anybody else? I guess, based on this, it  
45 would be safe to say that there won't be a triggerfish season  
46 for next year?

47  
48 **DR. LARKIN:** I wouldn't say that. Looking at, just ballpark

1 now, how much have we gone over from the data we have so far, I  
2 think actually Sue already has it available here.

3  
4 **DR. ROY CRABTREE:** I don't want to speculate about next year  
5 until we see more landings on through, and so we will get Wave 3  
6 fairly soon, and then we'll have a much better understanding of  
7 what was caught through June and we will go from there.

8  
9 **CHAIRMAN GREENE:** Thank you. Ms. Guyas.

10  
11 **MS. GUYAS:** The Tab A, Number 8 that Sue went through, it looks  
12 like the old version is still on the website, and I don't think  
13 the new one got distributed, and if that could be distributed to  
14 everybody, that would be great. The one that's on the website  
15 now still has just the January/February. It doesn't have Wave  
16 2.

17  
18 **CHAIRMAN GREENE:** Thank you. Any further questions? Seeing  
19 none, I guess we will continue on our agenda here. I guess Dr.  
20 Larkin is up again or someone from staff on the decision tools.

21  
22 **DR. LARKIN:** Yes, that's me again. Are we doing the commercial  
23 first, the commercial decision tool for gray triggerfish?

24  
25 **DR. SIMMONS:** Actually, could we start with the recreational  
26 decision tool, since they have seen that before and you made  
27 some changes, based on the SSC and council requests?

28  
29 **DRAFT AMENDMENT 46 - MODIFY GRAY TRIGGERFISH REBUILDING PLAN**  
30 **DRAFT RECREATIONAL DECISION TOOL**

31  
32 **DR. LARKIN:** Sure. I just wanted to respond to -- Mr. Anson  
33 requested, at the last council meeting, that we incorporate  
34 fishing effort, changes in fishing effort, and so this is still  
35 something relatively new that we're working on with our decision  
36 tools. I incorporated that, following Mr. Anson's request, and  
37 broke it up by headboat, charter, and private. You can see  
38 there the different dropdown menus there.

39  
40 The way this works now is fishing effort is a very tricky thing  
41 to get a handle on. It depends on what species and what season  
42 and so forth. The way this is built, mathematically, it's  
43 really up to the user to decide how much the fishing effort will  
44 shift during a closure.

45  
46 To give you a quick example here, let's say if you close twenty  
47 days in January, those twenty days -- Let's start real simple.  
48 Let's say, all across the board, headboat, charter, and private,

1 you give it 100 percent effort shifting and you close twenty  
2 days in January. Those twenty days will be reallocated to the  
3 other months, and the way the tool is set up, each month has its  
4 own daily catch rate.

5  
6 If you take away those twenty days, let's say you would probably  
7 get two more days in February. The landings in February will  
8 increase by two more days for the catch rate in February. March  
9 will get two more days by the catch rate in March. If you do no  
10 effort shifting, then it won't change at all, and especially if  
11 you don't have any closures.

12  
13 I was trying to explain to you the math behind it. You can  
14 decide whether you want to do headboat, charter, or private. Do  
15 you want 100 percent effort shifting, or, for example, let's say  
16 that charter you only wanted to -- You close twenty days in  
17 January and for charter you only do 10 percent.

18  
19 Instead of twenty days, two days will be allocated and equally  
20 distributed to the rest of the open days. It is really tricky,  
21 and it's a new concept we're working on with the South Atlantic  
22 Council as well as this council. The model is also set up so  
23 that each month has its own daily catch rate, and that's also  
24 set up between headboat, charter, and private. If you do effort  
25 shifting for private, then the landings that go into that month  
26 for charter and headboat will not be impacted at all.

27  
28 The rest of the model is still the same, but it gives the user  
29 an option whether they think, for example, for headboat, will  
30 there be no effort shifting, meaning the headboat fishermen are  
31 going to keep going out no matter what and their days fished are  
32 going to continue as they were in the past.

33  
34 Maybe charter, for example, if you close in May, will they  
35 effort shift 100 percent of their effort to the other months or  
36 will they just effort shift 10 percent of their effort, where  
37 they would have gone in May, those thirty-one days that were  
38 closed, and only 10 percent to the other months, and so, really,  
39 the burden is really on the council to determine how they think  
40 the fishermen will respond to effort shifting from the different  
41 closures. I would be happy to answer any questions. I know  
42 it's a little tricky to work through.

43  
44 **CHAIRMAN GREENE:** Mr. Riechers.

45  
46 **MR. RIECHERS:** Just out of curiosity, when you all have been  
47 working on this and thinking about the effort shifting and  
48 trying to build it into your model, we certainly probably have

1 some past examples of closed seasons and effort shifting that  
2 has occurred. Have you all tried to look at that, to put bounds  
3 on some of that, and create some of that notion of what might be  
4 a reasonable effort shifting estimate?  
5

6 **DR. LARKIN:** No, and, to be honest, that's a good point, but I  
7 haven't looked at that. I guess it even depends on when it was  
8 closed and what species and so forth, but certainly, now that  
9 you point it out, with gray triggerfish, there certainly have  
10 been significant numbers of closures there to give you I guess a  
11 range, to see if it's similar, and so it's something I can  
12 certainly pursue, but, for now, the burden is really on the user  
13 to define how the effort will be shifted.  
14

15 **CHAIRMAN GREENE:** Mr. Anson.  
16

17 **MR. ANSON:** Thank you, Mr. Chair. That was a good question,  
18 Robin, and I had a similar question. Unfortunately, I think  
19 it's a dog chasing its tail, a little bit. Fishermen are  
20 responding to management, and they are being more creative as we  
21 are taking away -- Believe it or not, we're taking away more  
22 options and they're being more creative, I think, but I just  
23 wanted to thank Dr. Larkin for the time and effort that he put  
24 into this model, and I certainly encourage him, as Robin  
25 suggested, to look at some of those trends that may be  
26 developing within triggerfish for this particular example, as  
27 well as other fish, to see if there might be some sort of metric  
28 that's similar or standard that we could use in future  
29 instances. Thank you.  
30

31 **CHAIRMAN GREENE:** Thank you. Any further discussion? Seeing  
32 none, I guess we've taken care of the recreational. Then there  
33 was a change in the commercial, and so if you want to lead us  
34 through that. Dr. Simmons.  
35

#### 36 **DRAFT COMMERCIAL DECISION TOOL**

37

38 **DR. SIMMONS:** Thank you, Mr. Chairman. Just a couple of pieces  
39 of information while Mike is getting that up. This is the first  
40 time the council has seen the commercial decision tool for gray  
41 triggerfish, and this has not gone to the SSC. We plan to take  
42 both this decision tool back and the revised recreational  
43 decision tool back to the SSC. I guess in their September  
44 meeting they will look at this, and I think Dr. Larkin has also  
45 produced a write-up that explains in a lot more detail what they  
46 have done behind the scenes for these decision tools, and so  
47 thank you.  
48

1 **DR. LARKIN:** For the commercial, based on our predicted landings  
2 for the 2017 fishing season, it's very similar to the  
3 recreational one. You can drop down and determine here whether  
4 you want to close a certain number of days, for example, in May  
5 or if you want to determine the entire month here. Then this  
6 one is a little more simple. There's not as many options going  
7 into it. Then you can click here if you want to decrease the  
8 current gray triggerfish -- It's a trip limit, but it's based on  
9 numbers of fish.

10  
11 The status quo, you can see twelve or you can drop down to five  
12 or ten or you can increase to thirteen or fourteen. I actually  
13 took the step and put in an increase up to twenty, just because  
14 it had very little impact when you increased the gray  
15 triggerfish to thirteen or fourteen.

16  
17 It's always tough when you're increasing something, because you  
18 really don't have a lot of data to really see how that would  
19 impact, and so what we typically do in this case is we increase  
20 -- When we increase, for example, a trip limit, we look at the  
21 number of trips that harvested twelve and those trips that  
22 maximized a trip limit and assumed that those same exact trips  
23 would increase up to thirteen, fourteen, or twenty. It's a big  
24 assumption there. You're assuming that they stopped because  
25 they meet their trip limit.

26  
27 Therefore, if we increase it, those trips will also meet the new  
28 trip limit, but the ones below the trip limit, for the ones, for  
29 example, that had one through eleven gray triggerfish, those  
30 were not modified. The ones above the trip limit -- In this  
31 case, if I was looking at fourteen, any of the ones that  
32 harvested above fourteen were left alone, assuming that there is  
33 still the same level of non-compliance.

34  
35 When I looked at an increase to thirteen or fourteen, it made  
36 such a small difference that I just wanted to make it more  
37 fruitful to go through all the steps of building this thing, to  
38 make it increase all the way up to twenty.

39  
40 Basically, the landings are set up by month, but you can either  
41 close certain months or close certain days and months and then  
42 you can -- Here is kind of the layout of what the landings per  
43 month look like in this row here, and then this sums up all of  
44 them here. Then you can scroll down and see how they relate to  
45 the different ACLs and ACTs.

46  
47 A yellow is highlighted, meaning there was an overage. For  
48 example, this one, you can see 46,000 is above, in this case,

1 the ACL of 45,000 and the ACT of 41,000. You can see how they  
2 relate to all different options for the ACLs and ACTs, and then  
3 you can scroll down here and see how the landings track over  
4 time. Then the different lines represent the different -- In  
5 this case, these are the ACTs, because the fishery is set up to  
6 close when the ACT is met.

7  
8 Over here is actually a prediction for the closure dates. For  
9 example, this one predicts that all three ACTs will be hit on  
10 December 9 and the number of days in the season will be 311. As  
11 you change this, you can see how -- For example, if I open this  
12 back up and then you scroll back down here, the landings are  
13 higher, not dramatically higher, but, anyway, landings are  
14 higher and so you can see, when they cross those lines, they  
15 exceed the ACL or, in this case, the different ACTs.

16  
17 If it was not exceeded, you will see "N/A" in the little columns  
18 here. You can see these, most of them, did not hit the ACT.  
19 The ones that did, it provided a date and the number of days in  
20 the season. That's it for the commercial decision tool, and I  
21 would be happy to answer any questions on it.

22  
23 **CHAIRMAN GREENE:** Thank you. Any questions? Mr. Walker.

24  
25 **MR. WALKER:** Dr. Larkin, how many pounds per trip? Did you have  
26 an average on how many pounds per trip on commercial? It's  
27 twelve fish, but how many pounds?

28  
29 **DR. LARKIN:** Pounds per trip -- I just really focused on the  
30 pounds per month and then broke it up by the number of days in  
31 the month, and so you're asking the number of pounds per trip  
32 and what is the range? Is that what you're asking, the range of  
33 pounds per trip for the commercial trips?

34  
35 **MR. WALKER:** Yes, just the average amount of pounds per trip. I  
36 am interested in adding an alternative when we get to Action 7  
37 of going to a seventy-five-pound trip limit. One of the  
38 concerns is we've been hearing some stories of high-grading with  
39 the twelve fish. There may be some high-grading going on, and I  
40 think it might work better with a seventy-five-pound trip.  
41 That's basically just a heaping basket full of triggerfish.

42  
43 **DR. LARKIN:** I do have that in the amendment, where we --  
44 Correct me if I'm wrong, Carrie, but I think we actually  
45 provided that in the amendment, where I provided a length  
46 frequency distribution of the pounds per trip, but I think I did  
47 it in numbers of fish and not pounds. I don't have that  
48 available now, but I believe in the amendment that we have that

1 summarized, if that would help give you some guidance as to the  
2 pounds per trip, and so we do have that in the amendment.

3  
4 **MR. WALKER:** I am just concerned, because I think we're at like  
5 50 percent of the landings right now, as of last week.

6  
7 **CHAIRMAN GREENE:** Thank you. Any further comments? Seeing  
8 none, I guess we will move on to the next agenda item and Dr.  
9 Simmons.

10  
11 **REVIEW OF DRAFT AMENDMENT**

12  
13 **DR. SIMMONS:** Thank you, Mr. Chairman. Now we're ready to get  
14 into the rebuilding plan. We will go through Tab B, Number 11.  
15 I don't have a presentation, and so I would like just to walk  
16 through the document, starting on page 7 with the purpose and  
17 need.

18  
19 What would be helpful for us is if we could remove any  
20 alternatives that you would not like us to consider looking at  
21 any further or add any alternatives that you would like us to  
22 look at moving forward, so we can really start developing this  
23 into a public hearing draft. We do have to have the rebuilding  
24 plan implemented by November of 2017, and so staff does need to  
25 get going on this.

26  
27 We will start with the purpose and need, and I was just  
28 wondering if the committee had any comments. The purpose is to  
29 establish a rebuilding time period, catch levels, and management  
30 measures for the Gulf of Mexico gray triggerfish stock. The  
31 need is to make adequate progress to rebuild an overfished stock  
32 consistent with the requirement for rebuilding plans and to  
33 achieve, on a continuing basis, the optimum yield from  
34 federally-managed species or from a federally-managed stock. I  
35 will stop and see if the committee wants to make any changes or  
36 recommendations here.

37  
38 **CHAIRMAN GREENE:** I don't see anybody, and so continue on,  
39 please.

40  
41 **DR. SIMMONS:** Okay, and so let's go to Action 1. It's on page  
42 8. We are establishing a rebuilding time period for the gray  
43 triggerfish stock. Alternative 1 is the no-action alternative.  
44 That's the plan we're currently in, the current five-year  
45 rebuilding period. It began in 2012 and it ends in 2017.

46  
47 Alternative 2 would establish a rebuilding time period equal to  
48 the minimum number of years,  $T_{min}$ , to rebuild the stock, based



1 on a constant fishing mortality rate of zero, starting in 2017.  
2 That was using the SSC's recruitment scenario to recover in six  
3 years or by the end of 2022.

4  
5 Alternative 3 would establish a rebuilding time period of eight  
6 years or by the end of 2024. Alternative 4 is nine years or by  
7 the end of 2025, and Alternative 5 is ten years, or by the end  
8 of 2026. Again, this rebuilding plan is slated to start in  
9 2017, and so I will stop there and see if there's any questions  
10 or suggestions.

11  
12 **CHAIRMAN GREENE:** Ms. Bosarge.

13  
14 **MS. BOSARGE:** Carrie, I'm going to back up a little bit, because  
15 I was going through this document, and I know it's only a draft  
16 options paper right now, and I've only been on the council for  
17 three years, and so I have not been in the middle of this since  
18 the 2006 stock assessment, where they said, okay, it's  
19 overfished and undergoing overfishing and let's get something in  
20 place to do something about this.

21  
22 I think, for me, coming into it at this point, it would be very  
23 helpful if in the document -- Can we have some graphs and some  
24 charts that take us further back in time than 2001? In fact,  
25 what I did was pulled up the document that initiated the first  
26 rebuilding plan online, on our website, to try and look at it,  
27 to try and understand where were we at then and then what did we  
28 do and where we're at now, but if some of that could be in this  
29 document, I think that would be helpful, to kind of know where  
30 we started before the rebuilding plan, what were we doing then,  
31 and then what did we do to try and rebuild it and then what do  
32 we need to do differently now.

33  
34 Those landings and those charts in that document went back to  
35 1979. It was 1979 to 2005, and all of our graphs and charts in  
36 this document mainly start at 2001 and go forward, which  
37 obviously that's very relevant material, but I need a big-  
38 picture view of it to help me a little bit.

39  
40 Then I think the other thing that would be helpful is, as you  
41 give us those graphs and those charts, if we could have almost  
42 like a spreadsheet looking thing in there, illustration, where  
43 it tells us, in a very brief snapshot, what management measures  
44 were taken, because we have a verbal paragraph form of that, and  
45 it kind of tells us that landings tapered off very rapidly in  
46 this year and this year, but what we don't know is that like in  
47 2008, that document, that management plan, when I read back over  
48 that one, the management actions that were taken in that

1 document were intended to decrease landings by 60 percent, both  
2 recreationally and commercially.

3  
4 Those are the kinds of things, if I could see what these  
5 different actions, management-wise, up next to the landings and  
6 what was happening here and there, I think I could get a better  
7 grip on what's feasible and maybe what's the best course going  
8 forward. That's just a general suggestion.

9  
10 **CHAIRMAN GREENE:** Thank you. Any further comments? Seeing  
11 none, Dr. Simmons.

12  
13 **DR. SIMMONS:** We can certainly do that, and not just the history  
14 of management, but we could beef up the history in the  
15 introduction about the way we've managed the stock prior to the  
16 first stock assessment, certainly.

17  
18 **MS. BOSARGE:** Yes, in an illustration or spreadsheet version.

19  
20 **DR. SIMMONS:** Okay. We will work towards that. I guess there  
21 was nothing on Action 1, no changes there, and so we will go to  
22 Action 2.

23  
24 **CHAIRMAN GREENE:** One second. Dale Diaz.

25  
26 **MR. DIAZ:** Just for my benefit, what's the timing on this  
27 document? This is an options paper, and so we're getting ready  
28 to do a scoping document, and how are we going to progress here?  
29 I know 2017 is very close.

30  
31 **DR. SIMMONS:** Right now, this is an options paper. We have to  
32 have, I think, the rebuilding plan implemented I believe by  
33 November of 2017, and so we have to move fairly rapidly, I  
34 think, to continue to develop this and take final action, I  
35 would assume, in April, or June at the very, very latest, and I  
36 think June would be pushing it, but I could let the Regional  
37 Office staff weigh in or Steven weigh in on the timing of it,  
38 but my understanding is that it has to be implemented by  
39 November of 2017.

40  
41 **CHAIRMAN GREENE:** Mr. Atran.

42  
43 **MR. ATRAN:** I was just talking with Mike Larkin about Leann's  
44 request to go back further in time on some of the landings, and  
45 I believe that the MRIP conversions only go back to around 2004,  
46 or thereabouts. MRFSS began in -- The data that we have goes  
47 back to 1981, but I don't think the conversions go back that  
48 far, and so that limits how far back in time we can go, at least

1 on the recreational sector.

2

3 **CHAIRMAN GREENE:** Ms. Bosarge.

4

5 **MS. BOSARGE:** Yes, and you can footnote it and put that in  
6 there, but I even without that conversion -- I'm looking at  
7 landings that are six-million pounds, seven-million pounds, and  
8 we're talking about quotas that are less than 500,000 pounds.  
9 Even if you don't have a conversion that gets these things  
10 exactly right, back in the 1980s and such, it still gives me a  
11 better picture of the history of this fishery and maybe where we  
12 are now. How bad are things or how good are things, but I need  
13 a more than just 2001 snapshot of this.

14

15 **CHAIRMAN GREENE:** Thank you. Anyone else? Okay, Dr. Simmons.

16

17 **DR. SIMMONS:** I think this is going to be an environmental  
18 assessment. We're still working on that, and so we would take  
19 this to public hearings after the council approves a public  
20 hearing draft, but we are not planning to take this out to  
21 scoping.

22

23 Action 2 is to establish annual catch limits and catch targets  
24 for gray triggerfish. Alternative 1 is the no-action  
25 alternative, retain the gray triggerfish sector ACLs and ACTs as  
26 developed in Amendment 37 and that have been in effect since  
27 2012, and you can see those in the table there. The ABC is  
28 305,300 pounds with the commercial ACL and the recreational ACL  
29 and commercial ACT and recreational ACT.

30

31 Alternative 2 would set the ACLs and ACTs for gray triggerfish  
32 at zero pounds until a new stock assessment has been completed,  
33 and Alternative 3 would use the SSC's recommended rebuilding  
34 period, the increasing yield stream rebuilding period, of eight  
35 years from the most recent assessment, and that's SEDAR 43 in  
36 2015, and it corresponds with the annual ABCs recommended for  
37 2017 through 2019. You can see those there in the table below.

38

39 For the sector buffers or the buffers by sector between the ACL  
40 and ACT, we used the council's ACL/ACT control rule, and we  
41 based it on the landings from 2012 through 2015, and that  
42 resulted in a buffer of 8 percent for the commercial sector and  
43 20 percent for the recreational sector between the ACL and ACT.

44

45 For Alternative 4, it also uses the SSC's recommendation of the  
46 mean. This is the mean instead of the increasing yield streams  
47 for 2017 through 2019, and then it has the various options  
48 underneath for an eight-year, a nine-year, and a ten-year

1 rebuilding plan, and it has the corresponding years. Then, if  
2 you go down a little bit further in numbers, you see the mean  
3 ABCs and the commercial and recreational ACLs and ACTs. I will  
4 stop there for a moment for discussion.  
5

6 **CHAIRMAN GREENE:** Ms. Bosarge.  
7

8 **MS. BOSARGE:** I just have to correct something that I said, but  
9 it goes to the point of having this information in the document  
10 at hand. It wasn't six and seven-million pounds. I am trying  
11 to find the right page in a ten-year-old document here to tell  
12 you what the landings were, and I did this in the middle of the  
13 night last night, but they are up into the millions, and  
14 eventually I will find the right page, but, on the record, no,  
15 they're not six or seven-million, but if we can get that  
16 information in this, I would appreciate it, but I just needed to  
17 correct that statement, and so thank you.  
18

19 **CHAIRMAN GREENE:** Thank you, Ms. Bosarge. Any further  
20 discussion? Dr. Crabtree.  
21

22 **DR. CRABTREE:** Carrie, is there any real need for us to have  
23 Alternative 3 in here that has these slightly increasing yields?  
24 I think we had other alternatives that we took out, and it looks  
25 like Alternative 3 would only apply if we chose the eight-year,  
26 and we already have an Alternative 4, which would give us the  
27 mean if we chose the eight-year rebuilding plan, and it isn't  
28 much different than these increasing ones, and so would it be  
29 appropriate for us to take Alternative 3 to considered but  
30 rejected to simplify this and move it?  
31

32 **DR. SIMMONS:** Yes, I think that would help quite a bit.  
33

34 **DR. CRABTREE:** I would move, Mr. Chairman, that we remove  
35 **Alternative 3 to the considered but rejected.**  
36

37 **CHAIRMAN GREENE:** Thank you. We're going to get a motion up on  
38 the board here. We have a motion on the board. Is there a  
39 second for this motion?  
40

41 **MR. RIECHERS:** Second.  
42

43 **CHAIRMAN GREENE:** Second by Mr. Riechers. Any further  
44 discussion? **Seeing none, is there any opposition to this**  
45 **motion? Seeing none, the motion carries.**  
46

47 **DR. SIMMONS:** If there is nothing else on Action 2, we will move  
48 to the management measures. Action 3 starts the recreational

1 management measures. It's on page 12. Currently, we have a  
2 fixed closed season. It's for both the recreational and the  
3 commercial sector. It's June 1 through July 31. The council  
4 established this in Amendment 37 in 2013. The reason primarily  
5 was that it overlaps with peak spawning for gray triggerfish.

6  
7 Alternative 2 would modify the gray triggerfish closed season  
8 for the recreational sector to be from June 1 through August 31.  
9 Alternative 3 would modify the closed season to be from January  
10 1 to July 31, so you had a later season, later in the year.  
11 Alternative 4 would modify the gray triggerfish closed season  
12 for the recreational sector to be from January through February  
13 and then open on March 1 and then close again June 1 to July 31.

14  
15 Alternative 5 would modify the season to be from January 1  
16 through January 31 and open up on February 1 and then close  
17 again on June 1, and keep that June 1 through July 31 closed  
18 season, and so I will stop there.

19  
20 **CHAIRMAN GREENE:** Thank you. Any further discussion on Action  
21 3? Seeing none, I guess we will continue on.

22  
23 **DR. SIMMONS:** I will go ahead and note, for each of those closed  
24 seasons, and you also have your decision tools now, is on Table  
25 2.3.1, it's got the closures by month, the estimated projected  
26 landings or total projected landings for that year, and then  
27 it's got alternatives. If we could down to page 14, you can see  
28 that there that corresponds to the alternatives.

29  
30 We will go to page 15. The other management measure we have is  
31 looking at reducing the bag limit for gray triggerfish. It's  
32 Action 4. Alternative 1 is the no-action alternative, do not  
33 modify the recreational bag limit of two gray triggerfish per  
34 angler per day within the twenty reef fish aggregate bag limit.  
35 Alternative 2 would reduce it to one gray triggerfish per angler  
36 per day within the twenty reef fish aggregate bag limit.

37  
38 Just to remind you, the aggregate bag limit includes, besides  
39 gray triggerfish, vermilion snapper, almaco jack, lane snapper,  
40 golden tilefish, goldface tilefish, and blueline tilefish.

41  
42 You can see an analysis of the recreational data showed only a  
43 small percentage of the trips reached the twenty reef fish  
44 aggregate bag limit, and that is on page 16 of the document.  
45 Approximately 10 percent of the trips harvest two gray  
46 triggerfish within the twenty reef fish aggregate.

47  
48 In discussions with the IPT, we talked a little bit about at

1 some point that the council may want to consider looking at this  
2 overall reef fish aggregate and decide if they may want to take  
3 triggerfish out or look at some of these other species. I don't  
4 know if they want to handle it in this document, but it may be  
5 something you want to consider in the future, if not here,  
6 regarding these recreational bag limits, and so I will stop here  
7 for a moment.

8  
9 **CHAIRMAN GREENE:** Thank you. Is there discussion? I don't see  
10 any, Carrie. Continue on, please.

11  
12 **DR. SIMMONS:** All right. We will go to Action 5. It's to  
13 modify the recreational minimum size limit for gray triggerfish.  
14 We are currently at a fourteen-inch minimum size limit, fork  
15 length, for gray triggerfish. Alternative 2 would increase the  
16 recreational size limit to fifteen inches and Alternative 3  
17 would increase it to sixteen inches fork length.

18  
19 The decision tool, I think, allows a lot broader scope of  
20 minimum size limit that you could look at, but this is currently  
21 what we have in the document. We did look at this during the  
22 development of Reef Fish Amendment 37, and the council  
23 determined that there should not be an increase in the minimum  
24 size limit, because we hadn't changed too long ago from total  
25 length to fork length.

26  
27 The staffs got together and developed some education and  
28 outreach materials regarding the current size limits, and you  
29 can see, on page 19, that these efforts have been successful, to  
30 some extent. There's been an 8 percent reduction in undersized  
31 fish, if you look at Figure 2.5.1 in the document, and so that  
32 was some good news. I think that's all I have on that action  
33 right now, and so I will stop there.

34  
35 **CHAIRMAN GREENE:** Thank you. Any discussion? Seeing none,  
36 continue on, please, Dr. Simmons.

37  
38 **DR. SIMMONS:** The next two actions deal with the commercial  
39 management measures. Action 6 would modify the commercial fixed  
40 closed season for gray triggerfish. This action, we have  
41 Alternative 1, the no-action alternative, to maintain the  
42 current closed season of June 1 through July 31. Alternative 2  
43 would modify the fixed closed season to be from May 1 to July  
44 31, and Alternative 3 would modify it to be from June 1 through  
45 August 31.

46  
47 I did want to point out that I think, as Mr. Walker alluded to  
48 earlier, that, since the implementation of the twelve-fish trip

1 limit, the landings have been low. In 2014, forty-two-thousand-  
2 five-hundred-and-something pounds were landed, and so that's 31  
3 percent of the ACT. In 2015, about 47,000 or 48,000 pounds were  
4 landed, and so it was about 22 percent below the ACT, the  
5 current ACT that is, of 60,900 pounds.

6  
7 The IPT really wasn't sure if the council wanted to keep this  
8 action in the document and felt that it was necessary, because  
9 currently the commercial sector is not landing their quota, and  
10 so I will stop there.

11  
12 **CHAIRMAN GREENE:** Thank you. Any discussion? Mr. Walker.

13  
14 **MR. WALKER:** I am more concerned in Action 7, when we get to  
15 that, maybe going to pounds instead of number of fish.

16  
17 **CHAIRMAN GREENE:** Okay. Thank you. Ms. Bosarge.

18  
19 **MS. BOSARGE:** It's probably going to be contrary to what I feel  
20 like you're going to say, but I have been thinking about this.  
21 I mean obviously we have something that's not rebuilding the way  
22 we wanted it to rebuild, and so common sense would tell you --  
23 Let me reserve my comment until we get to the bag limit, because  
24 I'm already ahead in the document, and so hang on.

25  
26 **CHAIRMAN GREENE:** Dr. Crabtree.

27  
28 **DR. CRABTREE:** Unless someone feels differently, it seems to me  
29 that this is an action we could remove from the document,  
30 because I'm not hearing a lot of interest in changing it. **I**  
31 **would move that we move Action 6 to the considered but rejected**  
32 **appendix.**

33  
34 **CHAIRMAN GREENE:** Mr. Fischer.

35  
36 **MR. FISCHER:** As far as the biology of the fish, is the spawning  
37 restricted to June and July or does the spawning extend beyond  
38 those months?

39  
40 **CHAIRMAN GREENE:** Hold on just a second. We're getting the  
41 motion on the board. I thought you were going to be seconding  
42 that motion.

43  
44 **MR. FISCHER:** No, I might not be.

45  
46 **CHAIRMAN GREENE:** If you would, please hang on just a second.  
47 Mr. Sanchez, you're seconding it? All right. We have a motion  
48 on the floor to move Action 6 to considered but rejected. It

1 was seconded by Mr. Sanchez. Is there any further discussion?  
2 Is there any opposition to the motion on the floor? Mr.  
3 Fischer, go ahead.

4  
5 **MR. FISCHER:** It's just a question on the biology of the fish.  
6 Are they spawning outside of those months? I just wanted to  
7 know how tight of a curve it is. Are they peaking at the end of  
8 June?

9  
10 **CHAIRMAN GREENE:** Dr. Simmons.

11  
12 **DR. SIMMONS:** Thank you, Mr. Chairman. They have been fecund  
13 from May to August, but we have only observed actual spawning in  
14 the northern Gulf of Mexico during the months of June and July,  
15 and so that is what published information is available.

16  
17 **CHAIRMAN GREENE:** Thank you. Any further discussion on the  
18 motion on the floor? **Seeing none, is there any opposition to**  
19 **the motion before you? Seeing none, the motion carries.** Dr.  
20 Simmons.

21  
22 **DR. SIMMONS:** Okay. The last action is Action 7, page 23, to  
23 modify the commercial trip limit. We can get that information,  
24 I think, for pounds by full council, but we could add that to  
25 the document as well if you maintain this action in here.

26  
27 Alternative 1, the no-action alternative, would maintain the  
28 commercial trip limit of twelve gray triggerfish per vessel per  
29 day. Alternative 2 would increase the trip limit to fourteen  
30 fish per vessel per day. Alternative 3 would decrease the trip  
31 limit to ten fish per vessel per day.

32  
33 We had put in here an IPT-proposed alternative just for  
34 consideration. It's in the commercial decision tool, and that  
35 is to increase the trip limit to twenty fish per vessel per day,  
36 and that was based on the information that I went over earlier,  
37 that they're not currently catching their quota. In the last  
38 couple of years, they've been about 22 to 31 percent below the  
39 quota.

40  
41 Although increasing the trip limit when the rebuilding plan has  
42 not been achieved is an alternative that we agree should be  
43 considered carefully, we did want to bring this up. It was  
44 brought up also at a Reef Fish AP meeting last year that the  
45 twelve-fish trip limit was constraining harvest enough that they  
46 weren't able to achieve the ACT currently.

47  
48 **CHAIRMAN GREENE:** Thank you. Is there discussion? Mr. Walker.



1  
2 **MR. WALKER:** So do we need a motion now or you can add it to the  
3 document without bringing it to full council? **I have emailed a**  
4 **motion in earlier, if we could get it up, to save time here.**  
5  
6 **CHAIRMAN GREENE:** We have a motion on the board in Action 7 to  
7 add an alternative to establish a seventy-five-pound trip limit  
8 per vessel for gray triggerfish. Is there a second for this  
9 motion? It's seconded by Mr. Sanchez. Is there discussion?  
10 Mr. Walker.  
11  
12 **MR. WALKER:** We've already had some discussion. The commercial  
13 industry has not been landing or receiving the optimum yield,  
14 and there's been concerns of high-grading going on. I have  
15 heard people landing twelve fish and having a hundred pounds of  
16 triggerfish. That's like an 8.3-pound fish, and so I mean  
17 that's not your average-size triggerfish. I think the seventy-  
18 five-pound trip limit would work better and help us achieve the  
19 optimum yield better.  
20  
21 **CHAIRMAN GREENE:** Thank you. Any further discussion? Ms.  
22 Guyas.  
23  
24 **MS. GUYAS:** Just a question, so we can be talking apples and  
25 oranges here. How many triggerfish is seventy-five pounds?  
26  
27 **CHAIRMAN GREENE:** Mr. Walker.  
28  
29 **MR. WALKER:** Dr. Larkin.  
30  
31 **DR. LARKIN:** Sorry. I don't mean to interrupt, but, based on  
32 our TIP sampling with the dockside intercepts in commercial,  
33 that's eighteen gray triggerfish.  
34  
35 **CHAIRMAN GREENE:** Mr. Diaz.  
36  
37 **MR. DIAZ:** I guess this question is for one of the commercial  
38 fishermen on the group. I mean do fishermen typically weigh  
39 fish onboard the vessel now to keep track of stuff like that,  
40 and is this something that would be workable if we went down  
41 this road? It certainly wouldn't be as easy as counting the  
42 fish for fishermen. It would be an additional burden on their  
43 end.  
44  
45 **MR. WALKER:** Yes, we currently weigh our fish right now for  
46 snapper to keep from not exceeding what we want to catch per  
47 trip. That would be about a heaping basketful of triggerfish.  
48 Like I say, it would stop some of the concerns of high-grading

1 going on, and it would help rebuild quicker.

2

3 **CHAIRMAN GREENE:** Mr. Diaz.

4

5 **MR. DIAZ:** To respond to that, in a lot of fisheries, high-  
6 grading is a very big deal, but the literature in this document  
7 says that we only lose about a percent-and-a-half, and is that  
8 right, Dr. Simmons, of fish with fishing mortality? Fishing  
9 mortality is very low, is what the document says, and so, while  
10 I don't encourage high-grading and I think it's a terrible  
11 practice, it's probably not as big of a deal in this fishery as  
12 in a lot of other fisheries, and so is it worth the trouble of  
13 going through to convert over to pounds to try to take care of  
14 the very small fishing mortality that might occur? I don't know  
15 the answer to that, but I'm just trying to think through this.

16

17 **MR. WALKER:** An example is the fish -- I think triggerfish  
18 probably survive better than any fish that you release in the  
19 Gulf, but if he's been iced down for two days, he's not going to  
20 do very well if you release him then.

21

22 **MR. DIAZ:** That's a very good point, Mr. Walker. You just  
23 convinced me.

24

25 **CHAIRMAN GREENE:** Never a more truer word spoken. Any further  
26 discussion? Ms. Levy.

27

28 **MS. LEVY:** If you're going to make a decision to change from  
29 number of fish to pounds -- It was in number of fish for some  
30 particular reason, I assume for ease of the fishermen or  
31 enforcement or whoever. I don't have any problem with you doing  
32 that, but I think you need to make that decision and the  
33 alternatives need to be consistent.

34

35 We're either going to do a pound trip limit or a number of fish  
36 trip limit, because I think it would be difficult to analyze  
37 twelve fish versus seventy-five pounds. It seems like the  
38 decision needs to be made upfront, and then your alternatives  
39 would reflect that decision.

40

41 **CHAIRMAN GREENE:** Sorry that I skipped over you, Mr. Anson.

42

43 **MR. ANSON:** A couple of questions, I guess, and it kind of ties  
44 into what Mara was saying, and so it might be a moot point, but  
45 it says vessel per day, and is that assumed to be a trip or is  
46 that -- If a trip is six days long, is that then twelve times  
47 six? I can't remember how it is in the regulations right now.  
48 That's my first question. Do you have any information about

1 that, Carrie or anybody else?

2

3 **CHAIRMAN GREENE:** Dr. Larkin.

4

5 **DR. LARKIN:** The data that I analyzed that goes into the  
6 decision tool was just based on per trip, and so I didn't look  
7 at per day, but just what did they come back to the dock with.  
8 That was per trip.

9

10 **MR. ANSON:** The recent information was the twelve fish for last  
11 year and such? It had twelve fish per trip?

12

13 **DR. LARKIN:** There was a percentage that met that trip limit,  
14 but I didn't break it up by days. I guess I could have, but I  
15 just looked at per trip.

16

17 **MR. ANSON:** I guess the concern, and, Dr. Larkin, you might be  
18 best to answer this as well, is that, historically, commercial  
19 landings have been low, relatively low, compared to the  
20 recreational sector, and I'm just wondering, if we go to  
21 seventy-five and it's eighteen fish, or we go to a twenty-fish  
22 trip limit versus where we are at twelve, is that going to  
23 influence those that may not have been aggressive in meeting  
24 their twelve-fish limit and alter the percentage of trips where  
25 there was no catch versus trips that now have catch?

26

27 At least, here as of late, the indication is that they are quite  
28 abundant and it will be easy for them to reach now an eighteen  
29 or a twenty-fish limit, and how that would impact going forward.  
30 I guess that's just my only concern. Do you have any insight  
31 into that, Dr. Larkin?

32

33 **DR. LARKIN:** I don't have any insight in terms of what you're  
34 saying. You said zero catch, that they didn't have any before,  
35 but now it's I'm going to go catch some, because I can get up to  
36 any eighteen of them, and I don't have any insight into that,  
37 but the analysis for the decision tool, it just looked at those  
38 trips that did meet the trip limit, that did catch twelve.

39

40 I didn't look at eighteen, but I looked at twenty, which is  
41 pretty close, but, anyway, I looked at twelve. Those trips, now  
42 they can come home to the dock with twenty, and so it is close,  
43 but I didn't look at in terms of new participants. I didn't  
44 analyze that, but the analysis does incorporate those people  
45 that met it before and will they meet the new trip limit. It  
46 does include that.

47

48 **CHAIRMAN GREENE:** Ms. Levy.

1  
2 **MS. LEVY:** Currently, in the regulations, the trip limits are  
3 per day, and so it doesn't say per trip. It's a trip limit, but  
4 it's a daily trip limit.  
5  
6 **CHAIRMAN GREENE:** That's a good point. Mr. Walker has pointed  
7 to the fact that he is talking about a seventy-five-pound trip  
8 limit. Dr. Crabtree.  
9  
10 **DR. CRABTREE:** David, is there any real reason why you want it  
11 to be in pounds instead of -- I mean I see the IPT suggested  
12 putting in an option for a twenty-fish trip limit. Is there a  
13 reason not to stay with numbers of fish?  
14  
15 **MR. WALKER:** I was worried about the high-grading. If you take  
16 eighteen 8.3-pound fish, I think it's 149 pounds per trip then.  
17 I am just worried about the possibility of this high-grading,  
18 and pounds I think would work better. Maybe we could make it  
19 some kind of combination.  
20  
21 **CHAIRMAN GREENE:** By combination, you mean by a bag limit not to  
22 exceed -- A specific number of fish not to exceed a specific  
23 amount of weight, Mr. Walker?  
24  
25 **MR. WALKER:** Well, I guess let's just leave it like I have it,  
26 the motion I have. I think that works best. I spoke with  
27 industry, and they are concerned about us not catching the fish  
28 and they're concerned about high-grading, and so maybe we should  
29 just leave it at this and vote it up or down.  
30  
31 **CHAIRMAN GREENE:** Okay. We have a motion on the board. I have  
32 two people to speak, Mr. Riechers and then Ms. Bosarge.  
33  
34 **MR. RIECHERS:** David, you mentioned high-grading a couple of  
35 times. Whether it's in weight or numbers, if a person is -- At  
36 some point, there is a high-grading that's going to go on until  
37 they hit the weight, and so you may still get the high-grading  
38 even as they try to get to that weight. I agree with Roy, or at  
39 least what Roy was getting at. I don't know why we wouldn't go  
40 twenty or eighteen, if that's your math here, just so that it  
41 makes it simple, but you want to keep the motion like it is, and  
42 so I certainly respect that.  
43  
44 **CHAIRMAN GREENE:** Ms. Bosarge.  
45  
46 **MS. BOSARGE:** I think I see his point, especially on a multiday  
47 trip, where you're talking about high-grading. I think, in my  
48 mind, I thought the easiest way -- If this motion passes, the

1 easiest way for me to, once I see it in the document, to be able  
2 to analyze it -- Because, in the past, we've done this by fish,  
3 but, if this passed and it ended up being our preferred and the  
4 regulation goes in and it's in pounds rather than fish, for me  
5 to really analyze it, I think it would be simple enough for each  
6 alternative that's listed in fish -- Dr. Larkin has the average  
7 weight, I'm assuming, and he can just put the number of pounds  
8 out beside it.

9  
10 Then, for this alternative, in that same action item, out next  
11 to the seventy-five-pound limit, just put the approximate number  
12 of fish in parentheses next to it, so we have both metrics for  
13 each alternative. Then I would be able to, at a glance, analyze  
14 it and see which way to go.

15  
16 **CHAIRMAN GREENE:** To that point, Mr. Fischer?

17  
18 **MR. FISCHER:** Leann, you don't know the length of the trip,  
19 because the head count is per day, and this would be for the  
20 total trip.

21  
22 **CHAIRMAN GREENE:** Dr. Simmons.

23  
24 **DR. SIMMONS:** Thank you, Mr. Chairman. Just very quickly, the  
25 reason that we had this in here in numbers is that, in Amendment  
26 37, we had started out with trip limits in pounds of fish and  
27 then the Law Enforcement AP reviewed it at that time, and they  
28 said it would be very difficult for them to enforce and keep up  
29 with such a low poundage of fish, and so they asked that the  
30 council consider putting it in numbers of fish. That's why we  
31 changed the alternatives to numbers of fish in Amendment 37.

32  
33 Then we've carried that over to this document for your  
34 consideration, and we could try to do both, but I would assume  
35 you would also want the trip limits in gutted weight as well,  
36 and so we would have to put that into consideration, too. Also,  
37 the decision tool is set up in numbers of fish. Is that  
38 correct, Mike, the way you've set it up, versus pounds?

39  
40 **DR. LARKIN:** Yes, I looked at numbers of fish for the percent  
41 increase and the percent decrease, but then the results are in  
42 pounds, and so I did incorporate the analysis of the trip limit  
43 in numbers of fish and applied it to the total pounds, because  
44 our ACT and ACL is in pounds.

45  
46 **CHAIRMAN GREENE:** Thank you. We have a motion on the floor, and  
47 I have three people. Dr. Stunz.

48

1 **DR. STUNZ:** I was going to say exactly what Carrie just said.  
2 I'm not speaking against your motion, David. I am for whatever  
3 works, but the enforcement panel had mentioned that the numbers  
4 of fish was the best way for them to enforce this.

5

6 **CHAIRMAN GREENE:** Mr. Anson.

7

8 **MR. ANSON:** I don't want to belabor the point, but, Mara, going  
9 back to your definition of the regulation related to harvest  
10 currently, I mean that would be -- It says per day. There isn't  
11 really a mechanism for those vessels who aren't participating in  
12 IFQ to kind of hail-in, or hail-out, I should say, to mark when  
13 their trip begins, and so it is essentially working as a trip  
14 limit right now, even though it states per day.

15

16 **DR. CRABTREE:** It's a daily trip limit, like almost all of our  
17 trip limits, and I think it has to be that way to be effective,  
18 but that's the way it's set up in the regulations, is a daily  
19 trip limit. The possession limit is usually what we talk about  
20 with the recreational fishery, but, if you are on a vessel and  
21 come into the dock and you're commercially permitted and you had  
22 seventy-five pounds on, you have caught your daily trip limit.  
23 In theory, if you ran back out and did another trip and came in  
24 and you had triggerfish, you would be in violation.

25

26 **MR. ANSON:** So what about the vessel that goes out for three  
27 days? Are they allowed to have thirty-six fish or only twelve?

28

29 **DR. CRABTREE:** They only get the one daily trip limit.

30

31 **MR. ANSON:** For this motion, but I'm talking about for what's  
32 currently on the books.

33

34 **DR. CRABTREE:** That motion doesn't specify it, but our trip  
35 limits, as far as I know, have always been considered daily  
36 trips limits and the limit for the trip if it exceeds a day, and  
37 not that you can run out and do multiple trips in one day, and  
38 you don't get extra credit and extra trip limit for staying out  
39 multiple days. Is that what you're getting at?

40

41 **MR. ANSON:** That is what I'm getting at. Thank you.

42

43 **CHAIRMAN GREENE:** I am going to go to Mr. Walker next. I think  
44 he wants to modify his motion, and then I will pick up Dr.  
45 Crabtree and move down the list.

46

47 **MR. WALKER:** Dr. Crabtree, what if it read per vessel per day in  
48 the motion?

1  
2 **DR. CRABTREE:** I guess you can do that, but then we have to know  
3 how many days the vessel has been out to know what the trip  
4 limit is. Unless they're fishing IFQ species, they would have  
5 to have hailed-in and all of that. You could do that, but, if I  
6 could, I am looking at Figure 2.7.1. Almost no one is bringing  
7 in this many triggerfish. Most trips are less than ten  
8 triggerfish, which, if you figure four or five pounds, is fifty  
9 pounds or so, which tells me that you're not going to bring in  
10 substantially more pounds by raising the trip limit.

11  
12 There is no high-grading going on right now, because most of  
13 them aren't even catching the trip limit. Honestly, I don't see  
14 that any of this is going to really address the issue you're  
15 after, based on the analysis that we have, because people aren't  
16 bringing in the current trip limit.

17  
18 **CHAIRMAN GREENE:** Okay. We have two more people on the list and  
19 then we're going to vote it up or down. Dr. Dana. Mr.  
20 Swindell.

21  
22 **MR. SWINDELL:** Thank you, Mr. Chairman. I just want to make  
23 certain we're still dealing with the status quo on the closed  
24 season of June to July. Is that correct?

25  
26 **CHAIRMAN GREENE:** Currently, we have a motion on the board.  
27 That's what we're working on right now.

28  
29 **MR. SWINDELL:** What I'm asking is whether or not we're looking  
30 at a trip limit that's also based with a closed season. The  
31 status quo right now, in the chart I'm looking at, says June and  
32 July is the status quo, and so is that the standard thing that -  
33 - We're not changing that, are we?

34  
35 **CHAIRMAN GREENE:** Mr. Walker.

36  
37 **MR. WALKER:** I would just like to remove my motion for now, and  
38 I would like to hear some public testimony and some more  
39 communication. I don't want to stall this anymore than we have  
40 already.

41  
42 **CHAIRMAN GREENE:** Thank you. To Mr. Swindell's point, I think  
43 we, in Action 6, we removed a portion of what you're talking  
44 about. Am I incorrect? We removed Action 6. We removed this  
45 part to considered but rejected. Okay, Dr. Simmons.

46  
47 **DR. SIMMONS:** Thank you. So that means we are not changing the  
48 fixed closed season for the commercial sector right now. The

1 council is not looking at changing that right now, and that's  
2 what you were asking, right? There is a closure still for the  
3 commercial sector, but we are not looking at modifying that.  
4 The committee just requested that we take that out.  
5

6 **CHAIRMAN GREENE:** Thank you. Any further discussion?  
7

8 **DR. SIMMONS:** I guess we will wait until full council and see if  
9 the council wants to add the IPT-proposed alternative or remove  
10 any of the other alternatives under Action 7. That's my  
11 understanding, correct?  
12

13 **CHAIRMAN GREENE:** Ms. Bosarge.  
14

15 **MS. BOSARGE:** Staff, I didn't email you this, and I'm sorry, but  
16 I will make that motion, the IPT-proposed alternative, which you  
17 will have to put it back on the screen for me to make it.  
18 Increase the commercial trip limit for gray triggerfish to  
19 twenty fish per vessel per day.  
20

21 I'm not sure that's where I would land eventually in this  
22 document, but, for analysis purposes, I would kind of like to  
23 have a little bit of a range there to look at to see what's  
24 happening as we move up and down these trip limits.  
25

26 **CHAIRMAN GREENE:** We have a motion going up on the board now to  
27 increase the commercial trip limit to twenty fish per person.  
28 Is there a second for this motion? It's seconded by Dr. Lucas.  
29 Any further discussion? Mr. Boyd.  
30

31 **MR. BOYD:** Just a question. Do the numbers show that, if we  
32 went to twenty fish per day per vessel and they caught that  
33 every trip every day, that we still be under or at the ACT?  
34 Have we done that analysis?  
35

36 **CHAIRMAN GREENE:** Mr. Anson.  
37

38 **MR. ANSON:** That might be included in the next version, but I  
39 don't know if, Dr. Larkin, if the model, if the decision tool --  
40

41 **MR. BOYD:** That's fine. I just think we ought to have assurance  
42 that we're not creating something that's going to throw us over.  
43

44 **CHAIRMAN GREENE:** Dr. Larkin.  
45

46 **DR. LARKIN:** I looked at that just right now. Assuming we keep  
47 the June and July closure and you increase the trip limit up to  
48 twenty gray triggerfish, it looks like it estimated close to



1 47,000 pounds, but can you educate me on which ACT target you're  
2 shooting for? If you want to go with the current ACT, there was  
3 not an overage of 60,900, but it looks like if you drop the ACT  
4 down to 43,000 that it will be an overage, but, in summary, it  
5 looks like it would be about 46,699 pounds. That's what the  
6 pounds would be, and so it would not exceed the current ACT.  
7 The landings would be below the current ACT.

8  
9 **CHAIRMAN GREENE:** Mr. Riechers.

10  
11 **MR. RIECHERS:** Another way to look at it is the table that Dr.  
12 Crabtree was referencing a while ago, Figure 2.7.1. You have  
13 2,400 trips, and I'm looking here and extrapolating a little  
14 bit, but it looks like about 3 percent are catching twenty or  
15 greater fish, and so not very many of your trips right now are  
16 catching greater than twenty fish.

17  
18 Obviously a change in behavior changes all of that, but if we're  
19 just -- If we're looking at it from a static relationship, which  
20 is what the model would do as well, unless you're expecting some  
21 shifting of behavior, you're not going to have much of an  
22 increase of where you're at now.

23  
24 **CHAIRMAN GREENE:** Thank you. Any further discussion? We have a  
25 motion on the floor. Is there any further discussion? **Is there**  
26 **any opposition to the motion on the floor before you? Seeing**  
27 **none, the motion carries.** Dr. Simmons.

28  
29 **DR. SIMMONS:** Thank you, Mr. Chairman. The only other thing  
30 that I think would be really helpful for staff is, if you are  
31 going to look at the effort shifting percentages that Dr. Larkin  
32 has put into the decision tool, if you decide to go with those,  
33 that could change the management measures that are needed to  
34 meet the various alternatives for the annual catch targets.

35  
36 If the council is going to move forward with that, we would need  
37 some guidance and need to know what those shifting percentages  
38 may be, so we know whether or not the management measures the  
39 council is looking at would meet the necessary reductions. At  
40 some point, perhaps during full council, we could get some  
41 direction on that, if you want to move forward with something  
42 like that. Thank you.

43  
44 **CHAIRMAN GREENE:** So you're asking the council to provide you  
45 some type of effort shift numbers?

46  
47 **DR. SIMMONS:** If you want to do that, yes, because it could  
48 change your management measures that you need, based on the

1 current catch targets that you select. You may want to wait  
2 until the SSC looks at it, but it does add some complication,  
3 because you could select all these management measures for the  
4 recreational component and then look at a percentage of effort  
5 shifting, and those may not meet your new ACTs, necessarily.  
6 It's just something we need to keep in the back of our mind, and  
7 it does make the document a little bit more complicated, I  
8 think, and so if we could just be thinking about that and try to  
9 provide some guidance to the staff as we move forward. Thank  
10 you.

11  
12 **CHAIRMAN GREENE:** Okay. I, for one, don't really know how to  
13 even begin to do that, but there's a lot of people at the table  
14 a lot smarter than I am, and maybe they can help us with that.  
15 Dr. Simmons, is there anything else with triggerfish? Okay. We  
16 are going to take about a fifteen-minute break. We are still  
17 way behind, and getting further behind, and so fifteen minutes  
18 and we're going to get started. Thank you.

19  
20 (Whereupon, a brief recess was taken.)

21  
22 **CHAIRMAN GREENE:** We're going to pick up where we left off,  
23 which is going to be Item Number VII, Draft Amendment 42, Reef  
24 Fish Recreational Management for the Headboat Survey, and, Dr.  
25 Diagne, if you're ready.

26  
27 **DRAFT AMENDMENT 42 - REEF FISH RECREATIONAL MANAGEMENT FOR**  
28 **HEADBOAT SURVEY VESSELS**

29  
30 **DR. DIAGNE:** Yes, Mr. Chair. Thank you. Good afternoon. We  
31 are going to discuss Amendment 42 with you. Essentially, during  
32 this short presentation, these are the things that we would like  
33 to highlight. We will talk about vessel definitions and go over  
34 the purpose and need, discuss the management actions and  
35 alternatives, and, finally, discuss a potential timeline for  
36 this amendment.

37  
38 First, onto vessel definitions. As you all know, we have a  
39 single federal for-hire reef fish permit, essentially, in the  
40 Gulf, and so we need some ways to separate those vessels that  
41 are going to be in this amendment as opposed to the vessels that  
42 are to be included in Amendment 41, which Dr. Lasseter will  
43 discuss later today.

44  
45 In this Amendment 42, a vessel is considered to be a landing  
46 history vessel, and we did change the term here, to put more  
47 emphasis on the fact that these vessels do have individual  
48 landings history recorded at the Southeast Survey.

1  
2 These vessels, for this amendment, need to have a valid or  
3 renewable federal for-hire permit. They need to have landings  
4 recorded by the Southeast Survey by the control date, which you  
5 selected in a previous meeting, which was December 31, 2015. At  
6 last count, these vessels still participating in the survey  
7 number sixty-seven. Essentially, we have now sixty-seven  
8 vessels that do meet this criteria and are still participating  
9 in the survey to date. The remainder of the permitted vessels,  
10 federally-permitted vessels, for-hire, would be presumably in  
11 Amendment 41.

12  
13 Now the purpose and need. It is the purpose and need that we  
14 discussed in previous meetings. Essentially, this action, the  
15 purpose is to reduce management uncertainty, improve economic  
16 conditions for Gulf reef fish operators, and, highlighted in  
17 blue there, this program is designed for vessels with a valid or  
18 renewable Gulf for-hire permit with landings histories recorded  
19 by the Southeast Survey by the control date selected, again, of  
20 December 31, 2015.

21  
22 Now onto the actions and alternatives. The amendment includes,  
23 right now, fifteen actions, and so we will try to go fast on  
24 some of these. Where applicable, we have indicated also the  
25 preferred alternative, as selected by the Headboat AP.

26  
27 The first decision point would be to select the type of  
28 management program that we would want to establish here. We  
29 have a no-action alternative, and, essentially, that would be  
30 continuing management based on bag limits, size limits, and  
31 season closures. Then we have Alternative 2, which would  
32 establish an individual fishing quota program. The final  
33 alternative would establish a PFQ, or permit fishing program.

34  
35 As you recall, the difference between those two would be the  
36 fact that for PFQs that the shares would be attached to the  
37 permits, and so one would not be able to sell one without the  
38 other.

39  
40 Action 2, which includes the only preferred that the council has  
41 selected to date, looks at the species to be included in this  
42 management program. We have a no-action alternative.  
43 Alternative 2 would mirror what was done in the EFP, the  
44 headboat EFP that is, having red snapper and gag. The preferred  
45 alternative would be to look at the five major reef fish species  
46 of red snapper, gray triggerfish, greater amberjack, gag, and  
47 red grouper.

48

1 We have an action that was added, following discussions by the  
2 council, with the intent to provide an opportunity to opt out of  
3 this program, essentially to make this voluntary. The AP-  
4 preferred is also the no-action alternative, and, here, the no-  
5 action alternative would simply make this program mandatory,  
6 meaning all the headboat vessels that meet the criteria that we  
7 discussed initially would be in this program and that will be  
8 the end of that. Now we have an Alternative 2, which would  
9 allow vessels to choose whether to participate in this program  
10 or not.

11  
12 In discussions at the IPT level, and perhaps to clarify the  
13 language and to make sure that we are talking about vessels that  
14 met our requirements, when it comes to landings histories and so  
15 forth, we went ahead and rewrote these alternatives. That is  
16 only the presentation. It is not yet included in the amendment,  
17 but perhaps, after this discussion, it would be.

18  
19 We have a no-action alternative, which would make it mandatory.  
20 The important part there is highlighted in blue. All the  
21 vessels meeting the criteria would have to participate. They  
22 must participate in the program that we establish.

23  
24 Alternative 2, as we are proposing to rewrite it, essentially  
25 would say that all vessels that meet the control date and have  
26 federal for-hire permits, valid permits, and are still  
27 participating in the survey, the Southeast Survey that is, would  
28 have the opportunity to opt out at the onset of this program.

29  
30 The third alternative would give that alternative to opt out  
31 regardless of the participation in the survey or not, and so all  
32 vessels that would have met our criteria would have an  
33 opportunity, essentially, to opt out at the onset of the  
34 program. These are the three alternatives that we have, and  
35 this is the way in which we are offering to rewrite this action.

36  
37 Alternative 4 is an endorsement or a permit, and this action  
38 really stemmed from the need to further differentiate those  
39 vessels that would be included in 42 versus the vessels that  
40 would participate in the program to be developed in Amendment  
41 41. We have a no-action alternative and we have two  
42 alternatives, the first one being to establish an endorsement to  
43 the for-hire permit to be given to those vessels that have the  
44 landing history recorded at the Southeast Survey.

45  
46 Alternative 2 would be to establish an endorsement, but the  
47 third alternative would be to simply split the permit that we  
48 have and split it into two parts, essentially, a charter permit

1 and then a permit that would be applicable to these landing  
2 history vessels to participate in this program, and so these are  
3 the two alternatives that we have.

4  
5 Now onto the allocation of a portion of the annual catch limit  
6 for a given species. We have five of them to the program to be  
7 developed here. We have several alternatives here, and one of  
8 the alternatives would simply use the most recent five years,  
9 meaning 2011 to 2015, and take that percentage and allocate it  
10 to this new program.

11  
12 The allocation could be also based on the longest time series,  
13 meaning 2004 to 2015, and Alternative 4 essentially would be a  
14 middle of the road between these two, 50 percent of Alternative  
15 2 and 50 percent of Alternative 3, and the options provided  
16 there would either use all the years available to us or exclude  
17 2010 from the computations.

18  
19 We have some additional alternatives here. Alternative 5 is  
20 added here for your consideration because, for red snapper only,  
21 in Amendment 40, these were the years that were selected there.  
22 If one were to look for consistency between the two, not that we  
23 necessarily have to, but then an alternative is provided for  
24 that purpose.

25  
26 Alternative 6 addresses a different problem. Because we have  
27 options allowing certain vessels to opt out, we need them to  
28 find a way to rebalance, if you would, the quotas, and so  
29 Alternative 6 addresses that. The corresponding allocations for  
30 those vessels that would opt out would be, essentially,  
31 transferred, and I put that in quotes, to the remainder of the  
32 allocation for the for-hire vessels, because, if not, let's say  
33 a lot of the vessels opt out and we take them out of the  
34 program, obviously there will be then an imbalance in the  
35 quotas. I will stop here. I see Mr. Riechers raising his hand,  
36 Mr. Chair.

37  
38 **CHAIRMAN GREENE:** Mr. Riechers.

39  
40 **MR. RIECHERS:** Assane, if you did take those out, and you had  
41 mentioned this, if it was voluntary before -- Let's assume you  
42 take those out. You figure out their quota, and you're going to  
43 put that into the overall just private recreational season quota  
44 landings and then they function in that way?

45  
46 **DR. DIAGNE:** I guess I will answer yes and no. The yes part is  
47 absolutely yes for all of the species, and the no part is except  
48 for red snapper. As you recall, for red snapper, we have a

1 three-way split, and so then we will put that in the remaining  
2 for-hire for red snapper, but, for the rest of it, it will go  
3 into the general recreational quota, which would include the  
4 charter and the private anglers.

5  
6 **MR. RIECHERS:** Then so for the for-hire pot, if you will, for  
7 lack of a better term here, depending on the number of vessels  
8 still in it, et cetera, their calculation of days would occur  
9 and start on X day and end on X day.

10  
11 **DR. DIAGNE:** Yes, in the traditional fashion that they would be  
12 managed.

13  
14 **CHAIRMAN GREENE:** Thank you. Is there further discussion? Dr.  
15 Diagne.

16  
17 **DR. DIAGNE:** Thank you. Essentially, this table here gives us  
18 an approximation, because we don't have the remainder of the  
19 alternatives that we just discussed, meaning an alternative  
20 corresponding to the sector separation for red snapper, but, for  
21 the remainder of the alternatives, 2, 3, and 4, these are the  
22 percentages of the quotas that would be set aside to implement  
23 these programs, and so red snapper is in the neighborhood of  
24 let's say 13 percent, and that's the highest. For the other  
25 species, the percentages are fairly modest, and, looking at the  
26 middle alternatives, 4, let's say, to 5 percent or 6.

27  
28 There was a discussion relative to the units of measure for the  
29 quota distribution and reporting. The no-action alternative  
30 would simply be to give out everything in pounds and do the  
31 reporting and the control in pounds. That is what we typically  
32 do.

33  
34 Alternative 2 proposes to distribute and report in numbers of  
35 fish. Alternative 3 does a little bit of both, distribute in  
36 pounds, but the reporting in number of fish, and I believe that  
37 during the EFP that that is the approach that was taken, and Dr.  
38 Stephen maybe touched a little bit on that, in terms of the  
39 computation of the average weights.

40  
41 Action 7 looks at the initial apportionment, but it is split  
42 into two actions. First, we look at the time period, and then  
43 we look at the methods selected for apportioning the shares. In  
44 terms of the time period, we have a no-action, which wouldn't  
45 specify any time period. Alternative 2, for each of the five  
46 species included in this program, the apportionment would be  
47 based on average landings during the most recent five years,  
48 2011 to 2015.

1  
2 Alternative 3 would use 2011 to 2015, but giving each  
3 participant the option to drop their lowest landing year. Let's  
4 say in a given year they had a problem, and so they would have  
5 the opportunity to do that.

6  
7 Alternative 4, for each one of the species, the apportionment of  
8 the species would be based on the year during which each  
9 participant recorded their highest landing. It would give them  
10 the total flexibility to define the time period and have them  
11 pick their year of highest landings. Those are the, for the  
12 time periods, the alternatives considered.

13  
14 **CHAIRMAN GREENE:** Mr. Anson.

15  
16 **MR. ANSON:** Assane, the vessels, you mentioned I think sixty-  
17 seven vessels meet the criteria currently that we're potentially  
18 looking at in this document. Going back to this, do all of  
19 those vessels have landings going back to 2011?

20  
21 **DR. DIAGNE:** That's a great point. The sixty-seven vessels that  
22 we have meet the criteria and are still participating in the  
23 survey. All the vessels do not necessarily have a full suite,  
24 for this time series, of landings. It may be that a particular  
25 vessel has two years of landings or three or let's say five  
26 here. In that respect, one approach may be to take Alternative  
27 4, in which case all of those that would have met the criteria  
28 would have at least one year of landings that they could apply  
29 to this. Does that answer your question?

30  
31 **MR. ANSON:** Thank you. Yes.

32  
33 **DR. DIAGNE:** About the distribution of initial shares, the no-  
34 action alternative, Alternative 1, meaning then you wouldn't  
35 proceed, the remainder of the alternatives -- Alternative 2  
36 would distribute a portion or a percentage equally and the  
37 remainder proportionally based on catch histories or landing  
38 histories. Alternative 3 would allow you to auction off a  
39 portion of the total.

40  
41 Essentially, let's look at the little figure at the bottom with  
42 the two tables. Whatever it is that we select in Alternative 2  
43 would then be translated into Alternative 3, assuming that we  
44 wanted to auction a portion of this. For argument's sake, let's  
45 say that we chose Alternative 2, Option 2b. Then 25 percent  
46 would be given equally and 75 percent would be given  
47 proportionally. That is on that side.

1 Then a second decision could be made and said, well, but we  
2 would like to only give out 50 percent, but the other 50 percent  
3 would be auctioned off. Then, if we backtracked, 50 percent  
4 would be auctioned off and the remaining 50 percent would be  
5 allocated according to the formula that we chose, meaning 25  
6 percent equally and 75 percent proportionally.

7  
8 Obviously this makes for a lot of options and possible  
9 combinations, but the auctions are considered here as well as  
10 equal distribution and also a proportional distribution, based  
11 on the catch or landings history of the individual vessels.

12  
13 **CHAIRMAN GREENE:** Hold on just a second, Dr. Diagne. Mr. Boyd.

14  
15 **MR. BOYD:** Assane, is this chart that you're showing us here in  
16 the document? I can't find it.

17  
18 **DR. DIAGNE:** It is not in the document. What is in the document  
19 are the alternatives. This is done specifically to support our  
20 discussion here today, because it picks one example for us to  
21 discuss, but if something like this could be helpful, we will  
22 look at ways of adding a similar chart in the document.

23  
24 **CHAIRMAN GREENE:** Thank you. Is there further discussion? Mr.  
25 Anson.

26  
27 **MR. ANSON:** Mara, going back to a conversation earlier today  
28 regarding LAPP programs specific to red snapper and Magnuson, is  
29 this going to require a referendum to have this as an auction,  
30 or does that only apply to commercial? I am trying to draw it  
31 from memory, and I'm drawing a blank.

32  
33 **MS. LEVY:** This is going to require a referendum, because it's  
34 setting up an IFQ system under the regular LAPP provisions. The  
35 407 provisions that require the two referendums, that only  
36 applies to commercial.

37  
38 **MR. ANSON:** I guess, thinking of this program and the  
39 difficulties related to referendums and trying to implement  
40 future management regimes, do you have to have -- You can't have  
41 it as an option for management when you take it out to  
42 referendum. It has to be this is what the council intends to  
43 do. You can't have we're going to have one options or one  
44 method of distribution as this non-auction and then we might  
45 have also a secondary means of distribution that we could choose  
46 that would entail auction, and it has to be specific as to this  
47 is the method that we're going to use and that's what is going  
48 in the referendum?



1  
2 **MS. LEVY:** I think you have to -- I think the people voting in  
3 the referendum have to know what your preferred alternatives  
4 are, because what the Act says is that the councils can't submit  
5 and the Secretary can't approve an IFQ system unless such a  
6 system as ultimately developed has been approved by -- I mean  
7 you need to pick the preferreds and go out to a referendum. If  
8 somehow you come back and you change it, I think that would  
9 trigger another referendum, because they're voting on what is  
10 ultimately developed.

11  
12 **DR. CRABTREE:** To that point?

13  
14 **CHAIRMAN GREENE:** Dr. Crabtree, to that point.

15  
16 **DR. CRABTREE:** When we did the grouper-tilefish plan, which was  
17 subject to the new referendum language in the Act, we got to the  
18 DEIS phase and we had all the preferreds selected, and that's  
19 what we sent out for the referendum at the same time, I think,  
20 that we published the DEIS, and I agree with Mara that if you  
21 came back in and changed it that you would have to send it back  
22 it out again, or, if it failed, I think you could change it then  
23 and do another one.

24  
25 **MR. ANSON:** Right, and so I guess, as far as the referendum with  
26 the preferreds, we would have one preferred, as I stated  
27 earlier, as just an allocation, based on historical share, but  
28 then another preferred could be an allocation that would maybe  
29 use some combination of that with an auction. We would send  
30 that to referendum and they would vote on it, and, as you said,  
31 they could either vote it up or down. If they vote it down,  
32 then we would have to go back to the drawing board.

33  
34 **MS. LEVY:** I think you would need to select the way you were  
35 going to distribute the initial shares, and so I mean if the  
36 preferred alternative is to do part by auction and part by  
37 proportion and part by equally, that could be your preferred and  
38 then they would vote that up or down. I don't think you could  
39 go out with we would either select Preferred Alternative 1 or  
40 Preferred Alternative 2, meaning there has to be a clear  
41 decision about what would happen.

42  
43 **MR. ANSON:** Thank you.

44  
45 **CHAIRMAN GREENE:** Thank you. Any further discussion? Dr.  
46 Diagne.

47  
48 **DR. DIAGNE:** Thank you. Onto the transferability provisions

1 that are considered in the amendment so far, there is a no-  
2 action alternative, which essentially would not allow any  
3 transfer of shares. Alternative 2 would require a valid permit,  
4 federal reef fish permit, plus either the endorsement or the  
5 permit, if you establish one in Action 4, a previous action that  
6 we discussed. Essentially, this would mean that transferability  
7 would only be allowed within the participants in this program.

8  
9 Alternative 3 would allow the shares to be transferred to any  
10 U.S. citizens or permanent residents. A side note here for PFQ,  
11 permit fishing quota, is this wouldn't be an issue to deal with,  
12 because, of course, the shares would be tied to the permit and  
13 one wouldn't be able to sell one without the other.

14  
15 In terms of requirements to maintain the shares, we have a no-  
16 action alternative. Shares could be held by any U.S. citizens  
17 or permanent resident aliens. We have Alternative 2, which  
18 would require that, to hold shares, a reef fish for-hire permit,  
19 as well as the endorsement or the new permit, if we created one,  
20 would be required. Essentially, meaning that one would have to  
21 continue to be an active participant in this fishery to maintain  
22 the shares, and this is a departure when we compared it, for  
23 example, to the commercial program. Over there, we did not have  
24 any requirements to maintain shares.

25  
26 Alternative 3 would require either the reef fish permit that we  
27 currently have, with or without the endorsement, really, or the  
28 new permit that we are going to create to maintain shares.  
29 Essentially, this would say that, to maintain shares, it could  
30 either be the participants in this program, Amendment 42, or any  
31 other for-hire entity, essentially.

32  
33 What type of provisions are we considering when it comes to the  
34 transferability of annual allocation? No action would not allow  
35 any transferability. Alternative 2 would require a valid reef  
36 fish permit with the endorsement or the permit, if you decided  
37 to create one in Action 4, that is. The other note here is that  
38 the transfers would be allowed, provided that the individuals  
39 are U.S. citizens or permanent resident aliens. That should be  
40 Alternative 3. The transfers would be allowable and available  
41 to any U.S. citizens or permanent resident aliens.

42  
43 The alternative here, is, Alternative 1, no action for the share  
44 caps. It would not put any constraints on the amount of shares  
45 an entity could hold. Alternative 2 would set a cap for each  
46 species category, and typically the alternative proposed here  
47 would not allow anybody to hold more than the maximum that was  
48 given out during initial apportionment.

1  
2 Alternative 3 would set a cap across all share categories for  
3 all five species, if you would, and nobody would be able to hold  
4 more than the maximum percentage issued to a single entity  
5 during initial apportionment, and that would be in the  
6 aggregate.

7  
8 Obviously, here, Alternative 2 and 3 could be selected as  
9 preferred together and be implemented jointly, and so one would  
10 have a species-specific cap as well as an overall or an  
11 aggregate cap on the whole thing.

12  
13 These were the percentages, just to give you an idea,  
14 essentially, in terms of an individual person, what would be the  
15 percentages attached to each permit, and they vary depending on  
16 the species. My understanding is, in final count, these numbers  
17 would go up, because we haven't really looked at related  
18 accounts and that sort of thing.

19  
20 Caps, in terms of allocation, there is a no-action alternative.  
21 Again, here, we have two alternatives, one that would set a cap  
22 for each one of the species and another one that would set a cap  
23 across all species categories, meaning an aggregate cap, if you  
24 would, and there is something that at the IPT level we are  
25 discussing. It is possible that next time you see this document  
26 that we expand on the allocation cap, to consider adding to this  
27 a use cap, in some form or fashion. We are not sure yet how  
28 that would be shaped, but that is a consideration.

29  
30 What to do in the event of quota increases? We will discuss  
31 quota decreases afterwards. We have a no-action alternative,  
32 meaning that we would do the distribution as they are commonly  
33 done, by giving out the increased proportion of it to all  
34 participants holding shares for that particular species at that  
35 moment.

36  
37 For Alternative 2, we would distribute the increases equally to  
38 all participants holding shares for that particular species.  
39 Alternative 3 will distribute the increased allocation equally,  
40 but only to participants who do not have shares for that  
41 species, but hold the endorsement or the permit that we did  
42 potentially create in Action 4. Essentially, we would give out  
43 this increase equally to participants in the fishery, but who  
44 don't hold shares for that particular species, with the quota  
45 increase.

46  
47 Finally, Alternative 4 would distribute the increase equally to  
48 all participants who are still in this program, meaning that

1 have either the endorsement or the new permit, whichever is  
2 established in Action 4. Here, the consideration relative to  
3 owning shares or not owning shares for that species is not  
4 accounted for.

5

6 **CHAIRMAN GREENE:** Thank you. Mr. Fischer.

7

8 **MR. FISCHER:** Thank you, Mr. Chairman. Assane, there was no  
9 thought of a proportional allocation based on the initial  
10 division of whatever percentage of how the initial shares were  
11 divided and keep the same proportion?

12

13 **DR. DIAGNE:** Yes, Mr. Fischer. That would be essentially the  
14 no-action alternative, Alternative 1. That is the way in which  
15 we traditionally distribute, at least looking at other programs.

16

17 **CHAIRMAN GREENE:** Thank you. Any further discussion? Mr. Diaz.

18

19 **MR. DIAZ:** I am just thinking about the alternative where we  
20 have in there that we would give it to people that did not have  
21 any of that allocation. In a lot of instances, we would be  
22 giving people that are in a part of the Gulf that don't have it,  
23 and they would get a distribution of shares for a type of fish  
24 that might not even exist in that part of the Gulf. Red grouper  
25 is what I'm thinking about. I don't think the western Gulf has  
26 much red grouper, and so probably people in the western Gulf  
27 wouldn't have it. Then, when you give it to them, they would  
28 have it and it would be inefficient, it would seem like, to try  
29 to do that.

30

31 **DR. DIAGNE:** Yes, that's a very good point. With that  
32 alternative, there is that potential of giving out shares to  
33 people that don't fish, actually, for that particular species,  
34 because they don't see it in their portion of the Gulf.

35

36 **CHAIRMAN GREENE:** Mr. Boyd.

37

38 **MR. BOYD:** I had a question for Mara. Is this 13.1 equivalent  
39 to what my motion was this morning, only in this document, where  
40 we would have to have an alternative in here to have an auction  
41 for increased quotas, or would it be covered if we selected an  
42 auction earlier in the actions?

43

44 **MS. LEVY:** That's not clear to me, because I think the earlier  
45 auction went to initial distribution. If you want to consider  
46 some sort of subsequent distribution via auction, then we should  
47 probably think about how to add that, or maybe add it to this.  
48 If you're thinking about only doing it when the quota increases,

1 which is what this is about, you could add an alternative to  
2 distribute that increase via auction.

3  
4 **MR. BOYD:** Well, that basically was my question this morning,  
5 and the initial distribution of shares in the commercial sector  
6 for IFQ then warranted us to have a referendum when this was  
7 going to happen.

8  
9 **MS. LEVY:** We are going to do a referendum here, but, for this  
10 program, those two referendum requirements, the one that you  
11 have to have before you even start preparing the plan, that only  
12 applies to commercial. That does not apply to this amendment  
13 that you're working on, but you're going to have to have a  
14 referendum before you actually submit the plan to the Secretary  
15 of Commerce.

16  
17 If you want to set it up now, because you're establishing the  
18 program and you want to say that in the future we're going to do  
19 distribution of quota increases via auction, then I would put  
20 that in there as something to consider.

21  
22 **MR. BOYD:** Thank you.

23  
24 **CHAIRMAN GREENE:** Is there further discussion? Dr. Diagne.

25  
26 **DR. DIAGNE:** Thank you. Now, retaining allocation before a  
27 quota reduction, if you recall, I think it was sometime this  
28 year or last year that we did withhold a portion of the quota in  
29 anticipation for the implementation of Amendment 28, I believe  
30 it was, and so we have an action here to help us address those  
31 types of situations.

32  
33 The no-action alternative would distribute 100 percent of the  
34 quota at the beginning of the year all the time, January 1. In  
35 Alternative 2, if the quota for a given species is anticipated  
36 to decrease after January 1, this alternative would grant the  
37 Regional Administrator the authority to retain the anticipated  
38 amount of the decrease, so that, by the time it becomes  
39 effective, we can follow through.

40  
41 Obviously once the quotas are distributed, you can't take it  
42 back, and this would prevent from having to come in and  
43 essentially draft a framework action to go through it, and that  
44 would be Alternative 2.

45  
46 On to Action 14, which looks at cost recovery fees. We have a  
47 no-action alternative, which would not be practicable, and cost  
48 recovery fees would not be collected. We have two alternatives.

1 Alternative 2 would base cost recovery fees on a standard price,  
2 to be determined either using the commercial ex-vessel price or  
3 by looking at the average price of annual allocation.

4  
5 Alternative 3 would base cost recovery on the fees collected by  
6 the operators, either on a per-pound basis or a per-fish basis,  
7 depending on the distribution and reporting methods selected  
8 initially. Here, the cost recovery fees would be based on a  
9 price per pound or per fish and multiply that by the number of  
10 pounds or the number of fish covered in this program. Of  
11 course, cost recovery fees can only be up to 3 percent of the  
12 value of the fish harvested. I am not sure I am using the right  
13 words, but something like that. I will stop here, Mr. Chair. I  
14 see a hand being raised.

15  
16 **CHAIRMAN GREENE:** Ms. Levy.

17  
18 **MS. LEVY:** Thank you. Just to clarify that that last statement,  
19 the cost recovery fees will be up to 3 percent, it's applying to  
20 both alternatives.

21  
22 **DR. DIAGNE:** Absolutely, yes. In general, cost recovery fees  
23 have to be up to that.

24  
25 **CHAIRMAN GREENE:** Mr. Fischer.

26  
27 **MR. FISCHER:** Yes, Mr. Chairman, and maybe I am the only one  
28 that would like to see this discussion, but I would like to see  
29 a smaller discussion on if you could just have the cost recovery  
30 fee based on the value of the trip, because that is what those  
31 fish were worth, is the value of the charter, and it would just  
32 be simpler than trying to calculate what species were caught and  
33 what was the current market value. You can have the discussion  
34 or not.

35  
36 **DR. DIAGNE:** Perhaps Alternative 3 tries to do that, but maybe  
37 we can simplify it, if you tell us a little more. Here, what we  
38 are trying to do is look at the value of the trip in terms of  
39 the total fees paid by the passengers, but then we use that to  
40 determine a price per unit, either per fish or per pound. To do  
41 that, you would look at the total harvest during that trip, take  
42 the total value divided by the total harvest, and get a unit  
43 price.

44  
45 Then you turn around and apply that unit price only to the  
46 species covered in your program, because those are the only  
47 species for which you can recover costs. That is what this  
48 alternative tries to do, Alternative 3. It is based essentially

1 then on the total fees collected for that trip, but then we  
2 prorate it to get a price per unit and then turn around and  
3 apply it to the species in the program.

4  
5 **MR. FISCHER:** I understand the method, but I still think just a  
6 simple system based on the fee. Now, it doesn't have to be a 3  
7 percent recovery fee either, but just based on the charge for  
8 the charter, because that is the value of that trip. It's just  
9 another alternative, a simple way of doing it.

10  
11 **DR. DIAGNE:** What you are suggesting is let's say we had thirty-  
12 nine or forty passengers and the total fees paid were let's say  
13 \$4,000, just to be simple. Then just take a percentage of that  
14 \$4,000? If you were to do that, I am not sure that we could do  
15 it, because you have to recover costs based on the value of the  
16 fish harvested and that are in this program versus the total  
17 fees that would apply to everything harvested, including species  
18 that are outside of this management program. If that is  
19 feasible, then certainly that would be very simple, and so I  
20 will just look to that side.

21  
22 **CHAIRMAN GREENE:** To that point, Dr. Crabtree?

23  
24 **DR. CRABTREE:** The cost recovery language does say of the value  
25 of fish harvested under the program, and so I know in the Tampa  
26 Bay area that we have headboats that go out who would be in the  
27 program, but, when you look at most of what they catch, it's  
28 white grunts, which we don't manage, and so I think I tend to  
29 agree with Assane that somehow you would have to adjust for  
30 that.

31  
32 **MR. FISCHER:** I see the understanding. I was just trying to  
33 come up with a simpler base to do it.

34  
35 **CHAIRMAN GREENE:** Thank you. Mr. Riechers.

36  
37 **MR. RIECHERS:** The only comment I have, based on Assane's  
38 explanation, and we may want to give it some thought, as to  
39 whether we can look at some literature and maybe help us with  
40 this, but you're assuming every species has equal value in the  
41 way you're going to basically apply that now, and, again, I  
42 think we know that's probably not true. I don't know that there  
43 is an elegant way to do it or to create some different valuation  
44 there, but certainly I think we all know that there is some  
45 different valuation.

46  
47 **DR. DIAGNE:** Yes, absolutely, and I mean keeping in mind that  
48 this is just an approximation. If we were to look at the value,

1 some species would definitely have more value than others, but,  
2 at the end of the day, we are essentially trying to determine a  
3 per-unit price, which, in turn, would help us recover fees, cost  
4 recovery, here.

5  
6 The major driver would be, at some point, our estimates of the  
7 actual cost of running the program. If we have a good handle on  
8 that, it wouldn't really matter a whole lot what metric you use  
9 to divide it, and so, essentially, it may be the case that you  
10 are taking 2 percent of a certain value, as opposed to 1.5  
11 percent of another value. As long as the metric that you use is  
12 not artificially low, meaning that 3 percent would not help you  
13 get there, the rest of it should be workable, if you have a good  
14 handle on estimated actual cost.

15  
16 **MR. RIECHERS:** Assane, maybe I'm way off here, but it's 3  
17 percent of the value of the harvested fish, and so knowing the  
18 total cost doesn't really help us, but it just helps us know  
19 whether we're at a deficit or a positive situation, in terms of  
20 cost recovery. The value of the fish though, if we could create  
21 real values of those fish, as opposed to just proportionally  
22 dividing up the trip costs, no matter what fish it's applied to,  
23 we would get closer to at least the intent of the cost recovery.

24  
25 **DR. DIAGNE:** Yes, and, at the end of the day, we are trying to  
26 recover the actual costs of the program. Even if let's say you  
27 value the harvested fish at let's say a million dollars and the  
28 actual costs of running the program are \$10,000, you should  
29 recover \$10,000. That's the point that I was trying to make.  
30 Getting \$10,000 by taking 2 percent of a value, or 1.5 percent  
31 of a different value, would still get you to \$10,000.

32  
33 **MR. RIECHERS:** No, you're right. As long as we're below the  
34 cost, we're fine. It's the other way around, if we're not,  
35 where we may be subsidizing the program. I don't know where  
36 we're going to be, because we don't know what the cost of the  
37 program is or what it looks like, but I think that would be the  
38 concern and not that we're -- Obtaining real value, based on  
39 species, would maybe get us closer, but, again, until we know  
40 cost of the program, you're correct, in some way.

41  
42 **DR. DIAGNE:** Yes, and there is always that risk. Hopefully we  
43 will get a handle on that. I think we have one more action.

44  
45 **CHAIRMAN GREENE:** Hold on just a minute, please. Ms. Levy.

46  
47 **MS. LEVY:** I think you kind of worked it out between your  
48 discussion, but I just want to be careful to not mix up the



1 actual costs that we're allowed to recover versus the ex-vessel  
2 value of the fish and the 3 percent cap on that that we're then  
3 allowed to take, meaning the agency needs to determine the  
4 actual costs and then the decision here needs to be made of how  
5 do you calculate the ex-vessel value of the fish harvested under  
6 the program, and then there's a cap that gets set on that, to  
7 allow you to recover whatever those costs might be. I just  
8 don't want to conflate them when we're talking about it.

9  
10 It also seems like at least Alternative 2, maybe not very  
11 artfully, gets more at the actual value of the fish, because  
12 it's either looking at the commercial value or it's looking at  
13 the actual annual allocation value in the program, and so it  
14 might not be very refined, but it does get at that point, maybe  
15 more than the third alternative does.

16  
17 **CHAIRMAN GREENE:** Thank you. Is there further discussion? Dr.  
18 Diagne.

19  
20 **DR. DIAGNE:** Thank you. We have one more action in this  
21 amendment. That is an action that considers the potential for  
22 new entries. Alternative 1, no action, is no additional  
23 endorsements or permits, whichever we would establish, will be  
24 issued. Essentially, to get one, one would have to buy an  
25 existing one from one of the original participants.

26  
27 Alternative 2 is, at the beginning of each year, vessels with a  
28 valid for-hire permit could ask for, essentially request, an  
29 endorsement or this new permit that we may create in Action 4.  
30 Alternative 3 would give them that opportunity at any time  
31 during the year, but, obviously, they would only be effective at  
32 the beginning of the year, to prevent a particular operator from  
33 fishing in both programs during the year, let's say start in the  
34 regular season, and, when that season is done, turn around and  
35 say, well, I would like to get an endorsement and also continue  
36 under this program, and so that would not be allowed.

37  
38 Alternative 2, also we need to mention that the applicant would  
39 have to apply for the endorsement or permit ahead of time, and  
40 not necessarily exactly at the beginning of the year, to allow  
41 National Marine Fisheries Service to process the application and  
42 grant them the endorsement or permit to be effective for the  
43 first of the year, if that is what is selected.

44  
45 Perhaps one point we need to emphasize here is the fact that if  
46 one applies for and gets this endorsement or permit, whichever  
47 it is that we create in Action 4, that means that then you have  
48 to fish under whatever program we design in this amendment.

1 That also means that you don't have any shares to fish with.  
2 You would have then to turn around and buy shares or allocation,  
3 as the case may be, to be a participant, an active participant,  
4 in this fishery.

5  
6 One would have to make that determination, to see whether it be  
7 worth their while to apply for this endorsement and get it and  
8 forego their opportunity to fish under the, quote, unquote,  
9 traditional program, but then have to acquire shares or  
10 allocation to be able to fish under the program to be designed  
11 here. These are the alternatives that we have for your  
12 consideration. Mr. Chair, these are the fifteen actions in the  
13 amendment. I do have one question to ask before we proceed to  
14 the last part of the presentation, if I may.

15  
16 **CHAIRMAN GREENE:** Yes, sir.

17  
18 **DR. DIAGNE:** In the first slide, when we defined the vessels, we  
19 said we have sixty-seven vessels that meet the criteria that we  
20 laid out and are still participating in the survey, with an  
21 emphasis on still participating in the survey.

22  
23 We have, I believe, eight vessels, and I will be looking on that  
24 side of the table, that have met the criteria but are no longer  
25 participating in the survey, as of, I guess, 2016. The question  
26 is, as a committee, as a council, what is your preference?  
27 Should we stick with the sixty-seven vessels that have met the  
28 criteria and are still in the survey or should this be, quote,  
29 unquote, expanded a bit to add those eight vessels that have met  
30 the criteria, but, as of 2016, are no longer participating in  
31 the survey? That is, I guess, a decision-point, something to  
32 consider.

33  
34 **CHAIRMAN GREENE:** Thank you. Mr. Anson.

35  
36 **MR. ANSON:** My question would be how long have they been out of  
37 the fishery? That would be my first question.

38  
39 **DR. DIAGNE:** They are no longer participating in the survey this  
40 year, in 2016, because the criteria that we laid out, one of  
41 them was to have a landings history recorded by the Southeast  
42 Survey by the control date which we set, which was December 31,  
43 2015. They have that, but they are no longer participating in  
44 the survey, meaning, for this year, 2016, they are not in the  
45 survey.

46  
47 **MR. ANSON:** I am a little confused. I thought that once you  
48 were a headboat that you were always a headboat for the Gulf

1 thing. I know there were some issues with Mississippi, but I  
2 guess that's part of that data collection little twist with the  
3 headboats that we have always dealt with. They had a landings  
4 history up through 2015 or they may have had a landings history  
5 through like 2012 and then -- So it was part of the five-year  
6 period, but then the last three years, post-2012, they have no  
7 landings history?  
8

9 **DR. DIAGNE:** Yes, and they met the requirements that we set.  
10 For the time period before 2015, for the time period that we  
11 set, they have at least one year of landings, yes. Some of them  
12 may have two or three, and I will look at Ms. Gerhart and she  
13 can shed some light on this.  
14

15 **MS. GERHART:** Among those eight vessels, it varies. There are  
16 some of them that have just been recently been removed from the  
17 survey, and so they have been up until this time. There are  
18 others that haven't been in since say 2011 or 2012, and it's  
19 been the past four years, maybe, that they haven't been in the  
20 survey. Presumably they have not been acting as headboats  
21 during that time, and that's why they aren't in the survey.  
22

23 **CHAIRMAN GREENE:** Mr. Riechers.  
24

25 **MR. RIECHERS:** It seems, to me, that if you're going to go down  
26 a road that what we have to do is create alternatives that would  
27 allow them to be in or out, and the current alternatives, as I  
28 read them, don't really allow that, and so we've got to  
29 structure alternatives, Assane, if you're trying to be inclusive  
30 of those that aren't included, based on this definition, then  
31 we've got to create an alternative that represents that, in some  
32 way. We can't say, well, because they're in now, we're going to  
33 put them over there.  
34

35 **CHAIRMAN GREENE:** Mr. Diaz.  
36

37 **MR. DIAZ:** How does the control date figure into all of this? I  
38 think we set a control date. That might be a question for Mara  
39 to answer, but if we've got a control date and we don't have a  
40 mechanism for them to get in, I'm not sure that they would  
41 understand that, if they wanted in.  
42

43 **CHAIRMAN GREENE:** Ms. Gerhart.  
44

45 **MS. GERHART:** The control date was set as if you did not have  
46 landings by December 31, 2015 or participated, you may not be  
47 eligible for this program. All it really said was you had to  
48 have those landings and participation before that date, and

1 these people do have landings and participation before that  
2 date. They do not have it afterwards.

3

4 **CHAIRMAN GREENE:** Dr. Crabtree.

5

6 **DR. CRABTREE:** I don't think the answer to this one is all that  
7 clear-cut, but it seems to me that the most straightforward way  
8 to do this would be vessels that are in it I guess now, meaning  
9 as of the end of last year, rather than trying to pull in  
10 vessels that ran it two or three years ago. That seems the  
11 least complicated way to go anyway, just on the face of it.

12

13 **CHAIRMAN GREENE:** My understanding of a headboat versus other  
14 boats is that they were chosen by the SRD, and so were they  
15 excluded from that? Is that why they're no longer reporting?  
16 We have used that definition in other situations, and, if you're  
17 a headboat and you're chosen, you are supposed to report. Am I  
18 incorrect? Dr. Ponwith.

19

20 **DR. PONWITH:** I can't speak to the specifics of these vessels,  
21 but I know there are circumstances that would cause a boat to be  
22 removed from the list. An example might be where they have a  
23 period of time where they function more like a charter vessel,  
24 where, instead of acquiring their money on a by-head basis, they  
25 actually charter that vessel out.

26

27 There were some cases where vessels were doing that for a  
28 majority of their trips over a long period of time. Because of  
29 that, they were not included in the headboat survey, and so I  
30 don't know if that's why we have the circumstances with these  
31 eight vessels, but that is an example of how vessels are  
32 determined to be in or out.

33

34 **CHAIRMAN GREENE:** Thank you. Dr. Stunz.

35

36 **DR. STUNZ:** I was just wondering, Assane, was there any  
37 indication to these vessels of do these vessels want in this  
38 program or out or do we know at all?

39

40 **DR. DIAGNE:** At this point, we didn't ask anybody, really,  
41 whether they want in or out, and so I don't know.

42

43 **CHAIRMAN GREENE:** Ms. Gerhart.

44

45 **MS. GERHART:** This would probably tie in a bit with how you  
46 decide to distribute initial allocation or initial shares. If  
47 you choose to take an average over five years and someone only  
48 has one year of landings, they are probably not going to want to

1 be in the program, because that's not much. If you let them  
2 take just their highest one year, then that might be a good year  
3 for them and they would want to, and so it's probably dependent  
4 on what you pick for other actions.

5  
6 **CHAIRMAN GREENE:** I don't know if you can answer this, with  
7 confidentiality, but were any of these boats in the Headboat  
8 Cooperative? If you don't want to answer it, don't answer it,  
9 but it's just a curious question.

10  
11 **MS. GERHART:** No, they were not.

12  
13 **CHAIRMAN GREENE:** Dr. Crabtree.

14  
15 **DR. CRABTREE:** What I'm hearing is that we need to make some  
16 decisions about the allocation period, and then I guess about  
17 whether we're going to allow vessels to opt in or out and then  
18 revisit this, or is this something that you need guidance on  
19 right now, Assane?

20  
21 **DR. DIAGNE:** The guidance now would be very helpful, essentially  
22 to, once and for all, know the universe of people that are going  
23 to be in this. Something you said earlier perhaps may be an  
24 indication. The cleanest way of doing this would be to say that  
25 the vessels in this program need to have met the criteria that  
26 we laid out and show continued participation in the survey.

27  
28 If we did that, then that will be essentially the sixty-seven  
29 vessels that we have been discussing all along, and so that  
30 would be clear cut. Then, as a council, you could take time to  
31 figure out what type of allocation you want and maybe even have  
32 an opportunity to reconsider whether this voluntary thing,  
33 opting in and opting out, is really necessary, but it could be  
34 one of the approaches for us to go back into the text and  
35 clearly specify that to participate in Amendment 42, in this  
36 program, one needs to do these things, and these things would be  
37 to be a headboat, having landings by the control date of  
38 December 31, 2015, and show continued participation in the  
39 survey. Like that, we would be sure that all of the  
40 participants are headboats and continue to function as such.

41  
42 **CHAIRMAN GREENE:** Dr. Crabtree.

43  
44 **DR. CRABTREE:** Then I think that would be my preference. Now,  
45 when you say continuous participation though, the sixty-seven  
46 vessels, those are the vessels that were in the program as of  
47 last year, is that correct, or in it as of this year?

1 **DR. DIAGNE:** I would ask Ms. Gerhart or Dr. Stephen.  
2  
3 **DR. CRABTREE:** The sixty-seven vessels mean the vessels that are  
4 in the program as of now, and is that correct?  
5  
6 **MS. GERHART:** They had landings during 2015 and were selected in  
7 2016.  
8  
9 **DR. CRABTREE:** My preference and suggestion would be that the  
10 sixty-seven vessels we've been talking about, vessels that were  
11 in the program last year, 2015, and then were selected again  
12 this year, that's the universe we're talking about. If we need  
13 to decide something today, I'm not sure else we can go than that  
14 right now.  
15  
16 **CHAIRMAN GREENE:** These vessels did not submit a report at all  
17 this year? I mean they have not reported at all in 2016? Am I  
18 correct or did they do part of the year and then do something  
19 different?  
20  
21 **DR. STEPHEN:** We haven't looked at the landings yet for this  
22 year. We have the list that was selected by the survey, that  
23 they sent to us of who is in it. Two of the vessels that were  
24 in it in 2015 and aren't in it in 2016, I believe they were sold  
25 to different people and the vessel is the same, but how they  
26 operate no longer met the criteria, and that's kind of the  
27 complication here when we look at vessel and not necessarily the  
28 person operating it. Did that help explain it?  
29  
30 **CHAIRMAN GREENE:** I understand. Thank you. Any further  
31 discussion? Mr. Anson.  
32  
33 **MR. ANSON:** Relative to Action 15, Assane, looking at  
34 Alternative 2, do you need to add another disclaimer or  
35 something at the bottom or another alternative that talks about  
36 those vessels that opt in or such, but are coming -- They get  
37 the LHV status and they're coming from the traditional for-hire  
38 charter boat side, those landings will be taken off or some --  
39 How is that going to be tracked back to their landings staying  
40 in the charter sector and yet they will be coming into the  
41 headboat sector and they will be accessing some sort of portion  
42 of the overall landings within that sector?  
43  
44 **DR. DIAGNE:** Because, when they come in to join this program,  
45 they are not entitled to any shares or allocation, there is  
46 nothing to be subtracted from let's say the recreational pool of  
47 charter and private anglers. It is not that they decide to say,  
48 okay, I am moving with my fish. They move empty-handed.

1  
2 **CHAIRMAN GREENE:** Mr. Diaz.  
3  
4 **MR. DIAZ:** I am moving to a different topic. If Myron is still  
5 on this topic, it might be a good idea to catch him.  
6  
7 **CHAIRMAN GREENE:** Mr. Fischer.  
8  
9 **MR. FISCHER:** I just want to understand what Assane just said.  
10 If they move, the program is not even established, and the  
11 remaining boats are now dividing more fish, if the fish don't  
12 follow with him. Suddenly the charter six-pack or multi-  
13 passenger or non-headboat fleet just inherited eight big boats  
14 or six big boats, but they didn't get any additional fish to  
15 match it.  
16  
17 **DR. DIAGNE:** No, the move in that direction, we talked about  
18 that earlier. That's with the voluntary participation. If a  
19 vessel, under this program, decides to opt out --  
20  
21 **MR. FISCHER:** I mean the first day right now. The numbers we're  
22 using are the established numbers they harvested in 2015, but we  
23 just lost eight boats to another sector. The fish should follow  
24 them.  
25  
26 **DR. DIAGNE:** Those eight boats that would opt out -- The opting  
27 out will happen before the first of the year, I believe on  
28 October 1. That's the date that we set there. By October 1,  
29 before implementation, vessels who would want to opt out would  
30 make their intentions known. For those vessels, whatever method  
31 of apportionment was selected here, their shares would be  
32 computed and then they would move with their fish, but this is  
33 different. The new entries, when you come to enter this  
34 program, you are not bringing anything with you.  
35  
36 **CHAIRMAN GREENE:** Dr. Crabtree.  
37  
38 **DR. CRABTREE:** I'm wondering if we need a motion to reflect our  
39 intent here or is it clear to you what our intent is? If you do  
40 need a motion, I'm going to need someone to write a motion,  
41 because I'm not sure I can.  
42  
43 **DR. DIAGNE:** I think between us, meaning Dr. Stephen and Ms.  
44 Gerhart and myself, we follow the discussion. Your intent is to  
45 have the sixty-seven vessels that met the criteria and are  
46 currently participating in the survey, and so I don't think that  
47 a motion will be needed. That's clear enough. Thank you.  
48

1 **CHAIRMAN GREENE:** What would prevent someone from having an  
2 allocation assigned to them and catching that allocation and  
3 transferring the permit off and fishing in state waters?  
4

5 **DR. DIAGNE:** Could you repeat that?  
6

7 **CHAIRMAN GREENE:** If someone is awarded an allocation of fish  
8 and they catch those fish and transfer the permits off the boat  
9 and go fish state waters, how is that addressed, or is this a  
10 you're in and you don't transfer the permits on or off the boat.  
11 You're in and you're in, and that's it, and is that correct?  
12

13 **DR. DIAGNE:** No, and we didn't really place any restrictions,  
14 because our permits, as they are right now, the federal for-hire  
15 permits, are fully transferable right now, and so we didn't  
16 really put additional restrictions on that permit.  
17

18 **CHAIRMAN GREENE:** Dr. Stephen.  
19

20 **DR. STEPHEN:** This is where it comes between the difference of  
21 splitting the permits into a brand-new permit or versus doing an  
22 endorsement. When you would do a split permit, it would, in  
23 essence, kind of convert the current reef fish for-hire permit  
24 to a new permit for this program. In that case, if someone  
25 wanted to move permits, they would have to sell the one permit  
26 and then obtain the other. We wouldn't allow them to be jointly  
27 on a vessel at the same time.  
28

29 With the endorsement, we were going more for you would kind of  
30 choose at the beginning of a calendar year which of the two  
31 programs you're going in and you can't play in both within the  
32 same year, but you can switch between years. Now, keep in mind  
33 that if we do anything like a PFQ that you have forfeited your  
34 shares that are with it, or depending on some of the other  
35 actions in there.  
36

37 **CHAIRMAN GREENE:** Okay. I just wanted to make sure I was clear  
38 on that. Sorry to belabor the point. Mr. Anson.  
39

40 **MR. ANSON:** I might be doing the same thing, belaboring a point,  
41 but we're talking about associating shares to permits, correct,  
42 and not to individuals?  
43

44 **DR. DIAGNE:** Under the PFQ. Under the permit fishing quotas,  
45 the shares are tied to your permit, meaning you cannot decide to  
46 sell your shares and retain the permit. It's all or nothing,  
47 but under let's say a traditional individual fishing quota  
48 program, you can choose to sell a portion or the totality of



1 your shares and still maintain possession of your permit, and  
2 that's the distinction between the two allocation-based programs  
3 that are considered in the amendment.

4  
5 **MR. ANSON:** I guess, with the PFQ, and it might be addressed in  
6 the document and I don't recall it, or the 41, but if the vessel  
7 were to sink or burn, how would that individual still be able to  
8 participate in the fishery if it's actually assigned to that  
9 individual vessel?

10  
11 **DR. DIAGNE:** No, it's tied to the permit. Then you are free to  
12 take your permit and the shares and put it on a different  
13 vessel. The only thing that you cannot do is dissociate the  
14 shares from the permit, but, if you wanted to let's say trade up  
15 and get a different vessel, et cetera, you take your permit and  
16 the shares and they will assign them to that new vessel or  
17 replace your vessel, as the case may be.

18  
19 **MR. ANSON:** Thank you.

20  
21 **CHAIRMAN GREENE:** Thank you. All right. Anything else? Mr.  
22 Diaz.

23  
24 **MR. DIAZ:** Can we back up to 13.1 for just a minute? If I  
25 understand this right, from the discussion that we had, I am  
26 thinking this Alternative 3 should be taken out, because we  
27 would be giving shares to people, potentially, in some of these  
28 fisheries that they can't -- It would be giving them to people  
29 that reside in an area and fish in an area where those fish  
30 don't exist. **I would move that, for Action 13.1, that we remove  
31 Alternative 3 to considered but rejected.**

32  
33 **CHAIRMAN GREENE:** We have a motion going up on the board. We're  
34 basically going to remove Alternative 3. He has read the  
35 motion. Is there a second for the motion as it goes up on the  
36 board? It's seconded by Dr. Lucas. Any further discussion?  
37 Dr. Crabtree.

38  
39 **DR. CRABTREE:** If I follow the logic, Dale, that you're using  
40 here, then it seems to me that the status quo in this action is  
41 the only logical way to do it, because then it goes  
42 proportionally out to the initial allocation, and I think, if  
43 you guys feel pretty confident that that's the best way to do  
44 it, then I think you could take this whole action out at that  
45 point.

46  
47 If you distribute it equally, you're going to have the same  
48 issue there that you're talking about now, and I think I'm

1 probably the one who got this put in here, some of it, but I  
2 think you've made some pretty good cases for why it may be that  
3 Alternative 1, status quo, is the only really practical way to  
4 do this.

5

6 **CHAIRMAN GREENE:** Is that a substitute motion?

7

8 **DR. CRABTREE:** Yes, I will offer a substitute motion to remove  
9 Action 13.1 to considered but rejected.

10

11 **CHAIRMAN GREENE:** We have a motion and it's been seconded. Any  
12 further discussion? **Any opposition? Seeing no opposition, the**  
13 **motion carries.** Dr. Diagne.

14

15 **DR. DIAGNE:** The last thing we wanted to discuss is perhaps get  
16 a sense of the timeline that you are envisioning for this  
17 action. These are, essentially, questions really. When do you  
18 think that you would like to see this amendment implemented? In  
19 looking at that, we need to keep in mind that this action would  
20 require a referendum and final action, as was discussed earlier,  
21 I believe by Dr. Crabtree, would have to be picked accordingly.  
22 If we could perhaps have a discussion on the first point. What  
23 date of implementation would you like to see for this action?

24

25 **CHAIRMAN GREENE:** Thank you. Is there committee discussion?  
26 Dr. Crabtree.

27

28 **DR. CRABTREE:** Well, looking at this, I think the earliest the  
29 program could actually get going would be January 1 of 2018, but  
30 that's a pretty ambitious schedule. I think one of the critical  
31 issues that affects the timeline is Action 3, which is the opt-  
32 out and opt-in, because that affects when decisions have to be  
33 made about who is in and when things can be allocated. That  
34 affects the timeline.

35

36 If have the opt-out and opt-in, then this thing has to be done  
37 earlier, so that we can notify people and figure out who is in  
38 and who is out and then do the allocations. Aside from that,  
39 and Sue can go over this in more detail if you want, but they  
40 have worked out a schedule, and all of this has us coming back  
41 in in October and essentially approving the criteria for  
42 conducting the referendum, because we're going to have to decide  
43 who votes and those kinds of things, and Sue can go over this in  
44 more detail if you like, but the opt-in and opt-out nature of  
45 the program, if we're really going to do that, affects how all  
46 of this comes together.

47

48 **CHAIRMAN GREENE:** Thank you. Sue.

1  
2 **MS. GERHART:** The main reason it affects that is we can't ask  
3 people to opt in or opt out until the entire rule is effective.  
4 In other words, we have to conduct the referendum, finalize the  
5 amendment, and do the proposed and final rules on that before we  
6 can even go to where we're asking people if they want to opt  
7 out. Then we need to know that in order to calculate the  
8 shares, and so that backs us up somewhat.

9  
10 If you don't allow that opt-out, we can go a little later on our  
11 timeline, but the referendum, the council has to decide which  
12 participants have substantially fished for the species that are  
13 proposed to be included, and those are the people who will vote.

14  
15 In the past, we have provided some options for the council of  
16 how they might decide that, and it can be very straightforward,  
17 in that everyone who participated and had some sort of landings  
18 recorded by the survey program is eligible, if they had landings  
19 of at least one fish of one of the species, or you could put in  
20 minimum landings, a certain number of poundage of fish that were  
21 landed and reported, and that could be your criteria.

22  
23 In order to get this all done for a 2018 start, if we have the  
24 opt-out, the council would have to approve those referendum  
25 criteria at the October meeting. If the opt out isn't there, we  
26 could delay that until the February meeting, and so that does  
27 sort of change the timeline.

28  
29 If we have the opt-out, we have to have final action by the  
30 April meeting, which is quite close. We can delay until June if  
31 we're not doing the opt-out. In any case, the thing driving it  
32 is that, what we have found in previous programs, is that  
33 October 1 is really the date when we have to be able to  
34 calculate what each participant is going to get and what those  
35 quotas are going to be to get that in place for the next year.

36  
37 **CHAIRMAN GREENE:** Thank you. Mr. Fischer.

38  
39 **MR. FISCHER:** Thank you, Mr. Chairman. Where do the boats go  
40 that opt out? In what pool are they?

41  
42 **CHAIRMAN GREENE:** Ms. Gerhart.

43  
44 **MS. GERHART:** For Amendment 42, what we've stated is that if  
45 they opt out of the headboat program that we're designing in 42  
46 that they would go into the common pool, which could also  
47 include what's being developed for 41. Then, of course, in 41,  
48 there could be another opt-out/opt-in as well, and so it would

1 kind of be a tiered thing.  
2  
3 **MR. FISCHER:** Suppose the charter boats don't want a headboat  
4 in. Can they opt him out? Do they have any say? You're  
5 getting a large boat now put into a pool made up mostly of six-  
6 pack boats, and, depending on what alternatives are taken, it  
7 could create problems in that industry.  
8  
9 **DR. DIAGNE:** Mr. Fischer, when someone opts out, and wherever it  
10 is that they move into, they bring landings corresponding to  
11 their catch history.  
12  
13 **MR. FISCHER:** I understand that, but there is no catch history  
14 in the charter boat sector. Suddenly he is in this sector with  
15 1,250 other boats and he is a hundred-passenger headboat and  
16 he's got a lot of fish to harvest. Like I said, suppose they  
17 don't want him to opt-in?  
18  
19 **DR. DIAGNE:** No, he's not going to retain the fish that he or  
20 she brought, he or she. Those fish would be just in the pool.  
21 I am trying to compare that scenario to status quo, where we are  
22 right now. Right now, essentially we have a single federal for-  
23 hire permit and it is for everybody, for the charter as well as  
24 the headboats. I guess I am missing part of the question.  
25  
26 **CHAIRMAN GREENE:** Dr. Crabtree.  
27  
28 **DR. CRABTREE:** It's an interesting back-and-forth, but I think  
29 it makes a case for let's not do this opt-out thing and let's  
30 put the program in place and all the vessels are in it. That's  
31 my preference, and so I will go ahead and make a motion. That  
32 is also, I would point out, the AP's preference as well. **I**  
33 **would go ahead and make a motion to move Action 3 to considered**  
34 **but rejected.**  
35  
36 **CHAIRMAN GREENE:** We had a motion to remove Action 3. It's been  
37 seconded by Mr. Fischer.  
38  
39 **DR. CRABTREE:** If I could, then that would mean that, assuming  
40 this is approved in the referendum and the council decides to  
41 move forward with this program, that's the program these vessels  
42 fish in. I think most of them are going to fish in it anyway,  
43 because I think that's going to be preferable. It avoids a lot  
44 of the issues that Myron is bringing up with vessels shifting  
45 back and forth, and it certainly makes the whole program more  
46 stable, more predictable, and I think more workable.  
47  
48 **CHAIRMAN GREENE:** Mr. Diaz.

1  
2 **MR. DIAZ:** Dr. Crabtree, what you're saying might be right for  
3 the vast majority of people, but I do remember talking to a  
4 gentleman that chose not to participate in the Headboat  
5 Collaborative because he didn't get enough fish. If we take an  
6 opportunity for him to opt out, then we're putting him in that  
7 program and he's got to live with whatever his catch history is.  
8 At that time, it wasn't enough for him to participate in the  
9 collaborative, when I talked to him, and so I think there just  
10 might be some people that might get caught here in a situation  
11 they don't want to be in.

12  
13 **CHAIRMAN GREENE:** Dr. Crabtree.

14  
15 **DR. CRABTREE:** I appreciate that, but I think the collaborative  
16 only used one year to determine the proportional allocation of  
17 fish. We've got a series of broader choices to make with that,  
18 and I don't think any vessel could know right now what they're  
19 going to get, because we haven't even decided ourselves what the  
20 basis for the allocation would be.

21  
22 If, after all of that is said and done, the vessel has very low  
23 catch histories in any of these species, then he is really not  
24 fishing for these fish to begin with, it seems to me, and so I  
25 understand what you're saying, Dale, but, at some point, we need  
26 to think about the practicality of the program and making it  
27 work.

28  
29 **CHAIRMAN GREENE:** Thank you. Is there further discussion? Mr.  
30 Anson.

31  
32 **MR. ANSON:** I kind of tend to agree with Dale. I mean that's  
33 part of the practicality of the program. If you're taking a  
34 vessel that really can't function in that program, then it's not  
35 being practical to that individual, and so I don't know if I  
36 would support this motion.

37  
38 **CHAIRMAN GREENE:** Dr. Crabtree.

39  
40 **DR. CRABTREE:** But we have alternatives in here for the initial  
41 allocation that distribute, I think up to 75 percent of it,  
42 equally among all the vessels and so you have all the tools in  
43 the initial allocation to deal with this problem and make sure  
44 no one gets left behind and no one gets an unfairly low amount  
45 of allocation, and so I really think that's dealt with in the  
46 initial allocation, or can be dealt with.

47  
48 **CHAIRMAN GREENE:** Thank you. Mr. Riechers.

1  
2 **MR. RIECHERS:** Roy, is your motion then, or maybe what you're  
3 really suggesting is should this be merged in discussion with  
4 the initial allocation, so that we're not trying to create two  
5 separate actions here, but you draw some of the points that  
6 other people are making, as well as -- I said it over here  
7 somewhat quietly, but those six or seven vessels that we talked  
8 about, we probably need to know what some of those circumstances  
9 are a little bit better before we just say they're not in,  
10 because we don't know what they are yet. It hasn't been fleshed  
11 out here.

12  
13 **CHAIRMAN GREENE:** Dr. Crabtree.

14  
15 **DR. CRABTREE:** Well, I am just saying that -- I am basing this  
16 on I think the difficulties that having the opt-in and the opt-  
17 out provision create, and all of the concerns I am hearing about  
18 that really are concerns about how the initial allocation is  
19 done and not so much with this.

20  
21 Now, if folks aren't comfortable with this or feel like this is  
22 too soon and you want to see more information, I would be willing  
23 to withdraw this and we could come back to it, but you know  
24 we've been working on this for quite a while, and the AP has  
25 recommended that we not have this opt-in and all of that, and I  
26 just don't see it as being a very workable way to go, but if the  
27 sense of everyone here is you're not comfortable with this yet,  
28 I am willing to pull back and revisit this issue at another  
29 meeting.

30  
31 It does make it analytically more difficult to deal with, and it  
32 does affect the timeline that we're on, and you all know how  
33 good we are at meeting all of these timelines. I don't know,  
34 Mr. Chairman, but I guess, if folks aren't comfortable with it,  
35 we can just vote the motion down, I suppose.

36  
37 **CHAIRMAN GREENE:** Thank you. Dr. Stunz.

38  
39 **DR. STUNZ:** Roy made my point right there in the end. It's not  
40 that I disagree with this motion, but I think we're too early in  
41 the process, and I'm not comfortable at this point. I think we  
42 need to have this provision in there, at least for now.

43  
44 **CHAIRMAN GREENE:** Is there further discussion before we vote?  
45 All right. **All those in favor of the motion on the board to**  
46 **move Action 3 to considered but rejected, please raise your**  
47 **hand.**

48

1 **EXECUTIVE DIRECTOR DOUG GREGORY:** We've got four.  
2  
3 **CHAIRMAN GREENE:** All those opposed, like sign.  
4  
5 **EXECUTIVE DIRECTOR GREGORY:** Nine. It's four to nine. The  
6 motion fails.  
7  
8 **CHAIRMAN GREENE:** The motion fails. Ms. Guyas.  
9  
10 **MS. GUYAS:** Just a question, to go back to the timeline. I  
11 think at a previous meeting that we had talked, potentially,  
12 about 41 and 42 moving in parallel. When you guys were figuring  
13 out your timeline, were you assuming that both of those were  
14 moving -- That's kind of what I figured. Okay. Thank you.  
15  
16 I think we should probably consider that. They're both pretty  
17 big lifts, for one. Two, if we keep this opt-in and opt-out  
18 stuff here, I would assume that headboats that are trying to  
19 decide what they would want to do would want to consider what  
20 their alternative management scheme would be, if we keep this in  
21 here.  
22  
23 **CHAIRMAN GREENE:** Dr. Crabtree.  
24  
25 **DR. CRABTREE:** Remember, at this point, 41 is only red snapper,  
26 although I know there is some interest in that. I don't even  
27 think it's possible to come up with a timeline so much for 41 at  
28 this point, because it's still so wide open as to where we want  
29 to go.  
30  
31 Given that I guess my premature motion failed, that means we're  
32 going to -- If your goal is to have this in place on January of  
33 2018, then we're going to need to approve referendum criteria at  
34 our next meeting, and I know Sue has put together some potential  
35 alternatives for that.  
36  
37 I know it's getting late, and I don't know if you want to take  
38 the time to look at those now or at full council or how you all  
39 want to handle that, but she has some potential alternatives  
40 that we could talk about, but that would be the timeline we  
41 would be on, would be to come in at October and approve it.  
42 Then we're going to have to make decisions pretty quickly if  
43 we're going to try and get this done by 2018.  
44  
45 **CHAIRMAN GREENE:** Chairman Anson, how would you like to proceed?  
46  
47 **MR. ANSON:** I guess, Sue, if you can go through them quickly,  
48 since we're on the topic.

1  
2 **MS. GERHART:** I did sort of already go through them quickly,  
3 but, based on Magnuson, the council has to determine  
4 participants who have substantially fished for the species  
5 proposed to be included in the individual fishing quota program.  
6

7 A no action would be not to specify eligibility requirements.  
8 Alternative 2 would be restrict participation in the referendum  
9 to for-hire reef fish permit holders who have substantially  
10 fished for red snapper, gray triggerfish, greater amberjack, red  
11 grouper, or gag based on logbooks during the qualifying years,  
12 and I'm sorry, but that should be headboat survey landings  
13 during the qualifying years. Participants whose vessels had any  
14 landings of at least one species are considered to have  
15 substantially fished.  
16

17 Alternative 3 reads the same, except at the end it says that  
18 only participants whose vessels have landed a minimum number of  
19 fish for at least one of the species are considered to have  
20 substantially fished, and then there would be some number for  
21 each of those species.  
22

23 Someone would have to have reached that number or had those  
24 landings during the qualifying period, which, at this point,  
25 we're saying 2011 to 2015, which is the same as the initial  
26 allocation period.  
27

28 We still need to look at the data to find what those numbers  
29 would be, but we could find those and have those for you, and so  
30 that's the simplest way to do it. There could be, obviously,  
31 other options, but that's what we're looking at right now.  
32

33 **CHAIRMAN GREENE:** Thank you. Is there further discussion?  
34 Seeing no further discussion, Dr. Diagne, do you have anything  
35 else within the parameters of Amendment 42?  
36

37 **DR. DIAGNE:** No, Mr. Chair. That would conclude the discussion  
38 for me. Thank you.  
39

40 **CHAIRMAN GREENE:** Okay. We have about twenty-seven minutes left  
41 to jump into Amendment 41. However, the preliminary analysis on  
42 the red snapper split season may be a reasonable thing that we  
43 can accomplish within that timeframe. With that, I am going to  
44 turn it over to our staff to pick up on Tab B, Number 13.  
45

46 **DR. LASSETER:** Great. Thank you, Mr. Chairman. Mike Larkin is  
47 coming up right now to present that.  
48



1           **DRAFT AMENDMENT 41 - RED SNAPPER MANAGEMENT FOR FEDERALLY-**  
2                                   **PERMITTED CHARTER VESSELS**  
3                                   **PRELIMINARY ANALYSIS ON RED SNAPPER SPLIT SEASON**  
4

5 **DR. LARKIN:** Now I'm going to talk about an analysis that Dr.  
6 Nick Farmer did, but I'm covering for him at this meeting, and  
7 so hopefully I've got a good grasp on everything that he did,  
8 but here we go with the two options.

9  
10 Option 1 is open the federal for-hire red snapper season from  
11 April 20 until May 31 and then reopen September 1 until the ACT  
12 is projected to be exceeded. Then there's Option 2, to open the  
13 federal for-hire red snapper season June 1 through June 30 and  
14 then reopen October 1 until the ACT is projected to be exceeded.

15  
16 Some analytical challenges are no recent federal for-hire catch  
17 rate data outside of June and July for the entire Gulf region.  
18 There are a lot of questions to this analysis. Is there a  
19 seasonal dynamic to red snapper catches? If so, is it due to  
20 the red snapper stock movement or catchability or is it due to  
21 differences in fishing effort? Would fishermen compensate for a  
22 change in the season start date and exert more effort into the  
23 open months? The conclusion there, and I'm just trying to point  
24 here, is that there is a lot of uncertainty to this analysis.

25  
26 We can go over some expectations. The June catch rates are  
27 likely high because weather conditions are nice and school is  
28 out and there is little conflict from other activities.  
29 April/May catch rates may be high, although school is still in,  
30 but because the weather may be similar to June and high catch  
31 rates are anticipated at the start of the season.

32  
33 Then September/October catch rates may be lower, as school is in  
34 and anglers may have scheduling conflicts, for example football  
35 or hunting or other activities, and the stocks will have been  
36 fished for several weeks already.

37  
38 Nick did this in seven different analytical approaches. The  
39 first one is unscaled, and so using those Waves 3 and 4 current  
40 projections that we have, that we used for the 2016 season, and  
41 so the 2014 through 2015 daily catch rates, and those are for  
42 Waves 3 and 4. It's essentially the summer months.

43  
44 Anyway, the unscaled is applying those catch rates for all the  
45 months. Take what we have for Waves 3 and 4 and then apply them  
46 to Wave 2 as well as 4 and 5, to accomplish those two options  
47 for this analysis.

1 Assuming it's the same throughout, that's the unscaled, and so  
2 assuming it's the same catch rate per day throughout the whole  
3 year. That's the unscaled. Another way, and I'm going to do  
4 seven different approaches here, is if you scale it and you go  
5 back to the mean catch rates from 2004 through 2007, back when  
6 it was open from April 15 to October 31. Those are the observed  
7 daily catch rates for each individual state. When I mean scale  
8 it, meaning if you go back and -- If Wave 2 had about half of  
9 what Wave 3 had, you would take our predicted landings for Wave  
10 3 and cut in half and apply it to Wave 2, and so, to scale it  
11 based on what we have historically, we have to go all the way  
12 back to 2004 and 2007.

13  
14 He did it for each individual state and then he did this if you  
15 scale it and you assume all the landings, treat them all as one,  
16 in the entire Gulf. Again, based on the mean catch rates from  
17 2004 to 2007, but treating the entire Gulf as one giant stock  
18 there.

19  
20 Then four and six, the last column breaks it up by the two  
21 different Beaufort scales. I will show you that in the last  
22 column, but, anyway, this is another way to scale the monthly  
23 catch rates based on the ratio of fishable days, and he  
24 determined fishable days by what is called the Beaufort scale,  
25 and so less than five. That means a wind speed of less than  
26 seventeen knots or a Beaufort scale of six. That is a wind  
27 speed less than twenty-two knots, and he did this relative to  
28 June, but the way to think of this, if you're a red snapper  
29 fisherman, is what is a better threshold of whether you're going  
30 to go fishing or not? If it's less than seventeen knots, yes,  
31 and then, greater than seventeen knots is no, then that would be  
32 a Beaufort scale of five. Or is a better threshold a Beaufort  
33 scale of six? Less than twenty-knots, yes, go fishing, or  
34 greater than twenty-two knots is, no, go fishing, and that  
35 Beaufort scale of six is also the small craft advisory.

36  
37 He did this by wind speed, by looking at the meteorological data  
38 for each state, the weather stations deployed throughout the  
39 Gulf of Mexico. He also did this for wave height, and so it's  
40 kind of like what you choose, what do you think is more  
41 important whether you go fishing, and is it wind speed or is it  
42 wave height?

43  
44 In this case, he scaled the monthly catch rates based on the  
45 mean 2007 to 2015 ratio of fishable days, and everything is  
46 relative to June, and I will show you that in the next figure.  
47 Anyway, with the Beaufort scale, when you go into wave height, a  
48 Beaufort scale of less than five is a wave height less than two

1 meters and a Beaufort scale of six or less than six is wave  
2 heights less than three meters.

3  
4 Now I will show you some results here. Historic is essentially  
5 taking the unscaled method, which is Waves 3 and 4, and then  
6 scaling it based on historic catch rates for Wave 2 and also for  
7 Wave 5. Then Wave 5, we assume Wave 5 is the same as 6. In  
8 here, you can see the different colors represent the different  
9 states. For example, you can see that the Wave 2 in Mississippi  
10 is really high relative to Wave 3, and then he also has the  
11 entire Gulf one there, which is the dashed line. You can see,  
12 when you treat the whole Gulf as one unit stock, when you do  
13 this analysis, that Wave 2 is very similar to Wave 3. Then,  
14 after Wave 4, it drops down quite a bit when you go down to Wave  
15 5.

16  
17 Here is going into the fishable days, the Beaufort scale, and  
18 this is for the one less than five, and everything is relative  
19 to June. That's why you see June is 100 percent, but, in this  
20 case, if I'm looking at the left column there, a wind speed less  
21 than seventeen knots, you get the months listed on the X-axis,  
22 in both figures, and the percentage of fishable days is on the  
23 Y-axis. The left figure is the wind speed of less than  
24 seventeen knots. The one on the right is wave heights less than  
25 two meters.

26  
27 If you look at the one on the left, the wind speed less than  
28 seventeen knots, you can see in the purple, which is Texas, that  
29 we did this analysis in August, and it looks like it's about 118  
30 percent in August. What that's saying is that the percentage of  
31 fishable days in August is a lot higher than relative to June.  
32 For example, if you find the fishable days, based on these wind  
33 speeds, in June is about twenty-five days, but then you look at  
34 August and it was twenty-nine, you have a higher percentage of  
35 fishable days.

36  
37 Applying that ratio to those catch rates for Waves 3 and 4 and  
38 then use that to apply that -- For each month, apply that to  
39 their catch rates for the rest of the year, to determine how  
40 many days would be open, what the landings would be. Also, you  
41 can see they're much lower down in the colder winter months.  
42 You can see January and December are a much lower number of  
43 fishable days.

44  
45 This kind of cut off at the top there, but this actually -- It  
46 got cut off on both sides, unfortunately, but this is just  
47 trying to show you what the catch rates were for each month  
48 there.

1  
2 This is actually the catch rates per day, just to show you the  
3 unscaled is just a straight line across there, assuming that  
4 everything is the same for every single month. Then the  
5 historic are the bar lines. You can see they're actually very  
6 similar to the unscaled. Then, when you break down to the wind  
7 speed, the dotted one, you can see it breaks away a little more  
8 from the unscaled, and the greatest difference there is when you  
9 get down to the dashed line there, which corresponds to wind  
10 speed, Beaufort five, and wave height, Beaufort five.

11  
12 Meaning you can see you get, for the -- This is actually listed  
13 as January through December, and I know you can't see it and it  
14 got cut off at the bottom, but you can see the winter months.  
15 For January through February, you get much lower catch rates.  
16 Then it peaks in the summertime and then drops back down as you  
17 get more into September, October, November, and December.

18  
19 What this is showing here is those two options that I first  
20 mentioned there. Split Season 1 is the top there, April 20  
21 through May 31 and then closed and then open September 1 through  
22 the end of the season. The seven different methods are listed  
23 in different columns. Down on the lower half of the page there,  
24 this is Split Season Option 2, which is June 1 through 30 and  
25 then closed and October 1 until the ACT is met.

26  
27 Then you can also see, on the rows, are the different months.  
28 The top part there, you can see, under all the different  
29 analyses, that all the days were open in April and May, but then  
30 you get differences in September. You could have as little as  
31 two days open and as much as seven days open, and so it's not  
32 really a dramatic change between the different methods in this  
33 one.

34  
35 Then the bottom half there, you can see from June to October and  
36 November and December, and so you can see that under -- If you  
37 go to the historic, you do get a lot higher number of days.  
38 Unfortunately, the bottom got cut off, but hopefully you have  
39 those in the PDFs that got sent off, but, anyway, I will just go  
40 through the bottom half, the unscaled.

41  
42 It's forty-four days, but then the historic by state, you get  
43 sixty-two days. Gulf historic, when you treat the Gulf all as  
44 one, you get sixty-six days, but keep in mind those are going  
45 back quite a bit. You're looking at ten years of what the  
46 relationships were between seasonality throughout the year to  
47 make the assumption to predict those days.

48

1 Then, as you go into Beaufort scale of six, the wind speed, you  
2 get forty-five days. Wave height, you get forty-five days.  
3 Then the last two columns there, a Beaufort scale of five, you  
4 get a wind speed of forty-eight and then a wave height of forty-  
5 five. Really, I would use everything relative to unscaled.  
6 It's really what is more similar to what is used for the current  
7 prediction, and so I would compare everything relative to that.

8  
9 You can see from forty-four days and then how much of that  
10 stretched out. The top half only goes about maybe -- You get an  
11 extra five additional days, at the most. The bottom half, you  
12 do get up to sixty-two days, but that's also assuming that the  
13 seasonality is similar to what it was ten years ago.

14  
15 Different methods give a different number of days, but nothing  
16 real dramatic in terms of the increase in number of days. It  
17 depends on what method you think is most accurate, and that's  
18 it. I would be happy to take any questions.

19  
20 **CHAIRMAN GREENE:** Thank you. Any questions? Mr. Diaz.

21  
22 **MR. DIAZ:** I just want to make a few comments. I was the one  
23 that I guess floated this idea and made the motion that we look  
24 at this, and my purpose is to look at some traditional  
25 management measures, so charter boat fishermen out there that  
26 are trying to decide what options they think they might consider  
27 would at least have some information in front of them to see.

28  
29 What we heard at the last meeting was -- We went over basically  
30 bag limits. The real only option is to go down to one fish, two  
31 fish or one fish, and, if you go down to one fish, what I heard  
32 last time is you gain about a 42 percent increase. Based on the  
33 number of days we've got right now, you're looking at about 61  
34 or 62 days, if that was an option that charter fishermen thought  
35 might be good for their business, to help stretch out their  
36 season longer.

37  
38 We looked at size limits last time, and size limits, from what  
39 Dr. Froeschke presented last time, didn't really do anything.  
40 There wasn't really much options with that, and so we talked  
41 about maybe floating this out there, where people could see, if  
42 we were to consider some type of a split season, what that might  
43 mean, and so I want to thank you, Dr. Larkin and Dr. Farmer, for  
44 putting this together and making this information available.

45  
46 What I get out of it is, if people thought that they might want  
47 to do some of these things, at least they can figure out what it  
48 might mean. Split seasons, from the presentation we got here

1 today, it's not something that's going to give a ton of days,  
2 but you might be able to squeeze a few extra days, depending on  
3 how all of this shakes out.

4  
5 There is other reasons to do split seasons besides this. I  
6 don't know that that's going to factor into the charter boats,  
7 people that have charter businesses thinking, whenever they try  
8 to decide if it's best for their business or not, but a split  
9 season, I think, would reduce the likelihood of going over the  
10 ACL.

11  
12 Some areas, Mr. Riechers has said many times that Texas is a bad  
13 area for June for wind, and so some areas may get some time to  
14 fish in a time of the year whenever the weather conditions are  
15 more fitting for doing some fishing in that area at that time,  
16 and I guess the only other benefit that I was able to come up  
17 with, thinking about split seasons, is any time you fish outside  
18 of the hottest part of the year, you probably reduce your  
19 discard mortality rates. It seems like fish hold up a little  
20 better in cooler waters than they do in warmer waters, and the  
21 only other thing that I thought of was some fishermen told me  
22 that they would like to have something to sell at different  
23 times of the year.

24  
25 Folks can consider all those types of things whenever they're  
26 trying to decide if this might be something that would be better  
27 for their business, as opposed to trying to support or pursue  
28 one of the other methods that we're looking at. Thank you, Mr.  
29 Chairman.

30  
31 **CHAIRMAN GREENE:** Thank you, Mr. Diaz. Mr. Riechers.

32  
33 **MR. RIECHERS:** It may be embedded in the analysis, and I am just  
34 trying to see if it is. As you all recall, we have had some  
35 years where we had an open season and we closed and then we  
36 opened in the fall, and I think most of those years were after  
37 2007. When we think about your analysis for wind speed and wave  
38 height and you're basically taking ratios, did we include those  
39 differential catch rates combined into that or -- I don't think  
40 it would have been in two and three, based on the 2004 to 2007  
41 timeframes you have there. It may be embedded there, and I am  
42 just trying to understand if it is or not.

43  
44 **DR. LARKIN:** Correct me if I'm wrong, and Nick is a lot more  
45 familiar with this than I am, because there was one year where  
46 you extended much later into October, those days.

47  
48 **MR. RIECHERS:** I think we may have had at least two years, but

1 there may be just one.

2  
3 **DR. LARKIN:** I don't think those October days were incorporated  
4 in this analysis, and so, no, I don't think it was. I think he  
5 just based it on -- Like you mentioned, wind speed and wave  
6 height, that's just based on -- For example, what do we  
7 typically see in October, and so it didn't incorporate the  
8 actual landings from those. I can follow up with him, but I  
9 don't think it was.

10  
11 **MR. RIECHERS:** Certainly the analysis is well down the line of  
12 what Dale was trying to get at there, I believe, and I  
13 appreciate that whole notion of trying to bring the weather  
14 patterns in, but we may have some actual real catch data that  
15 allows us to think about at least that fall season, in some  
16 respects, as compared to the summer season in a little more real  
17 time, as opposed to the 2004 to 2007. It may be worth at least  
18 taking a quick look at.

19  
20 **MS. BOSARGE:** Just a quick comment, in case we do see this  
21 presentation or something similar again. I realize the Beaufort  
22 scale is in knots and meters, but would you mind bringing it  
23 back in knots and feet? I can deal with knots, and I can  
24 convert the meters, but, when I'm trying to interpret a graph  
25 and do everything else, it would be helpful if I didn't have to  
26 first in my mind convert things to feet and then go look at the  
27 graph and figure what I'm really looking at. That would be  
28 helpful. Thanks.

29  
30 **CHAIRMAN GREENE:** Dr. Stunz.

31  
32 **DR. STUNZ:** Just a quick follow-up to Dale's comment on the  
33 barotrauma, and I certainly would support something like this  
34 down the line, because it is true that as the water temperatures  
35 cool that you're going to have a reduction in discard mortality,  
36 and some studies are already out, and I'm aware of several  
37 others that are going to show that for red snapper across the  
38 Gulf, but the only problem of what I'm looking at here is these  
39 seasons don't quite capture it.

40  
41 It needs to be a little bit cooler water, more from that  
42 November to March realm, and so it's not quite captured in the  
43 dates that we're looking at here, and I know why we're looking  
44 at these dates, but there needs to be a little -- The water  
45 temperature is still not cool enough to really see those  
46 effects, in these figures at least.

47  
48 **CHAIRMAN GREENE:** Thank you. Any further discussion? Okay.

1 That's going to bring us to a point where we're going to have to  
2 probably deviate from our schedule. There is no way we're going  
3 to get through 41 at this time. Looking at the schedule for  
4 tomorrow, the conversation we're currently having kind of ties  
5 into an Other Business topic that Mr. Diaz had brought up, and  
6 so, with the blessing of the committee, if you would like to  
7 move to that and then we will start up in the morning with 41  
8 and see where we end up.

9  
10 That's kind of what Kevin and I had discussed, but certainly  
11 it's up to the committee. Does anybody have any problems with  
12 that? Mr. Diaz, I guess I'm going to put you on the spot here  
13 for Other Business on the red snapper ACL. If you're ready, Mr.  
14 Diaz.

#### 15 16 OTHER BUSINESS

17  
18 **MR. DIAZ:** I really didn't have a chance to get my thoughts  
19 together, but I will -- I wanted to just mention this, because  
20 it's been on my mind. Last October, we passed a motion to look  
21 at the ACT for the recreational red snapper sector and to  
22 consider reducing it. We passed that motion in October, but we  
23 didn't act on it, because we were waiting for some final numbers  
24 to come in.

25  
26 The preliminary data we had in October, at that time, if I  
27 remember it correctly, both sectors were projected to be under  
28 the ACT at that time. Well, we did wait on the numbers, and we  
29 got the final numbers around March or so, and the private  
30 recreational are over their ACT and under the ACL, but the  
31 charter for-hire sector was under the ACT.

32  
33 Now, at one time, we asked the SSC, and I guess I'm jumping all  
34 over the place, if we wanted to consider something doing with  
35 this, what would they need, and they said they wanted three  
36 years of data. Anyway, I am not sure that I agree with that  
37 particular statement, but we got one year that, under sector  
38 separation, where the charter for-hire was fishing alone, that  
39 they hit under their ACT.

40  
41 Here we are, we're in the middle part of August, and we don't  
42 have the information in front of us to see what has happened so  
43 far this year. The charter for-hire season this year, from June  
44 1 to June 30, is going to be in Wave 3. Pretty soon, we will  
45 get some preliminary numbers on what happened with Wave 3, and  
46 we could start looking at what the catch rates are, and we could  
47 start trying to figure out if we think they're going to exceed  
48 the ACT or not this year.



1  
2 Now, we won't know that until we get Wave 4, which we probably  
3 won't get Wave 4 information until November-ish. We're stuck in  
4 a system where, if we want to try to impact something, if we  
5 wanted to try to help these guys and do something with their ACT  
6 for next year, you've got to start planning and moving a  
7 document so early, and we're stuck here without the information  
8 that we need to even consider it, and so it's really frustrating  
9 and it's hard to deal with.

10  
11 I did want to just bring this topic up and talk about it a  
12 little bit. If it works out where the charter for-hire comes in  
13 under the ACT again this year, I would be in favor of trying to  
14 do something to look at adjusting that with something that's  
15 reasonable, but we just have to wait and see what happens with  
16 the data. It's too early to do anything with it today.

17  
18 When I think about this, it's not the same, and I do know some  
19 of the issues that surrounds this particular discussion, but  
20 we're dealing with a fixed number of boats. We're dealing with  
21 a fleet that's under a moratorium, and it's something that I  
22 think we can control a little better. Anyway, I am just  
23 thinking about this. I'm not planning on doing anything with it  
24 today, but I want you all to start thinking about it.

25  
26 If the numbers come back, whenever we start seeing the  
27 preliminary numbers and some of the other numbers, if it looks  
28 like the charter for-hire is under their ACT or very close to  
29 it, then I'm going to be trying to move something. Even though  
30 we won't have the full three years under that sector separation  
31 alone -- We will have three years, but we won't have three years  
32 under sector separation alone, and so I just wanted to float  
33 that out and get folks to be thinking about it and start forming  
34 your opinions.

35  
36 After we get the data, probably at the next meeting, I will talk  
37 about it again and we will see what maybe is the appropriate  
38 thing to consider.

39  
40 **CHAIRMAN GREENE:** Thank you, Mr. Diaz. Ms. Bosarge.

41  
42 **MS. BOSARGE:** Dale, what you're saying is that when we start  
43 seeing the numbers for this year's season -- We have one season  
44 under our belt and we have final numbers. Once we start to see  
45 some numbers for the second year, which would be this year's  
46 season, if it looks like these numbers are going to be in line,  
47 what you're saying is that you would almost want to start on a  
48 document that wouldn't be finalized until we actually had three

1 years of data and we could see the trend, but we would have to  
2 start it almost a year in advance to even be in a position to do  
3 something once we have the three years of data. Is that what  
4 you're saying, kind of?

5  
6 **MR. DIAZ:** Not exactly. If the charter for-hire comes in again  
7 this year under their ACT, I would be willing to look at some  
8 type of adjustment for these folks before we get three years of  
9 data, to go with the two years, and I know some people probably  
10 won't agree with that, but we'll have to see what happens with  
11 the data and where it's at. If something is reasonable, it's a  
12 smaller group. They're operating under a moratorium, and I  
13 think it's something we could look at their buffer and find if  
14 there's something reasonable that is prudent to consider that  
15 might help these guys out.

16  
17 I am just trying to look for a way, if it works out, where we  
18 can get these folks a few more days to fish. That's all I'm  
19 trying to do. That protects the species and we don't get in a  
20 situation where we're not being conservative with trying to  
21 protect going over this ACL. I don't want us to go over the  
22 ACL. I want us to be conservative and manage it prudently.  
23 Thank you.

24  
25 **CHAIRMAN GREENE:** Thank you. Dr. Crabtree.

26  
27 **DR. CRABTREE:** Just to point out that we have on our agenda a  
28 discussion of carryover, which, to me, is potentially a more  
29 practical way to deal with this problem, and so we have options  
30 here, not to mention the option of let's move forward with  
31 Amendment 41 and 42, and we potentially could get rid of the  
32 buffer entirely on that side. We have options to do this before  
33 us, but we just need to get something completed.

34  
35 **CHAIRMAN GREENE:** Mr. Diaz.

36  
37 **MR. DIAZ:** I think Dr. Crabtree's suggestion about the carryover  
38 one is a very good one, and I think we should pursue that, and  
39 let's just see where the data goes. It's too early to really  
40 know what we're going to have. I just wanted to let people know  
41 that it was something that I'm concerned about, and we'll see  
42 what happens whenever we get some of this preliminary data in  
43 and go from there.

44  
45 **CHAIRMAN GREENE:** Thank you. Chairman Anson, we are at 5:30.  
46 Do you want to try to knock out anything else on the agenda? We  
47 have a couple of half-hour items on here. Do you want to try to  
48 work through some of this stuff on carryover or anything else?

1  
2 **MR. ANSON:** My preference, Johnny, would be to go ahead and  
3 recess for today and then try to pick up tomorrow and catch up  
4 as best we can, because each topic requires some time, and I  
5 think it's kind of late in the day.

6  
7 **CHAIRMAN GREENE:** Thank you. I wish I could have led us a  
8 little closer to our scheduled time. I will try to do better  
9 tomorrow. Thank you.

10  
11 **MR. ANSON:** You did a fine job. Thank you.

12  
13 (Whereupon, the meeting recessed on August 16, 2016.)

14  
15 - - -

16  
17 August 17, 2016

18  
19 WEDNESDAY MORNING SESSION

20  
21 - - -

22  
23 The Reef Fish Management Committee of the Gulf of Mexico Fishery  
24 Management Council reconvened at the Astor Crowne Plaza, New  
25 Orleans, Louisiana, Wednesday morning, August 17, 2016, and was  
26 called to order by Chairman Johnny Greene.

27  
28 **CHAIRMAN GREENE:** We basically have one hour to get through  
29 about three-and-a-half hours' worth of committee stuff, and so  
30 we're going to try to accomplish as much of what we have as  
31 possible, and we're going to start off with the discussion of  
32 Amendment 41 and move forward with that.

33  
34 In all fairness, Amendment 41 is somewhat of a cumbersome  
35 document that we've been struggling with, and so we're going to  
36 try to -- I would like to try to whittle some of it down so that  
37 we can get it to where perhaps a lot of us can get our hands  
38 around it a little better. With that being said, I will go  
39 ahead and turn it over to staff, and let's see what we can get  
40 done in the next hour.

41  
42 **REVIEW OF DRAFT AMENDMENT 41**

43  
44 **DR. LASSETER:** Thank you, Mr. Chairman. This is Amendment 41,  
45 red snapper management for federally-permitted charter vessels,  
46 and let's take a look at the purpose and need first. That's  
47 always a good place to start. It starts on page 10, the bottom  
48 of page 10.

1  
2 The purpose of this action is to develop a management approach  
3 for federally-permitted Gulf reef fish charter vessels to  
4 harvest red snapper that provides flexibility, reduces  
5 management uncertainty, improves economic conditions, and  
6 increases fishing opportunities for federal charter vessels and  
7 their angler passengers.

8  
9 We are really going to focus on the Section A today, which has  
10 three actions, and it's really the actions that would apply to  
11 all of the programs. We will move into Action 1. Let's go to  
12 the bottom of page 16. There's a little figure there.

13  
14 Currently, the document is set up with Section A, as I said,  
15 containing those actions that would apply to all of these  
16 programs. Then the subsequent sections, B, C, and D, would  
17 apply to the fishing quota programs. Section C is the PFAs and  
18 Section D is the harvest tags.

19  
20 If you look at the very bottom of each one of those, where it  
21 says B, C, and D, pretty much the actions that are included in  
22 this document at this time are the same. The purpose was to  
23 show a kind of comparison and approaches for these kind of  
24 preliminary subsequent decisions that would need to be made  
25 after you select the program.

26  
27 Once we narrow down the program that you're interested in  
28 exploring further, additional actions will need to be added, and  
29 so it will end up looking more like Amendment 42. We can't  
30 really elaborate on any one of these individual sections,  
31 because it's starting to get quite cumbersome, until we really  
32 do narrow down the number of these programs under consideration  
33 in this document.

34  
35 If we scroll down to the next page, there is a table here which  
36 provides kind of a comparison of some of the fundamental  
37 features of these different programs. IFQs and PFQs, these are  
38 both quota share programs, and so they use shares. Again,  
39 shares are these durable harvest privileges that would remain,  
40 in the IFQ case, with the individual to whom they were  
41 originally assigned, unless transferability is allowed and that  
42 individual could transfer them.

43  
44 The individual could also be a person or it could be a business  
45 entity, of course, and, in contrast, the PFAs and harvest tags  
46 do not use shares. Shares would not be assigned. Rather,  
47 allocation would be calculated and distributed at whatever  
48 interval that the council would select, and there is options in

1 the PFA section for that as well.  
2  
3 That's a key difference between the use of shares and not  
4 shares. IFQ and PFQ programs are going to use these shares.  
5 The PFAs and harvest tags do not use those shares, and I didn't  
6 finish the -- IFQs would be distributed to the individual and  
7 the permit fishing quota, the PFQ, your shares are distributed  
8 to the permit and then they are attached to that permit. The  
9 shares cannot be transferred away from the permit, by definition  
10 of how we're setting up the program.  
11  
12 Moving to the next line, allocation. Allocation would be  
13 distributed each year under the quota share programs, IFQs and  
14 PFQs, based on the holdings of shares at that time. If we  
15 remember back to Amendment 36A from yesterday morning, the  
16 amount of shares, which is always a proportion, multiplied by  
17 the quota produces the amount of allocation for that year  
18 represented for those shares. In terms of the PFAs and the  
19 harvest tags, they do use the allocation, and they would be  
20 distributed, again, according to the permit.  
21  
22 Another key difference is we'll look at the voluntary  
23 participation. How this is set up currently in your Action 2 is  
24 under the quota share programs, because you use those shares,  
25 those durable shares, you would only have one opportunity to opt  
26 out, because shares are -- You wouldn't be able to obtain shares  
27 then and participate in the program. Depending on how the  
28 council allows for transferability, there could be other  
29 mechanisms for allowing entry.  
30  
31 Whereas, with the PFAs and the harvest tags, there could be  
32 alternatives in harvest tags. There are alternatives for the  
33 PFAs providing opportunities to opt out every year, every three  
34 years, every five years.  
35  
36 Then, finally, we did just contrast the use of harvest tags.  
37 The way we're creating the harvest tag program here, of course,  
38 there would be actions for the council to decide how those tags  
39 would be used.  
40  
41 Currently, we are not envisioning that, under the other  
42 programs, the IFQs, PFQs, and PFAs, that harvest tags would be  
43 actions within the amendment. Rather, the program participants  
44 could decide whether and how to use them. Now, of course, if  
45 the council is interested in pursuing tags on top of any of  
46 these other programs, you could, of course, express that and we  
47 could develop actions for that. This is kind of a major  
48 comparison of these features. Let me pause there for a moment

1 and see if there's any questions.

2  
3 **CHAIRMAN GREENE:** Thank you. Any discussion? Seeing no  
4 discussion, I am going to ask a question. In the contrast  
5 between a PFA and a harvest tag, there doesn't appear to be a  
6 lot of difference in them. Can you elaborate on what  
7 differences there are, please?

8  
9 **DR. LASSETER:** Yes, absolutely, and I discussed this a bit at  
10 the last meeting. We do not see any difference, really, except  
11 that the council would have its -- It would be the council's  
12 discretion whether or not to use harvest tags in the PFAs.

13  
14 Originally, the IPT had provided information on this harvest tag  
15 program. Subsequently, the AP met and suggested something --  
16 Their preference was very similar, and we pointed this out to  
17 them, that it really was quite similar, but they were more  
18 interested in this idea of PFA having this allocation associated  
19 with the permit, but, functionally, they really are -- There is  
20 not much difference. There was no difference, and so, with that  
21 kind of redundancy, this would be an easy program, I could  
22 suggest, that could be removed, the harvest tags.

23  
24 **CHAIRMAN GREENE:** Thank you. Any further discussion? Seeing no  
25 further discussion, we will move on.

26  
27 **DR. LASSETER:** If we scroll down to page 18, you can see the  
28 alternatives for Action 1. In Action 1, your Alternative 1, of  
29 course, would not be to adopt an allocation-based management  
30 approach, and you would continue to manage red snapper as is  
31 currently managed.

32  
33 Alternative 2 would establish one of these fishing quota  
34 programs with two options, one being for the IFQ program and  
35 Option 2b being for this PFQ program. Alternative 3 would  
36 establish this PFA, this permit fishing allocation, program. We  
37 have provided a couple of options here, and I believe you added  
38 on the five-year option as well at the last council meeting.

39  
40 In a sense, you could think of the PFA here as a program that  
41 would be similar to one of these quota share programs, but the  
42 shares would be completely recalculated and redistributed at the  
43 interval selected by the option, and so that's another way to  
44 kind of think about this PFA.

45  
46 Then, finally, the harvest tag program, we could provide the  
47 same options there, if this was to remain in the document. It  
48 would functionally work the same. Recalculating and

1 redistributing the harvest privileges at an annual basis would  
2 be extremely difficult to actually execute for NMFS, because of  
3 the requirements for an appeals process and determining who is  
4 going to participate and calculating the allocation.

5  
6 Every year would not be functional, would not be practical,  
7 which is also why we have some additional options there. Is  
8 there any will of the committee to possibly narrow some of these  
9 down?

10  
11 **CHAIRMAN GREENE:** Mr. Sanchez.

12  
13 **MR. SANCHEZ:** I would like to make a motion in Action 1 to move  
14 **Alternative 4, the harvest tag program, and Alternative 3, the**  
15 **PFA, to the considered but rejected section.**

16  
17 **CHAIRMAN GREENE:** Thank you. We have a motion going up on the  
18 board, essentially moving Alternatives 3 and 4 to considered but  
19 rejected. Do we have a second for this motion? It's seconded  
20 by Mr. Walker. Is there discussion? Mr. Sanchez.

21  
22 **MR. SANCHEZ:** Last night, the charter for-hire had like a  
23 workshop amongst themselves. It was a good cross-section of the  
24 industry represented, and, by cross-section, I mean  
25 geographically. There were probably about five members of the  
26 AP, and there were several industry leaders, in terms of  
27 presidents of associations and such. They kind of had agreed  
28 they want to whittle this thing down to something more workable,  
29 in the interest of being able to move forward, and that is some  
30 of their suggestions, and I think you will be hearing some of  
31 that in public testimony this afternoon.

32  
33 **CHAIRMAN GREENE:** Thank you. Dr. Stunz.

34  
35 **DR. STUNZ:** I appreciate the intent to whittle down the  
36 amendment to more manageable, but I think it's very early, and I  
37 don't support removing the -- The PFAs, I am fine with removing,  
38 but, particularly Alternative 4, I think it's still early in the  
39 game. I don't know exactly when the AP panel is supposed to  
40 meet again. I would assume that that's going to be fairly soon,  
41 but, in the sense of providing a wide range of alternatives -- I  
42 mean, harvest tags are still a viable option, in my opinion.

43  
44 There is a lot of promise there. In fact, we have a current  
45 motion for that AP to consider some alternatives, measures,  
46 under a harvest tag program, and so I think it's just too early  
47 to delete that option. Moreover, we have been talking about  
48 harvest tags for a variety of other matters and sectors of the

1 fishery, and so I think it's still important to keep that option  
2 on the table right now.

3

4 **CHAIRMAN GREENE:** Thank you. Mr. Diaz.

5

6 **MR. DIAZ:** A question for Dr. Lasseter. Help me refresh my  
7 memory. It seems like, at least some of the initial AP meetings  
8 that we had, they were recommending that the shares be tied to  
9 permits. That was one of the initial recommendations, and is  
10 that correct?

11

12 **DR. LASSETER:** I believe the initial recommendation was a PFQ,  
13 permit fishing quota. Then, at the very end of the last  
14 meeting, they tweaked their intent and they said that they  
15 wanted the PFQs, but they did not want the shares, and so that's  
16 when we came back with this PFA idea, but my understanding from  
17 John is now there is some kind of discussion about this. I will  
18 go ahead and note that we did try to convene the AP before now,  
19 but we could not get a quorum, because of fishing schedules. We  
20 are attempting to convene them before the October meeting, to  
21 provide further clarification on their recommendations.

22

23 **CHAIRMAN GREENE:** Thank you. Dr. Stunz.

24

25 **DR. STUNZ:** In light of them meeting fairly soon then, I would  
26 recommend that we wait to hear what they have to say before  
27 acting on this motion and removing that alternative.

28

29 **CHAIRMAN GREENE:** Thank you. Dr. Crabtree.

30

31 **DR. CRABTREE:** We have been looking at these issues for a while  
32 now, and I think if we don't start making some decisions and  
33 honing the scope of this in that we're not going to be able to  
34 make a lot of progress in terms of putting the document  
35 together.

36

37 The permit fishing allocation program is unworkable, in my  
38 opinion, unless you only recalculate the allocation maybe at  
39 five-year intervals or so. It's just to do it on an annual  
40 basis, I think, is just impractical, and I am not sure we would  
41 be able to do that.

42

43 While I think harvest tags are a viable option in the private  
44 component of the recreational fishery and something that we  
45 ought to look at there, I don't really think it's a needed way  
46 to go for the for-hire guys. I think that some of these other  
47 options, the IFQ option or the permit quota option, would work  
48 much better for the for-hire fishery, because it's a relatively



1 small universe of vessels and those types of things.

2  
3 I would like to see this start moving forward and make some  
4 progress on it, and so I'm going to support the motion, because  
5 I think that the alternatives in Alternative 2 are more workable  
6 and will bring more benefits to the fishery than these options,  
7 and so I'm going to support it.

8  
9 **CHAIRMAN GREENE:** Thank you. Mr. Riechers.

10  
11 **MR. RIECHERS:** Roy, I would ask the question -- If you're saying  
12 that tags aren't workable, how are they any different than a  
13 quota that's based on a fish with a poundage? It's the same  
14 thing, and so, to remove an item just because we're trying to  
15 narrow the scope so that it's easier to analyze, I would suggest  
16 we -- If your concern is each year, then I would suggest that we  
17 remove Option 3a and make it every two years or leave every  
18 three years and every five years, but I would say we don't  
19 remove the whole option, because that's the only option, other  
20 than traditional management measures here and IFQs, because we  
21 already have indicated an IFQ and a PFQ, for all intents and  
22 purposes, are the same thing.

23  
24 Again, I just don't see your argument in reducing the document  
25 at this point. Analyze it and we end up choosing preferred  
26 alternatives at some point, and, if the preferred alternative is  
27 something different than that alternative, then that's what you  
28 take to the public, but you let the public see that you actually  
29 considered those things and give them an explanation of how it  
30 would work or how it wouldn't work.

31  
32 **CHAIRMAN GREENE:** To that point, Dr. Crabtree?

33  
34 **DR. CRABTREE:** If this motion fails, Robin, I probably will  
35 support coming in and eliminating Option 3a, but I don't think  
36 the whole permit fishing allocation program concept -- I think  
37 there are better ways to go to manage this fishery than that,  
38 and I think that's going to come up with a whole host of  
39 problems with it.

40  
41 The harvest tags, I just don't think are needed. I think we can  
42 manage this fishery and do it through an IFQ or a permit quota  
43 program, and it will work that way without going through all of  
44 the physical tags and all the issues that that's going to  
45 entail. I just don't see what benefit that brings to it.

46  
47 **CHAIRMAN GREENE:** Thank you. Mr. Sanchez.

48

1 **MR. SANCHEZ:** I agree with Roy. I would like to move forward in  
2 an expeditious fashion and not just delay and stall. I think we  
3 are going to hear, with a good cross-section of the AP today  
4 that are here -- They're going to speak, and they're going to  
5 identify themselves as such, and I think you will get that. If  
6 we're going to meet at the next meeting, I understand this is  
7 early on, but if there's some things that are overbearing to  
8 pursue, I think we should consider that, in the interest of  
9 moving forward with more manageable options.

10  
11 **CHAIRMAN GREENE:** Mr. Fischer.

12  
13 **MR. FISCHER:** I am trying to understand the Alternative 4. If  
14 it's removed, does it remove the use of tags for any way in  
15 monitoring the IFQ and PFQ programs, because our fishermen have  
16 stated to us many times that they like a tag program.

17  
18 **CHAIRMAN GREENE:** I believe I heard Dr. Lasseter address this a  
19 minute ago. Would you like to speak to that, Dr. Lasseter?

20  
21 **DR. LASSETER:** In the harvest tag section, it does discuss this  
22 as well. Harvest tags can be used as an enforcement tool,  
23 enforcement and compliance monitoring tool, or it could be a  
24 complete stand-alone program. Should you remove a stand-alone  
25 program of harvest tags from the document, it does not preclude  
26 you from deciding that you want to use harvest tags, and we  
27 could add it as actions to whichever program you develop.

28  
29 In the case that we heard about the EFP with the Headboat  
30 Cooperative, they actually organized the tags, is my  
31 understanding, themselves, and so there is -- Just removing it  
32 as a stand-alone program does not eliminate the use of harvest  
33 tags completely. You could use them as an enforcement and  
34 compliance tool.

35  
36 **CHAIRMAN GREENE:** Thank you. Dr. Stunz.

37  
38 **DR. STUNZ:** I just wanted to add to the comment about the  
39 cumbersome process with physical tags. I don't see it that way  
40 at all. I mean I think there is a lot of viable options of  
41 electronic tags, which are real efficient and would really  
42 benefit a fishery like this.

43  
44 **CHAIRMAN GREENE:** Okay. Thank you. We have a motion on the  
45 floor, and we're running out of time. We have a motion on the  
46 floor before you. **All those in favor of the motion on the**  
47 **board, please raise your hand.**

1 **EXECUTIVE DIRECTOR GREGORY:** Seven.  
2  
3 **CHAIRMAN GREENE:** All those opposed, like sign.  
4  
5 **EXECUTIVE DIRECTOR GREGORY:** Eight. The motion fails seven to  
6 eight.  
7  
8 **CHAIRMAN GREENE:** The motion fails seven to eight. Mr. Diaz.  
9  
10 **MR. DIAZ:** Thank you, Mr. Chairman. I would like to make a  
11 motion, in Action 1, to move Option 3a to considered but  
12 rejected. That would be only Option 3a.  
13  
14 **CHAIRMAN GREENE:** Okay. We have a motion going on the board.  
15 It's seconded by Mr. Sanchez. We've had a fair bit of  
16 discussion about this already. I am not trying to cut off  
17 anyone off from speaking, but I think we pretty much already  
18 know where we're at on this. **Is there any opposition to the**  
19 **motion on the floor before you? Seeing no opposition, the**  
20 **motion carries.** Dr. Lasseter.  
21  
22 **DR. LASSETER:** Thank you, Mr. Chairman. Action 2 begins on page  
23 22. This action addresses program participation. A little  
24 history on this action. The idea behind this action was  
25 initially suggested to make the program voluntary, to allow  
26 people to participate, charter vessel operators to participate,  
27 or to choose not to participate, to not require everybody to  
28 participate.  
29  
30 Following that, the AP had met and had provided some motions,  
31 some recommendations, as to qualifiers for the program. They  
32 thought that if people wanted to participate that there were  
33 certain things that they should do.  
34  
35 One other kind of component of what they were talking about is  
36 they wanted people to actually take the action to participate,  
37 and NMFS had concerns about that action. In our last meeting,  
38 we tweaked the wording for this, in terms of requiring  
39 participants to take the action to opt out. That's where we're  
40 at now with this action. Alternative 2 would establish a  
41 voluntary program. If people did not want to participate, they  
42 would take the action to opt out. They must take the action to  
43 opt out.  
44  
45 Now, what is the likelihood that that many people would -- If  
46 they're not interested in participating anyway, they're not  
47 likely to fish for red snapper, and would they also take the  
48 initiative to take that action to opt out? I'm not sure about

1 the utility of this action.

2  
3 In the AP's recommendations from their last meeting, they did  
4 recommend some of these pre-qualifying types of items, and a  
5 couple of them would be required anyway, needing to have a  
6 charter permit and being required to pay the cost recovery fee.  
7 Those would be requirements in the program.

8  
9 I think this action might benefit from some further discussion  
10 by the AP, which, again, we will be convening them soon to  
11 refine this idea of program qualifiers. I think, at the next  
12 meeting, we could bring you back some more information on this.  
13 Is there any other discussion on this action?

14  
15 **CHAIRMAN GREENE:** Mr. Fischer.

16  
17 **MR. FISCHER:** Thank you, Mr. Chairman. Do we have a track  
18 record of other programs that we had an opt-in or an opt-out  
19 that we could compare it to?

20  
21 **CHAIRMAN GREENE:** Dr. Crabtree.

22  
23 **DR. CRABTREE:** Off the top of my head, I can't think of a  
24 program that we've ever had an opt-in or an opt-out. When we've  
25 done permit moratoriums and things, we haven't had it. I think,  
26 for this program to work, it ought to be mandatory and we ought to,  
27 at the end of the day, probably get rid of this action, but,  
28 understanding people aren't decided on things like this, I would  
29 say that having people opt in and out every year is probably  
30 unworkable administratively. **I will make a motion to remove**  
31 **Alternative 2b to the considered but rejected.**

32  
33 **CHAIRMAN GREENE:** We have a motion going up on the board to  
34 remove Option 2b, which would be the every year provision of  
35 this alternative. Is there a second for this motion? It's  
36 seconded by Mr. Walker. Any further discussion? Mr. Diaz.

37  
38 **MR. DIAZ:** It's not directly to this motion, but, by de facto,  
39 this might have been an opt-in/opt-out consideration. We have  
40 got some quota that's never been utilized in the commercial IFQ  
41 red snapper program and the grouper-tilefish program. Some  
42 people decided not to exercise that right. It wasn't really an  
43 opt-in/opt-out program, but some people did not exercise their  
44 right to opt in.

45  
46 **CHAIRMAN GREENE:** Dr. Crabtree.

47  
48 **DR. CRABTREE:** Yes, and I think, if we go down the IFQ or PFQ

1 programs, we ought to address that in the document, and we  
2 should have, in my opinion, in the initial red snapper program.  
3 One, we should never have issued quantities of five to ten  
4 pounds to anybody. You should have had to have some minimum  
5 amount of fish to even get in, and then we should have put  
6 something into the program that said if you don't activate the  
7 account in the first year that it goes away after that, and we  
8 could have easily -- If we had been able to see what was going  
9 to happen when we set up the program, I think we could have  
10 dealt with all of that when we did it.

11  
12 Now we have the benefit of we have done programs like this  
13 before and we have a lot more experience with them, and I think  
14 we can address some of those kinds of issues, but I don't  
15 believe that an opt-in/opt-out provision is necessary. My guess  
16 is people aren't going to opt out. If you opt out, you can't  
17 fish for any of these species, and so I just can't imagine who  
18 would really opt out, and so it just seems like a needless  
19 complication.

20  
21 **CHAIRMAN GREENE:** Mr. Riechers.

22  
23 **MR. RIECHERS:** Ava, not being in the discussions at the last AP  
24 meeting, but, as I am recalling, their notion of opting out was  
25 not you wouldn't fish. It was you would be in a different  
26 season. While it may not be structured here and worded  
27 correctly, and, as you said, they're going to talk about it some  
28 more, but, I mean, I'm just trying to clarify that wasn't their  
29 notion of if you opted out that weren't in, was it?

30  
31 **DR. LASSETER:** Actually, it was. The AP recommended that if you  
32 opted out that you would not be able to harvest red snapper, and  
33 it was at your last meeting that the council did accept that  
34 meaning into Alternative 2.

35  
36 **CHAIRMAN GREENE:** Thank you. We have a motion on the floor to  
37 remove, in Action 2, Alternative 2, Option 2b to considered but  
38 rejected. Is there any further discussion? **Is there any**  
39 **opposition to the motion on the board before you? Seeing no**  
40 **opposition, the motion carries.** Dr. Lasseter.

41  
42 **DR. LASSETER:** Thank you, Mr. Chairman. I think it was  
43 something Dale said as far as a point that I wanted to add.  
44 Some of these commercial operators received these small amounts  
45 of quota, but they chose not to ever access those accounts. We  
46 also provided some information in 36A about the number of  
47 commercial permits that are not currently being used or there's  
48 no landings being made on these permits.

1  
2 It's about 39 percent, in the year 2015, of commercial permits,  
3 and so we could assume that there is a good number of charter  
4 permits as well that are not being used, and so this idea of  
5 putting qualifiers on the program, the AP had discussed that  
6 this was a way to identify who were the people that were  
7 actually are already fishing or interested in participating, and  
8 as a way of not then distributing quota to some of these permits  
9 that are not being used.

10  
11 **CHAIRMAN GREENE:** Dr. Crabtree.

12  
13 **DR. CRABTREE:** I think the real problem was the small quantities  
14 that were issued to some people. There wasn't enough there that  
15 it had much value to it and people just ignored it, but if you  
16 had some minimum threshold and if you have transferability,  
17 there is value then to that, and I don't think many people are  
18 going to let something that's worth \$500 or \$600 just sit. I  
19 think they will sell it, and so the way with transferability, if  
20 someone wants to opt out of this, they just sell their shares  
21 and they're out.

22  
23 **CHAIRMAN GREENE:** Thank you. Is there further discussion? Dr.  
24 Lucas.

25  
26 **DR. LUCAS:** I just have a question. Let's say there was a -- If  
27 the option was for a PFQ and somebody opted out, that would mean  
28 we would have a permit out there that never had any quota ever  
29 assigned to it, and so what would be the point of the permit?

30  
31 **DR. LASSETER:** That's why, as I noted, I am not sure that people  
32 would take the action to say that, hey, I never want anything  
33 that you might be giving me attached to my permit. I'm not sure  
34 that I can really see that happening much. That's why I think  
35 we should rethink this action, and I think the AP will be  
36 interested in providing some additional recommendations to what  
37 they've done previously.

38  
39 **CHAIRMAN GREENE:** Mr. Riechers.

40  
41 **MR. RIECHERS:** We had some discussion about this yesterday and  
42 about the poundage that was there and not used and how to do  
43 that. Roy, getting to your point, maybe what we can do is look  
44 at the thresholds.

45  
46 I think one of those was 12,000 pounds, and so a significant one  
47 amount of quota is there, but could we get a look at, as we  
48 thought about people accessing shares, was there some minimum

1 level that people didn't touch? We will have to go back,  
2 historically, and look at what they did touch and what they  
3 didn't touch to know whether that's a -- It could be that we had  
4 just as many people come and grab five pounds or ten pounds or  
5 fifty pounds as we did people who left them on the table, and so  
6 I think that would help in that notion, and, as you suggest,  
7 refining it in a way where, at the end of the day, we don't end  
8 up with X number of pounds sitting on the table.

9  
10 **CHAIRMAN GREENE:** To that point, Dr. Crabtree?

11  
12 **DR. CRABTREE:** Yes, and I think allowing accounts to just sit  
13 inactive for extended periods is a problem. We have had  
14 instances where a permit owner or someone has passed away and  
15 the permit just didn't go to anybody, for whatever reason. I  
16 don't know if it gets hung up in probate or what happens, but  
17 just no one does anything with it and then there is no one to  
18 contact, because that person is essentially just lost. Those  
19 kinds of things happen, but, if we look at account activity and  
20 require some sort of affirmative activity on behalf of the  
21 account holder periodically, I think we could easily address  
22 that.

23  
24 **CHAIRMAN GREENE:** Mr. Swindell.

25  
26 **MR. SWINDELL:** In other words, even if you're not going to use  
27 your permit, or let's say you don't have an opt-out, but yet  
28 you're not going to use the permit, does it create any burden  
29 then on the person that's not using it at all?

30  
31 **CHAIRMAN GREENE:** Dr. Crabtree.

32  
33 **DR. CRABTREE:** With the permits, we do have a requirement that  
34 you have to renew your permit annually. If you let more than a  
35 year go by after it expires, it's gone. With permits, we  
36 require the permit holder to take some sort of action on an  
37 annual basis to keep the permit. We could build something into  
38 this with the share accounts, but I guess, the way the red  
39 snapper was set up, we didn't require them to do anything and  
40 those accounts just -- They could just sit there, even if the  
41 owner of the account no longer exists.

42  
43 **CHAIRMAN GREENE:** Thank you. Is there further discussion?  
44 Seeing none, Dr. Lasseter.

45  
46 **DR. LASSETER:** Thank you, Mr. Chairman. Action 3 is up next.  
47 It begins on page 24. Action 3 would address how the quota  
48 would be distributed amongst charter vessels, and we have a

1 whole suite of alternatives here.

2  
3 Alternative 1, of course, is our no action, don't take action,  
4 and so no method would be specified for distributing the quota.  
5 Alternative 2 proposes to distribute the quota equally amongst  
6 all charter permit holders. Alternative 3 distributes the quota  
7 based on the passenger capacity of the charter vessels.  
8 Alternative 4 is a modification of Alternative 3, which uses  
9 tiers of passenger capacity to divide the quota.

10  
11 Two options are provided for which passenger capacities of --  
12 All the six-packs would receive equivalent to one unit. Those  
13 greater than six would get two units. Option 4b, again that's  
14 six-packs get one unit and then it divides greater than that  
15 into two separate numbers. Seven to twenty-four would get two  
16 units and more than twenty-four would receive three units. How  
17 this would play out mathematically, there is an example provided  
18 later in the action, in a big text box.

19  
20 Alternative 5 introduces the idea of these regional landings,  
21 and it would use the average landings of charter vessels in each  
22 geographic region, with two options provided. Option 5a is the  
23 average landings for 2003 to 2013, excluding the 2010 landings,  
24 or Option 5b, which is the same formula that was used in the  
25 Amendment 40 sector separation document, takes 50 percent of the  
26 average landings from 1986 to 2013 and 50 percent of the more  
27 recent time series, 2006 to 2013. In both of those, the  
28 landings from 2010 are excluded.

29  
30 Alternative 6 combines the Alternative 2, 3, and 5 in different  
31 values to provide four options. It basically provides different  
32 weighting for each of these ways to distribute, whether you're  
33 going to do it equally amongst all charter permits, using the  
34 passenger capacity, and using the regional history.

35  
36 Alternative 7 would distribute the quota by auction.  
37 Alternative 8 is similar to Alternative 6, but it mixes the  
38 preferred alternatives through 2 and 5 with the auction, giving  
39 weight to each of those differently, and three options are  
40 provided there. Are there any questions on these alternatives?

41  
42 **CHAIRMAN GREENE:** Dr. Crabtree.

43  
44 **DR. CRABTREE:** Ava, were we clear at the last meeting as to what  
45 passenger capacity means? It seems like we discussed it, and I  
46 believe what we decided is the passenger capacity we were  
47 referring to is what is on their for-hire permit. Is that  
48 correct?



1  
2 **DR. LASSETER:** Actually, we talked about that it depends on  
3 which program you're going to pick in how you would want to use  
4 passenger capacity, and so there is a slight difference. The  
5 program you pick should guide which passenger capacity you would  
6 use.

7  
8 **DR. CRABTREE:** Okay. It seems to me that we ought to narrow  
9 this range of alternatives down some, and it seems to me that  
10 Alternatives 2, 3, 4, and 5 are really not very practical. It  
11 seems to me that you somehow are going to have to use a  
12 combination of passenger capacity and geography to deal with  
13 some of these, and I don't think -- If we distribute them  
14 equally among all of the vessels, then you're going to have  
15 vessels that take twenty people out getting the same as six-  
16 packs.

17  
18 You're going to have a guy who might be in the Florida Keys and  
19 doesn't even fish for red snapper getting the same as a guy in  
20 Orange Beach, and so that doesn't seem practical, and it seems  
21 the same problem if you just based it solely on passenger  
22 capacity, because you're going to give the same amount to  
23 someone who is right in the heart of red snapper country to  
24 somebody who is out of it.

25  
26 I would be interested in some discussion about it, but I am not  
27 sure that we couldn't narrow this down and eliminate  
28 Alternatives 2, 3, 4, and 5 from it and just focus in that we're  
29 going to use some combination of these things in order to move  
30 forward.

31  
32 The other thing that I would point out here is to create an  
33 efficient program that's really going to work well, ultimately,  
34 transferability is really critical to this, because this fishery  
35 is dynamic, and it's going to change over time, and we need to  
36 be very thoughtful about putting limits on transferability. To  
37 the extent that we do that, we're going to build inefficiencies  
38 into the system that are going to be difficult to address, but I  
39 would be curious with what folks think about that, but it seems  
40 to me that focusing only on one of these things really isn't  
41 practical. It's got to be some combination of the three.

42  
43 **CHAIRMAN GREENE:** Thank you. Mr. Diaz.

44  
45 **MR. DIAZ:** Roy kind of covered what I was thinking. Alternative  
46 4 could be a preferred alternative along with other  
47 alternatives, right, Dr. Lasseter?

48

1 **DR. LASSETER:** Currently, it is included in Alternative 8, if  
2 you're doing it that way. You did not suggest that in the  
3 Alternative 6. Actually, the Alternative 6 initially came from  
4 the AP, but they had different weightings for each of those.  
5 The council kind of cleaned that up a bit. We don't currently  
6 have Alternative 4 included in Alternative 6, although it is  
7 included in Alternative 8.

8  
9 **CHAIRMAN GREENE:** Thank you. Any further discussion? Mr.  
10 Riechers.

11  
12 **MR. RIECHERS:** I maybe took Dale's question differently, Ava. I  
13 thought he was suggesting could we -- I may have taken it wrong,  
14 but could we have a combination of preferreds? I am not  
15 understanding how we could, not 4 with anything, because 4 is  
16 creating these units. I mean that's almost a hybrid approach  
17 that Dr. Crabtree was really referencing, in some respects.  
18 Help me out with how you thought that 4 is included in 8,  
19 because I am just a little confused about that.

20  
21 **DR. LASSETER:** Okay. We will take the Alternative 8 part first.  
22 Alternative 8 provides weighting of auction in ranges. Then  
23 whichever of the alternatives you would pick amongst 2 through  
24 5, it's a complementary weighting.

25  
26 If you picked Alternative 4, you would note that you wanted  
27 Alternative 4 and Alternative 8, Option 8a, and then that would,  
28 of course -- The only reason that Alternative 4 is not included  
29 in Alternative 6 is that just was not noted at the time when the  
30 council created those, and you picked those specific weightings  
31 for each of those three.

32  
33 To go back to Robin's clarification of Dale's question, you  
34 could pick Alternative 2 and Alternative 4, I guess if you  
35 wanted, but you would need to indicate what proportion of  
36 weighting you would want each one to be, and so I think that's  
37 what Alternative 6 was getting at, was you providing this range  
38 of alternatives and being specific about those weightings.

39  
40 **CHAIRMAN GREENE:** Is there further discussion? Dr. Crabtree.

41  
42 **DR. CRABTREE:** I will try a motion, just to move us along some.  
43 **I would move that we remove Alternatives 2 and 3 to considered**  
44 **but rejected.**

45  
46 **CHAIRMAN GREENE:** We have a motion to remove Alternatives 2 and  
47 3, which would distribute it equally in Alternative 2.  
48 Alternative 3 would be passenger capacity. While we're getting

1 that up on the board, is there a second for this motion?

2

3 **MR. DIAZ:** Second.

4

5 **CHAIRMAN GREENE:** It's seconded by Mr. Diaz. Is there further  
6 discussion? Dr. Crabtree.

7

8 **DR. CRABTREE:** Just to clarify, I mean I guess you could choose  
9 multiple preferreds, but it seems to me that's really what  
10 Alternative 6 is getting at, is combining some of these things.  
11 Then it gives various weighting options to mix them together,  
12 and so, while I guess you could go the multiple preferred route,  
13 it seems like that's already covered in some of the other  
14 alternatives.

15

16 **CHAIRMAN GREENE:** Thank you. Is there further discussion? Mr.  
17 Riechers.

18

19 **MR. RIECHERS:** Roy, I would agree with this notion, because I  
20 think it's going to have to be some grouping, but then what I'm  
21 afraid we're going to do is just end up giving and having to  
22 really think about the percentages and offer up alternatives of  
23 percentages of how you weight this then, maybe greater than what  
24 we have here, so that people can understand how they're going to  
25 play out in this.

26

27 The other two certainly offer a simpler approach to it, and  
28 equally amongst charter permit holders is probably the simplest  
29 approach, because everyone can understand that. Passenger  
30 capacity is going to be different, and until we define whether  
31 it's COI or some other passenger capacity, they're not going to  
32 know how they fit in.

33

34 I would suggest, if you split the question here, I think I can  
35 help you on one, and I'm going to vote to keep Number 2 in, but  
36 I would vote to move 3 out at this point, and so can we split  
37 the question?

38

39 **CHAIRMAN GREENE:** To that point, Dr. Crabtree?

40

41 **DR. CRABTREE:** We can split the question if that's what folks  
42 want to do. The trouble I see with trying to choose multiple  
43 preferreds is say you choose Alternative 2 and then some other  
44 alternative as a preferred. It doesn't seem to work, to me,  
45 because 2 says you're going to distribute the quota equally  
46 among charter permit holders. The minute you combine that with  
47 something else, you're not distributing it equally any more.

48

1 Then you have to get into the whole weighting kind of argument,  
2 and so it seems to me that any combination approach is going to  
3 have to be weighted in some fashion, and that's what Alternative  
4 6 does. I don't have any objection to splitting the question if  
5 folks want to do that.

6  
7 **CHAIRMAN GREENE:** You're throwing me a curveball early in the  
8 morning. I've never been in this situation before, and so I  
9 suppose what you're asking is that you want to split this up and  
10 just handle each one individually? Okay. In that fashion, I  
11 would assume that we would take them in order. In Action 3,  
12 send Alternative 2 to considered but rejected. I guess that's  
13 where we're at. Any further discussion? Does everybody  
14 understand what we're doing here? We are just dealing with  
15 Alternative 2 in Action 3 at this point. Is there any further  
16 discussion? Ms. Levy.

17  
18 **MS. LEVY:** My understanding is, just to make sure that everyone  
19 is on the same page, is even if you remove Alternative 2 that  
20 you would just rework, for example, the wording of Alternative 6  
21 to indicate that you would have an equal distribution as part of  
22 those percentages, meaning, the way it's worded now, it assumes  
23 an Alternative 2. You could remove Alternative 2, but still  
24 keep that equal percentage in there. We would just have to  
25 describe it as something other than an alternative.

26  
27 **CHAIRMAN GREENE:** Okay. Is there further discussion? Mr.  
28 Swindell.

29  
30 **MR. SWINDELL:** It would seem to me that if you remove  
31 Alternative 2 that Alternative 6 would not even have it on the  
32 list.

33  
34 **CHAIRMAN GREENE:** Ms. Levy.

35  
36 **MS. LEVY:** That's what I was saying. We would just reword  
37 Alternative 6 to not rely on an alternative, but to just say  
38 equal distribution, and it would be the same percentages. It  
39 just wouldn't be referring back to an alternative. It would be  
40 an equal distribution that would be weighted however is there,  
41 but it wouldn't be called Alternative 2 equal distribution.

42  
43 **CHAIRMAN GREENE:** I am glad that I don't have to vote on this  
44 one, because now I'm really confused. Is everybody clear with  
45 what we're doing? Any further discussion? **All those in favor**  
46 **of the motion on the board before you, please raise your hand;**  
47 **all those opposed, like sign.**

48

1 **EXECUTIVE DIRECTOR GREGORY:** Six. The motion passes seven to  
2 six.

3  
4 **CHAIRMAN GREENE:** The motion carries seven to six. Now I guess  
5 we will pick up in Action 3, Alternative 3. Alternative 3 is  
6 distribute the quota based on passenger capacity of charter  
7 vessels. Is there any further discussion of this? **Seeing no**  
8 **further discussion, all those in favor in Action 3 to move**  
9 **Alternative 3 to considered but rejected, please raise your**  
10 **hand.**

11  
12 **EXECUTIVE DIRECTOR GREGORY:** Nine.

13  
14 **CHAIRMAN GREENE:** All those opposed, like sign.

15  
16 **EXECUTIVE DIRECTOR GREGORY:** Three.

17  
18 **CHAIRMAN GREENE:** The motion carries nine to three. Is there  
19 further discussion before we go back to -- Before we get away,  
20 since no one else has any further discussion, I want to bring up  
21 one thing.

22  
23 In Alternative 5, it says distribute quota based on average  
24 landings of charter vessels in each geographic range. Each  
25 geographic range, does that mean each individual state or can  
26 that be a grouping of states?

27  
28 **DR. LASSETER:** That's a very good question. We actually did  
29 discuss this a couple of meetings ago. Currently, the document  
30 has provided the same regions that the charter survey is based  
31 on, the breakdown from the Panhandle to the west Florida. If  
32 you are interested in redefining those regions, that is  
33 definitely within your discretion, and then we could, of course,  
34 update the tables to reflect those regions.

35  
36 If we look at Chapter 1, page 4, currently, the regions, the way  
37 the document is set up, is Florida is broken down into three  
38 regions, the Panhandle, the peninsula, and the Keys. The map at  
39 the bottom of the page, you can see, shows you the county  
40 breakdown.

41  
42 Alabama is its own region and Mississippi and Louisiana and  
43 Texas. This is purely based on the -- The county breakdown for  
44 Florida, that's provided because that is how the charter survey  
45 is also broken down. Again, if you were interested in modifying  
46 this region in any way, feel free to do so and then we will  
47 modify the data for each of those regions accordingly.

48

1 **CHAIRMAN GREENE:** Thank you. We may have some public comment  
2 about this a little later on in the day. I have had some  
3 conversation around the table with my Alabama guys of if they  
4 wanted to entertain bringing Mississippi in with Alabama,  
5 because, looking back through their historical landings, it's so  
6 small that it really wouldn't phase us to really any degree, but  
7 that was the only thing that I had, was potentially doing that,  
8 but obviously I don't want to put Mississippi on the spot to  
9 agree or not to agree, but it was just something to try to help  
10 promote moving this along, and so that's really all I had.

11  
12 With that, we will move on back into the discussion, but I just  
13 wanted to bring that to your attention for future consideration.  
14 Dr. Lasseter, if you will continue on, please.

15  
16 **DR. LASSETER:** Thank you, Mr. Chairman.

17  
18 **CHAIRMAN GREENE:** Hang on. Dr. Lucas.

19  
20 **DR. LUCAS:** At one of the meetings, one of the past meetings, we  
21 had this discussion, and I thought it was already being  
22 considered, both either lumping into Alabama or lumping into  
23 Louisiana, because we do have a lot of people that fish in  
24 Louisiana waters as well, and so I don't know if we have to have  
25 a formal decision, but I thought that was already part of the  
26 record and part of the discussion on the way they were going to  
27 consider it, but I may be wrong.

28  
29 **CHAIRMAN GREENE:** I am glad you said that, because I thought we  
30 did too, but I couldn't remember for sure. Dr. Lasseter, to  
31 that point. I will get you in one second, Ms. Guyas.

32  
33 **DR. LASSETER:** I believe there was discussion, but you have not  
34 made any decision or passed a motion indicating that you want to  
35 redefine the regions.

36  
37 **CHAIRMAN GREENE:** Thank you. Ms. Guyas.

38  
39 **MS. GUYAS:** Looking at this table, how would we treat the non-  
40 Gulf states? I am sure we've already covered that and I am just  
41 forgetting, but there is a handful of permits that are based  
42 other places.

43  
44 **DR. LASSETER:** I am actually going to punt that over to NMFS and  
45 see how do you handle dividing -- I guess I will say, first, I  
46 think it would depend on -- Actually, I'm not sure. In terms of  
47 the regional part of Action 3, distributing the quota, how would  
48 NMFS handle the quota that could go to the -- Actually, they

1 wouldn't have any landings in those regions. I am not sure. I  
2 am going to have to punt that question. The question is there  
3 are some permits that are not held in Gulf states, and so if we  
4 used the regional landings as part of the distribution of quota,  
5 what happens with those vessels?  
6

7 **CHAIRMAN GREENE:** To that point, Mr. Anson?  
8

9 **MR. ANSON:** I've got an opinion on how to answer that question,  
10 but I will wait to hear Roy.  
11

12 **CHAIRMAN GREENE:** I've got a couple of people on the list. Dr.  
13 Crabtree.  
14

15 **DR. CRABTREE:** I think that's to be determined. If someone's  
16 home port is outside of the Gulf, but they have a Gulf permit, I  
17 am not sure. I think the first step is to see how many vessels  
18 there are, and then we will have to make some sort of decision.  
19

20 **CHAIRMAN GREENE:** If you own a vessel, on your documentation,  
21 you have to have a home port listed somewhere, and it's mighty  
22 hard to have a vessel home ported in Omaha, Nebraska.  
23

24 **DR. CRABTREE:** Right. The question is though is what if their  
25 home port is in Savannah, Georgia?  
26

27 **CHAIRMAN GREENE:** Then that would be to be determined, as you  
28 said. I am certainly not going to put the Coast Guard in the  
29 seat on this one, but it's something we can look at. I think  
30 the answer is going to be in that Coast Guard determination and  
31 those COI type of things. Mr. Boyd.  
32

33 **MR. BOYD:** Ava, are you going to go over Alternative 6 when you  
34 finish this?  
35

36 **DR. LASSETER:** Alternative 6 in Action 3?  
37

38 **MR. BOYD:** Yes.  
39

40 **DR. LASSETER:** I thought I -- Is there an additional question  
41 that you have about it? I kind of reviewed all the  
42 alternatives.  
43

44 **MR. BOYD:** We have changed Alternative 6 considerably, because  
45 we eliminated Alternatives 2 and 3, and they are integral to  
46 Alternative 6, and so we've got to address that at some point.  
47

48 **DR. LASSETER:** I'm sorry. I understand, yes. Mara spoke about

1 this briefly. Our understanding of those motions, given the  
2 discussion that preceded them, was that you were removing those  
3 alternatives because you're not considering doing those in  
4 isolation. You are considering only using those weighted  
5 amongst other factors, as shown in Alternative 6, and so what  
6 we're going to do now is remove that Alternative 2 and 3. In  
7 Alternative 6, we will just remove the words "Alternative 2" and  
8 "Alternative 3".

9  
10 Those rows will stay the same. It will say "equal" and  
11 "passenger capacity", and so we will retain -- We will renumber  
12 everything as well, so it won't be Alternative 6 anymore, but we  
13 will retain those metrics, if you will, as ways to distribute  
14 the quota. We will just remove the words "Alternative 2" and  
15 "Alternative 3". Does that make sense?

16  
17 **MR. BOYD:** Yes, that makes sense, but what that leaves you with  
18 is that Alternative 6 is predicated on Alternative 5 then. Is  
19 that correct?

20  
21 **DR. LASSETER:** I am sorry, but I don't quite understand.

22  
23 **MR. BOYD:** It says the quota distribution will be based on using  
24 Alternative -- If you take out 2 and 3, it says Alternative 5,  
25 using one of the following --

26  
27 **DR. LASSETER:** Okay. Yes, we will also remove it from the  
28 language of Alternative 6. The new wording of the alternative,  
29 and it will end up being Alternative 4, will be to distribute  
30 quota based on equal distribution, passenger capacity, and  
31 regional history, using one of the following. Then it will  
32 provide the same weightings. Basically, we're just going to  
33 remove the words "Alternative 2" and "Alternative 3" and we're  
34 going to leave the concept of equal distribution and passenger  
35 capacity. Those will remain.

36  
37 **MR. BOYD:** Thank you.

38  
39 **CHAIRMAN GREENE:** Mr. Fischer.

40  
41 **MR. FISCHER:** My comments have to do with Alternative 5, which  
42 talks about average landings. When we showed the graphic on the  
43 screen, and I believe it was Table 1.1.1, it stated the state  
44 location of where the permits are from, and we don't have that  
45 many permits. We're not as big of a player as Texas or Florida,  
46 but, in Grand Isle, I know we have two Mississippi addresses.  
47 The owners live in Mississippi, and I know in Venice that we  
48 have Delaware and Michigan addresses, and that's where their



1 permits are.

2  
3 I don't know what they say for home port, but what's on the  
4 Alternative 5 states landings, and that would probably come from  
5 an MRIP or LA Creel type of resource, but we just have to be  
6 careful how we start dividing this. If we're dividing by  
7 permits and home state of the permit, that may not be where the  
8 boat is fishing.

9  
10 **CHAIRMAN GREENE:** Thank you. We are out of our time. We are  
11 going to run over a little bit here. I really wanted to get  
12 through this document. I apologize. I have tried to speed this  
13 up as much as possible, and I don't mean any malintent by not  
14 recognizing you at this point, but I really wanted to get  
15 through this document. There is one other thing in Reef Fish  
16 that I believe is pretty pertinent that we get through. Mr.  
17 Gregory.

18  
19 **EXECUTIVE DIRECTOR GREGORY:** Sorry to interrupt, but we had a  
20 presentation yesterday, and so I think we do have another thirty  
21 minutes that we can go. Then we can consider the rest of the  
22 Reef Fish agenda to hold off until full council, if we have  
23 time, or until the next meeting. That's the council's  
24 preference, but we do have thirty more minutes of time we can  
25 use, assuming Mackerel doesn't go over their time.

26  
27 **CHAIRMAN GREENE:** Okay. We've got a half-hour. The one thing  
28 that we feel like we need to get through in Reef Fish is the SSC  
29 Report. With that, we're going to try to streamline this thing  
30 and move on through. We can pick it back up at full council. I  
31 apologize, Mr. Chair, for not getting this done in a more  
32 expeditious manner, and I will do better next time. Mr.  
33 Sanchez.

34  
35 **MR. SANCHEZ:** This is real quick. I just wanted to find out, is  
36 there a scheduled meeting of the AP before our next meeting in  
37 October in Mississippi?

38  
39 **DR. LASSETER:** We don't have it scheduled yet. We are planning  
40 to send out the potential dates to the AP members. We're  
41 waiting to see what happens with this amendment at this meeting  
42 and then we were planning to schedule the meeting. Hopefully we  
43 can get a quorum and hold the meeting before the October  
44 meeting.

45  
46 **CHAIRMAN GREENE:** Mr. Sanchez.

47  
48 **MR. SANCHEZ:** This seems like it will go on, being a chicken-

1 and-egg. I would implore us to have them meet before October,  
2 so that we can get the benefit of their input on these issues  
3 and move forward.

4  
5 **CHAIRMAN GREENE:** Thank you. Dr. Simmons.

6  
7 **DR. SIMMONS:** To that point, if we only get five people that can  
8 attend those dates, do we go ahead and convene them? Is that  
9 what I'm hearing? Is that correct, between now and the October  
10 meeting? I just want to be clear.

11  
12 **CHAIRMAN GREENE:** My desire as Chair is if you get a quorum, you  
13 go with it. If the rest of them don't show, that's their fault  
14 and the other ones can beat them up later. Ms. Guyas.

15  
16 **MS. GUYAS:** I would say we need a quorum and not just if we can  
17 get two people to go then let's have a meeting.

18  
19 **CHAIRMAN GREENE:** No, my intent was that if you have a quorum,  
20 then you go with it. I know everybody wants as much  
21 participation as possible. When you get a large group,  
22 sometimes this is the things that you run into. You will have  
23 to forgive me, but I'm not really sure where we're at in the  
24 document to move on, but I really want to try to get through  
25 some of these other action items. Dr. Lasseter, can you help me  
26 here?

27  
28 **DR. LASSETER:** Actually, according to the action guide, I was  
29 not intending to go past the Section A. I was really trying to  
30 focus on Section A. I was really hoping we could have cut down  
31 on some of these programs, was kind of the goal. If we're not  
32 ready to do that yet, I'm happy to go through additional  
33 actions. I could discuss transferability, because that does  
34 have differential impacts, depending on the program you select,  
35 or we could just come back and take this up again at the next  
36 meeting.

37  
38 **CHAIRMAN GREENE:** I would kind of like a little direction from  
39 the committee here. Mr. Riechers.

40  
41 **MR. RIECHERS:** One thing in Section A I want to go back to, if  
42 we can, is the passenger capacity. I don't quite understand the  
43 response that it depends on which one we choose. From a  
44 passenger capacity standpoint, we can choose one or the other,  
45 and it fits whichever options we choose, and so I'm trying to  
46 figure out that comment. Then maybe we can help Section A, if  
47 we can determine what capacity we should use.

1 Maybe it's not a question for us as much as it's a question for  
2 enforcement. I mean which -- I will ask the Lieutenant  
3 Commander. What do you all use as passenger capacity when you  
4 all step aboard a vessel?

5  
6 **LCDR DANAHER:** Sorry, Robin, but I'm just trying to understand  
7 the question. What did you say it was, Robin?

8  
9 **MR. RIECHERS:** We are using passenger capacity here, and it's a  
10 notion of how many people they may be carrying on any given  
11 trip, but the reality of it is that we've got to go to some sort  
12 of definition of passenger capacity that we can all look at a  
13 piece of paper and say this vessel has this capacity. When you  
14 all board a vessel, what do you use as passenger capacity?

15  
16 **LCDR DANAHER:** That's a good question, but there's always going  
17 to be a placard, at least for recreational vessels. Commercial,  
18 I'm a little rusty on that, but I could get back to you on it,  
19 but that placard, essentially, on that vessel is a permanent  
20 sticker, and that's going to tell you what the maximum weight is  
21 and the maximum amount of passengers.

22  
23 **CHAIRMAN GREENE:** Let me try to help you a little bit here with  
24 that, Robin.

25  
26 **MR. RIECHERS:** So it's basically a COI passenger capacity?

27  
28 **CHAIRMAN GREENE:** That's correct. Being that we have a large  
29 number of vessels in the charter for-hire that are six-  
30 passenger, they are not regulated by the Coast Guard. They have  
31 the placard affixed to the boat that you can have so many  
32 horsepower and so much weight, et cetera, and we've all seen  
33 that.

34  
35 When you get into the certificate of inspection vessels carrying  
36 seven passengers or more, we go through stability and we go  
37 through all of the stuff like maintaining life jackets and life  
38 floats, et cetera, et cetera, and there is a certificate of  
39 inspection that has a specific number affixed with that.

40  
41 Now, at one point, the permit requirements matched that. In  
42 recent years, the Coast Guard came out and said the average  
43 weight of passengers aboard a vessel has increased over time,  
44 and so, ultimately, some of the passenger loads were reduced  
45 from -- For example, some boats were reduced from forty-nine  
46 down to forty-three passengers because the average weight of  
47 passengers has increased and it became a stability issue.

48

1 I am not 100 percent positive that the current COIs match the  
2 current permits for NOAA in their issuing of that, but it's a  
3 small -- It's probably a single-digit-type percentage difference  
4 within that, and so I don't know that I would be overly  
5 concerned, but I do feel like, in this committee, within this  
6 parameter, we need to decide if we're going to do COI or if  
7 we're going to do NOAA permits. If there's a discrepancy, we  
8 should look into that a little bit, but it's not a huge  
9 discrepancy, mind you. I see Mara waving her hand frantically,  
10 and so let me go to her and then I will pick up the rest.

11  
12 **MS. LEVY:** I am not sure that -- I think some of them might have  
13 quite big discrepancies. The permit passenger capacity is what  
14 the vessel can carry when they're fishing. We have had issues  
15 before where vessels have had perhaps much higher COIs from the  
16 Coast Guard and they want to use their vessel for other things,  
17 and, in the past, we have said, well, we can't give you a permit  
18 with a lower passenger capacity than your COI was, and that was  
19 creating a lot of problems.

20  
21 The council came back and said we don't care what your COI says.  
22 You're going to have a permit passenger capacity and that's how  
23 many people you can take fishing. If you can take twenty-five  
24 more people when you're going whale watching, so be it, as long  
25 as you're not fishing.

26  
27 The reason it makes a difference with the program is if you're  
28 doing a program where you're going to do an initial distribution  
29 of shares and that's determining forever, essentially, because  
30 we're not going to recalculate the shares, what is associated  
31 with that permit, if you use a -- If you don't use the permit  
32 passenger capacity, but you use the COI that might be higher or  
33 lower than the permit passenger capacity, you're not really  
34 giving that permit what the fishing capacity is, because it's  
35 the number on the permit that is telling you what the fishing  
36 capacity is.

37  
38 If you use something that is allocation-based, like every year  
39 or whatever, and it's just allocation, then you might consider  
40 using the COI or the lower of the two, because if they have a  
41 lower permit capacity, but a really high COI, you don't  
42 necessarily want to give them an allocation based on that high  
43 permit passenger capacity when they really can't take that many  
44 people fishing under the Coast Guard regulations.

45  
46 That's why we were saying it could depend on what type of  
47 program you're picking, a share versus an allocation-only  
48 program, about what you might want to say the passenger capacity

1 level you're using is.

2  
3 **CHAIRMAN GREENE:** Thank you, and you're correct, because there  
4 is -- Under the COI, you have specific amounts of life-saving  
5 that you have to have a certificate of inspection for out to --  
6 Out to 100 miles, you have to 100 percent life saving. However,  
7 if you're operating in protected waters, sometimes that number  
8 can be inflated.

9  
10 Dolphin cruises are a big thing in our area, and so there are  
11 people who will run fishing trips that can carry twenty  
12 passengers on their permit, but yet their COI may allow them to  
13 carry 100 in protected waters, and so there is that in there,  
14 and I may have misspoken to that, and I apologize, but you're  
15 correct in that. That is the biggest difference that you're  
16 looking at within a COI. I was speaking specifically to the  
17 fishing portion of it and not looking at the holistic COI. Mr.  
18 Riechers, and I saw two or three other hands down there, but I  
19 didn't catch them.

20  
21 **MR. RIECHERS:** It seems to me that, and I certainly -- It seems  
22 to me that our notion of this alternative is the passenger  
23 capacity that is fishing. While we could use a COI in a  
24 different allocation method, that wasn't the intent of what the  
25 passenger capacity here is set up and intended to do.

26  
27 It just seems, to me, that we should -- I don't know whether we  
28 need to make a definitive statement or you guys can talk about  
29 it at the AP, but the whole notion here is passenger capacity  
30 should be related to permit. Then everyone will know. If we  
31 make that statement, then everyone knows how they will fare in  
32 any of these different scenarios by looking at their permit and  
33 understanding that's what my passenger capacity is. That means  
34 I'm going to get this kind of weighting in this scenario or, in  
35 this scenario, I'm going to get this kind of weighting, but we  
36 need to be clear about that with this alternative.

37  
38 **CHAIRMAN GREENE:** Dr. Crabtree.

39  
40 **DR. CRABTREE:** I agree with the great State of Texas. I think  
41 it should be the capacity that's on the permit. That's the  
42 fishing capacity. It seems, to me, the most straightforward  
43 thing is to use that and then everybody knows.

44  
45 **CHAIRMAN GREENE:** Okay. Dr. Lasseter.

46  
47 **DR. LASSETER:** I want to point out that it's less than 10  
48 percent of the vessels even have a different permit and

1 passenger capacity, and so we are talking about a small number,  
2 but what Mara was talking about is if you are allocating under a  
3 PFA or a harvest tag program, and you base it on the permit,  
4 there are a number of vessels that their COI is smaller than  
5 that.

6  
7 It's not possible for them to be taking as many anglers as their  
8 permit allows, but you're going to be giving them more fish,  
9 given that permit capacity, than what they could even carry. Is  
10 that your intent? That's why it would depend which program.  
11 There are pros and cons for which way you would do it, and I  
12 think, once you kind of focus on the program, it might be more  
13 useful to then apply it, but we are talking about a small number  
14 of vessels.

15  
16 **MR. RIECHERS:** To get through your scenario then, I would  
17 suggest that we go ahead and illuminate where that would occur  
18 in these options. Then you have an option of either -- We can  
19 make sub-options of which one you use, if that's the case, but  
20 it seems to me that passenger capacity is the one -- The permit  
21 passenger capacity is what we're going to use, unless we go to  
22 harvest tag type of situation, and then all bets are off.

23  
24 I mean, we may do something totally different in that scenario,  
25 and so, again, I think we've just got to be -- We've got to  
26 clean this up here, to let people know how they're going to  
27 fall, and that's all I am suggesting. We can do that without  
28 reducing options or anything else. We can clarify that.

29  
30 **CHAIRMAN GREENE:** Thank you. Any further discussion before we  
31 leave this topic? Dr. Lasseter, I guess you were wanting to get  
32 through one more or --

33  
34 **DR. LASSETER:** Actually, the Action 3 is the last action in  
35 Section A, and so that's all I was intending to get through  
36 today.

37  
38 **CHAIRMAN GREENE:** We have accomplished that?

39  
40 **DR. LASSETER:** Yes, Mr. Chairman.

41  
42 **CHAIRMAN GREENE:** Okay. Dr. Crabtree.

43  
44 **DR. CRABTREE:** Is where we are on this now that in Action 1, if  
45 we choose either an IFQ or a PFQ, it's going to be permit  
46 passenger capacity? If we choose a PFA or a harvest tag  
47 program, it's going to be permit passenger capacity or COI  
48 capacity, whichever is less?

1  
2 **DR. LASSETER:** That's the discussion that is currently included  
3 in the document, yes.

4  
5 **DR. CRABTREE:** All right. That, I think, reflects our intent.

6  
7 **CHAIRMAN GREENE:** To be clear, you're saying permit or passenger  
8 capacity, whichever is less, and that's correct?

9  
10 **DR. CRABTREE:** Yes, for Alternative 3 or 4, which is the PFA and  
11 the harvest tag, but, for Alternative 2, which is the IFQ and  
12 the PFQ, it's the permit passenger capacity alone.

13  
14 **CHAIRMAN GREENE:** Okay. Thank you. I just wanted to make sure  
15 that I understood. We're kind of moving a little fast today,  
16 and I'm trying to take notes and keep up. All right.

17  
18 Before we leave Amendment 41, we have accomplished what staff  
19 has really wanted to get done at this meeting. I applaud them  
20 for even doing what they've done. I don't know how I could have  
21 even come close to this, with as many open ends as we've had,  
22 and I appreciate the conversation around the table. Does  
23 anybody have anything for Amendment 41 before we leave and move  
24 on to the SSC?

25  
26 Seeing no more activity on Amendment 41, we are going to move  
27 into Action Item Number XI, which would be the Standing and Reef  
28 Fish SSC Report, which would be Tab B, Number 17, on the advice  
29 of the Executive Director and the Chairman of the council, that  
30 we get that done. I hope to be wrapped up at ten o'clock with  
31 this, because I realize that we still have the Mackerel  
32 Committee that needs to meet, as well as some other things. Mr.  
33 Atran, are you ready?

34  
35 **STANDING AND REEF FISH SSC REPORT**

36  
37 **MR. ATRAN:** Yes, Mr. Chairman. This shouldn't take too long.  
38 The Standing and Reef Fish SSC met via webinar on August 2. We  
39 had moved several items that we had planned to cover at this  
40 meeting to the September SSC meeting, because we were told that  
41 some analysis that we needed would be unlikely to be ready in  
42 time for this SSC meeting.

43  
44 Subsequently, some of that analysis was made available in time  
45 for the council meeting, and that was the red snapper split  
46 season analysis and the gray triggerfish decision spreadsheet  
47 for the commercial sector. The SSC will review those materials  
48 in September and come back to you on that, but we did not want

1 to delay progression of those amendments, since the analysis was  
2 ready at this time.

3  
4 The SSC webinar covered three items, the SEDAR 51 terms of  
5 reference and appointments for various workgroups, a brief  
6 discussion on reevaluating alternative MSY proxies for red  
7 snapper, and a discussion on the next gray triggerfish  
8 assessment, whether it should be a benchmark or a standard, and  
9 then update assessment also came into the discussion.

10  
11 As far as SEDAR 51 goes, that will be a gray snapper benchmark  
12 assessment. It will begin in October of this year with a stock  
13 ID workshop. Then the assessment itself will consist of a data  
14 workshop, an assessment workshop, and a review workshop that  
15 will be conducted during 2017. It is scheduled for completion  
16 and delivery to the council in December of 2017.

17  
18 There was one concern raised by one of the SSC members that is  
19 being done almost entirely via webinar. There is going to be  
20 one in-person meeting, and that will be the review workshop. It  
21 will be held in-person in Miami in November, but everything else  
22 is scheduled to be done via conference call or webinar, and  
23 there was some concern that these materials could be better  
24 evaluated with in-person meetings.

25  
26 We've gone over that in the past, both the SSC and the council.  
27 In order to get the level of work done that the Science Center  
28 is being asked to do on assessments, it's necessary to do a lot  
29 of the work via webinar, and so, even though he expressed  
30 concern, he didn't vote against approving the project schedule,  
31 and the SSC approved that without opposition.

32  
33 It's the same with the terms of reference. There were a few  
34 changes that were made that were recommended by staff, and those  
35 include justifying the use of an FMSY proxy, as opposed to the  
36 actual estimate of FMSY, including some consideration of  
37 episodic events, such as the Deepwater Horizon oil spill, and  
38 then a change in one of the items used for projections, where we  
39 were talking about F target. The term F target has not been  
40 defined, and so they changed that to F when fishing at 75  
41 percent of FMSY. With those changes, the terms of reference  
42 were also approved.

43  
44 The next step was to solicit volunteers to serve on the various  
45 workgroups, and I won't go over the names. The list of folks  
46 who volunteered is in the discussion. We did get one additional  
47 person after the SSC meeting who indicated that she would be  
48 interested in serving on the data workshop, and so we have



1 between two and four people from the SSC for each of these  
2 workshops.

3  
4 The next item was a discussion on alternative FMSY proxies for  
5 red snapper. Specifically, the council has asked the SSC to  
6 look at using Fmax, F 20 percent SPR, F 22 percent, and F 24  
7 percent SPR.

8  
9 This is really part of a broader discussion of MSY proxies in  
10 general. The broader MSY proxy discussion had been moved to  
11 September, and the SSC felt that they needed to discuss red  
12 snapper within that context as well. They were provided with  
13 some recent publications relating stock resiliency to life  
14 history characteristics, but they felt that they only got a  
15 small sample of some of the new information that was out there,  
16 and much of this discussion was mainly setting the baseline for  
17 what they want to discuss in September.

18  
19 The plans in September are to have a much broader discussion  
20 about MSY proxies within the context of talking about limits and  
21 targets and these new materials, this new information that has  
22 come up, and there will be a discussion of MSY proxies in  
23 general, plus hopefully specific recommendations regarding the  
24 red snapper MSY proxies. They felt they didn't have the  
25 information to get into an in-depth discussion at the webinar,  
26 and also they felt that this was a complicated enough issue that  
27 they didn't want to discuss it via webinar and they preferred to  
28 do it in person, and so they will come back to this in  
29 September.

30  
31 Then the final item was discussing what kind of an assessment  
32 the next gray triggerfish assessment should be. The council had  
33 recommended a benchmark. Actually, I believe the SSC had  
34 originally recommended a benchmark. The council had proposed  
35 doing it instead of the SEDAR 51 gray snapper assessment.  
36 However, that turned out not to be logistically feasible.

37  
38 The Science Center has been working toward a gray snapper  
39 assessment for some time. They have been collecting otoliths  
40 and other data that they need, and it just wasn't feasible to  
41 try to switch from a gray snapper to a gray triggerfish  
42 assessment on this short notice, and so that's why SEDAR 51 is  
43 continuing as gray snapper.

44  
45 As far as what the next assessment should be, there were a  
46 number of issues that were raised the last time that the SSC  
47 reviewed the gray triggerfish assessment. Some of those have  
48 already been addressed, and some of the others are able to be

1 addressed within the context of an update assessment.

2  
3 We have projections, ABC projections, that go through 2019. If  
4 we were to get an update assessment in 2018, that would allow  
5 time to get some additional projections out and, in the  
6 meantime, plan on doing a standard assessment at some future  
7 time, before those other projections run out.

8  
9 Because the update assessment and projections can be done fairly  
10 quickly and the earliest that we could slot that into the SEDAR  
11 schedule looks like it would be 2018, the SSC recommended, by a  
12 vote of twelve to three with one abstention, that the update  
13 assessment of gray triggerfish be conducted at the earliest  
14 opportunity. As I said, there was discussion that the follow-up  
15 assessment should probably be a standard assessment, and there  
16 was no specific recommendation about that. Unless you have any  
17 questions, that concludes the review of the SSC webinar.

18  
19 **CHAIRMAN GREENE:** Thank you. Is there further discussion by the  
20 committee? Chairman Anson.

21  
22 **MR. ANSON:** Steven, thank you. I recall we had a phone call  
23 with Science Center staff shortly after the last meeting, and  
24 the SSC Chair was on that call. It may have been during that  
25 call, or it may have been during a sidebar conversation, but I  
26 thought the SSC Chair, Dr. Barbieri, had thought that it might  
27 be better to have a working group, if you will, or a side group,  
28 a subset, of SSC members to discuss the MSY proxy in the broad  
29 context. Was there discussion of that and the general consensus  
30 was then to have this next full meeting, and that will be where  
31 all of that discussion is held and there won't be any subsets or  
32 workgroups established to look at that issue?

33  
34 **MR. ATRAN:** I am not quite sure where we're going with that.  
35 You're correct that the Chairman had suggested a working group  
36 to look at this, but the way things are going right now, it  
37 looks like we are going to be having a comprehensive discussion  
38 with the SSC and possibly some invited members, and so that  
39 possibly could replace the working group, or the other  
40 possibility is that what comes out of the September meeting is a  
41 suggestion that that information be forwarded onto a working  
42 group to be formed. I don't know yet.

43  
44 My preference is I would like to get started on an amendment to  
45 start working on the MSY proxies, and so I would prefer to do  
46 everything through the SSC, if possible. It takes a while to  
47 form these ad hoc groups, but, at the moment, I am not really  
48 sure what direction we're going to be going in.

1  
2 **MR. ANSON:** Thank you. I have one more question. Relative to  
3 the discussion on the gray triggerfish assessment, do you have a  
4 sense as to how staff time that is available for conducting a  
5 standard or a benchmark assessment, relative to their existing  
6 schedule, and the communication of that there is little staff  
7 time to devote to altering the schedule or changing the suite of  
8 species that are identified, did that come up much in the  
9 discussion when the vote came to make the recommendation as to  
10 how to proceed forward, relative to the council's request on  
11 update assessment and timing?

12  
13 **MR. ATRAN:** Yes, and actually I skipped over one other item that  
14 the SSC conducted, which was reviewing the SEDAR assessment  
15 schedule. Because, after discussion, it was determined that, as  
16 I said, trying to substitute gray triggerfish for gray snapper  
17 in the SEDAR 51 assessment was not going to be feasible, the  
18 SEDAR schedule was modified, and it's on the last page of the  
19 SEDAR document, to indicate the proposed changes, and so gray  
20 snapper, as a benchmark, is scheduled to begin in 2018. That's  
21 on the schedule right now. Excuse me. It will start in 2017.  
22 I'm sorry.

23  
24 The update assessment for gray triggerfish was added to 2018.  
25 Then the schedule goes through 2019, and so it looks like the  
26 earliest that a standard assessment on gray triggerfish could be  
27 put on the schedule would be 2020, which isn't currently on the  
28 schedule that we have been handed.

29  
30 **CHAIRMAN GREENE:** Mr. Riechers.

31  
32 **MR. RIECHERS:** Well, this whole discussion kind of gets back to  
33 a recurring issue that we continue to have. First of all, I'm  
34 not certain why the SSC would be weighing in on the SEDAR  
35 schedule, because, frankly, that's not their purview. Secondly,  
36 what we have asked for is to -- We have asked for different  
37 changes in that schedule, and we always get the, well, we have  
38 to compete against the South Atlantic and the Caribbean and all  
39 of those issues.

40  
41 While that all may be true, I think this goes back to a  
42 recurring problem that we've had in trying to both navigate and  
43 be a little nimble in regards to the SEDAR schedule. We are  
44 continuing to have discussions about it, but I will just note  
45 here that it's a little bit frustrating that we kind of try to  
46 ratify a decision that was made by -- It was supposedly made by  
47 the SEDAR Committee, as opposed to the SSC reviewing that. I  
48 don't quite understand why we asked the SSC, in this case, why

1 we would be making a change or what they thought of a change  
2 that we might want to make as a council or the three councils  
3 that really sit on that SEDAR Steering Committee.

4  
5 **CHAIRMAN GREENE:** Dr. Ponwith.

6  
7 **DR. PONWITH:** To that point, the decision, when you've got a  
8 limited resource and we can't do an infinite number of stock  
9 assessments in a year, that means there are decisions to be made  
10 on priority. The things that play into that decision are  
11 management implications of whether there is a short time or a  
12 long time between the next stock assessment and then certainly  
13 science implications of that.

14  
15 I absolutely do view the science perspective on priorities as a  
16 crucial input to that decision, and, in fact, the addition of a  
17 SEDAR Committee to the Gulf Council's roster of committees was  
18 originally contemplated to be able to get additional input from  
19 both the science perspective, the SSC's views on this, and  
20 interweave that with the management implications.

21  
22 I absolutely view that as a crucial input, the final  
23 representation of the Gulf Council's views, going into the SEDAR  
24 Steering Committee. It, of course, rests with the SEDAR  
25 Committee representatives, but it would be their objective to  
26 really look at the Gulf Council's enterprise as a whole,  
27 including that science perspective, their science advisory body,  
28 the SSC, in those final decisions.

29  
30 **CHAIRMAN GREENE:** Chairman Anson.

31  
32 **MR. ANSON:** Thank you for that, Dr. Ponwith. My question, I  
33 guess, underscores a comment that Robin just made, and it's an  
34 offshoot of prior conversations that we've had. It goes into  
35 the issue of resources and prioritizing resources, and I  
36 understand we have finite resources, and I understand gray  
37 snapper has never been assessed here, and so trying to juxtapose  
38 that with our current situation with gray triggerfish and, quite  
39 frankly, how the last assessment went down, so to speak,  
40 relative to the decision that was made that it was best  
41 available science and the timing of new members that may not  
42 have understood what that meant and the implication, and trying  
43 to fit that all into a rebuilding plan schedule.

44  
45 I was just trying to get, again, was there discussions that were  
46 had by members that attended that meeting relative to how much  
47 impact does the decision and the schedule that was offered, from  
48 their motions, impact the ability for the SEDAR process, the

1 science side of this, to be able to react to our needs as a  
2 management body. That's all I was trying to get at, is to see  
3 if that in fact was a major part of the decision-making process  
4 that ended with the proposed schedule that we have now. That is  
5 just something that we can use, going forward, with discussions  
6 internally, as well as externally from this council, and try to  
7 improve that situation. That's all I was doing. Thank you.

8  
9 **CHAIRMAN GREENE:** We are out of time. I am going to make one  
10 more comment, as Chair. I have kind of held back on this a  
11 little bit. I was the SSC representative at this meeting. It  
12 was the first time we had gone from a giant SSC down to where we  
13 had incorporated members of the socioeconomic and science people  
14 together.

15  
16 There was some confusion about what was going on. I felt that  
17 it was kind of ironic that we had economists making a vote on a  
18 science-based decision. I felt like there should have been some  
19 weighting on the vote toward that. This fishery has been  
20 overfished and it does not appear to be responding, and we now  
21 have Tmin type of regulations and stuff that we have to abide  
22 by.

23  
24 I feel that anytime any fishery is in the situation that  
25 triggerfish is that it should have number one top priority above  
26 everything else that's being done to help get this fishery back  
27 on track, but that is just my comment. It is not a question.  
28 It is not a stab. It's just my personal feelings. With that,  
29 it is ten o'clock, and I am going to hand it back over to  
30 Chairman Anson.

31  
32 **MR. ANSON:** Thank you, Mr. Greene. As you stated earlier, we  
33 will attempt to get to those other items in full council that we  
34 didn't get to that were reflected on the Reef Fish agenda.  
35 Those were Items Number IX and X.

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37 (Whereupon, the meeting adjourned on August 17, 2016.)

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