

Reef Fish Committee Report August 20, 2024 Dr. Thomas Frazer – Chair

The Committee adopted the agenda (**Tab B, No. 1**) after adding updates from states on their private recreational red snapper seasons and a discussion on the status of the red snapper fishery under Other Business. The minutes (**Tab B, No. 2**) from the June 2024 meeting were approved as written.

Draft Options: Reef Fish Amendment 58: Modifications to Shallow-water Grouper and Deep-water Grouper Management Measures (Tab B, Nos. 4a and b)

A Committee member noted the extensive amount of material and complexity of the draft options document and inquired if deep-water grouper (DWG) could be addressed separately from shallow-water grouper (SWG). Council staff responded that such an approach should be feasible and then presented on modifications to management measures for SWG and DWG.

A Committee member noted that an increase in landings of scamp and yellowmouth grouper by account holders without shares may be due to low allocation prices. Another Committee member stated that information on unused pounds sorted by active and inactive accounts is relevant to the possible distribution of shares within new share categories to active accounts. Council staff inquired if an account would be considered active if it transferred shares into another account and then back to the original account. Dr. Stephen (Southeast Regional Office [SERO]) responded that it would be considered active. Another Committee member noted that characterization of active accounts should include individuals that may only land a small percentage of their available poundage. In the discussion of Alternative 2 for Action 1.2 and use of landings history, a Committee member stated that natural disasters could affect SWG landings, and pointed to Hurricane Ian in 2023, as an example.

A Committee member inquired if there has ever been a case in the Gulf where a stock complex had been decoupled. Council staff noted that this would be the first time, but when the individual fishing quota (IFQ) program was established in Reef Fish Amendment 29, this scenario was included such that “needed adjustments would be made based on IFQ share owners on record at time of adjustment.” NOAA General Counsel added that distribution of shares after splitting a share category should not necessarily rely on an amendment that had been developed more than a decade ago. Staff noted that recent Council discussions regarding distribution of shares have occurred and that an objective of the IFQ program is to put shares into the hands of the fishermen landing the species. A Committee member was concerned with having this action, i.e. Action 1.2, in this document, as it would preempt having a more robust discussion of the issue during the development of either Reef Fish Amendment 59 or 60. Another Committee member stated that landings history does not follow a permit that has been sold, which places new shareholders at a disadvantage. Council staff noted that a Council member had stated, at a recent Council meeting, that the intention was not to take shares away from anyone, when starting work on Reef Fish Amendments 59 and 60. General Counsel noted that an IFQ is a permit to fish, does not create any right, and that the agency can change the requirements for retaining that permit. Council staff commented that the interdisciplinary planning team (IPT) had discussed the

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potential for unintended consequences when relying on the use of landings history for the new share categories, including negative impacts to any account holders who had recently taken out a loan to purchase shares, but may lose those shares during distribution.

Related to Action 4 in the draft Amendment, concerns were expressed related to modifying allocations and noted a previous Council motion that cautioned against modifying allocations in until issues affecting the use of Marine Recreational Information Program-Fishing Effort Survey (MRIP-FES) have been resolved.

A Committee member noted that annual scamp and yellowmouth grouper landings have averaged about 400,000 lbs in recent years. He inquired how a species that had sustained such high levels of landings would require such as substantial reduction to an acceptable biological catch (ABC), i.e., 203,000 lbs. Council staff responded that, as part of the stock assessment process, many factors were considered including the declining trend in spawning stock biomass and the recent period of low recruitment and both would likely affect stock productivity. The Committee member also inquired, if scamp and yellowmouth grouper are not overfished, what was driving the need to move from a 30% spawning potential ratio ($F_{30\%SPR}$) to a 40% spawning potential ratio ($F_{40\%SPR}$). Another Committee member responded that the Scientific and Scientific Committee (SSC) made that decision based on the life history characteristics of scamp and recent scientific literature that suggests that higher SPR based proxies for MSY are appropriate for species such as scamp. Southeast Fisheries Science Center staff stated that the SSC is not adopting a risk-adverse position; and indicated that if the SSC had retained the $F_{30\%SPR}$, it would be more risk-prone.

A Committee member noted a concern related to the timing of an allocation decision. Since the proposed sub-complexes do not yet exist, the agency would not have a way to hold back quota at the beginning of the year in anticipation of a reduction in the commercial quota, as has been the case with reallocation decisions for existing share categories. He inquired if there might be a short-term management measure that might be taken to circumvent this issue.

A Committee member noted and emphasized the high variability of DWG landings. With respect to accountability measures, another Committee member stated that a post-season adjustment may be preferred by the agency for recreational landings, given the high variability. General Counsel noted that other options could be considered and stated that the same level of monitoring is needed for post-season and in-season accountability measures. She added that the Committee would need to document how overfishing for yellowedge grouper will be addressed. Another Committee member stated that another alternative could be added, which would set the duration of the DWG season for the following year. A Committee member inquired about the use of a multi-year annual catch limit (ACL) to accommodate pronounced variability in landings of DWG species. Council staff inquired if there was any interest in a payback by the recreational sector. A Committee member said there may be interest in that management measure although this type of management measure has been discussed previously, but not been successfully used in the Gulf.

A Committee member inquired if flexibility measures would be needed in the future. Given the SWG catch limits under consideration, he noted there would not likely be excess quota available

in the future, which would certainly limit the potential use of multi-use allocation for landing DWG species. Another Committee member inquired about the history of the multi-use category. SERO staff responded that some species are co-occurring, such as speckled hind and scamp. Another Committee member stated that public testimony would be useful, but an action to eliminate multi-use could be considered. The Committee member commented that this action would need to be kept with SWG, should SWG and DWG be considered in separate documents.

The Committee recommends, and I so move, to request Council staff to separate out the SWG and the DWG complex into separate documents.

Motion carried with two abstentions.

A Committee member summarized the discussion of DWG accountability measures, which included using recreational landings for a post-season accountability measure and adjusting the recreational season in the following year if recreational landings had exceeded the total ACL. The Committee also planned to circle back and discuss staff's questions regarding the allocation action for DWG complex at full Council so they could provide staff direction.

Discussion: Vision Statement for the IFQ Programs (Tab B, No. 5)

Staff presented the draft vision for the red snapper and grouper/tilefish IFQ programs proposed by the Council during its June 2024 meeting. Based on the previously approved goals and objectives, the Council has initiated two regulatory amendments (Reef Fish Amendments 59 and 60). Committee members questioned the need for defining a vision at this time and requested the draft vision be filed for future reference if needed.

Presentation: Reef Fish Amendment 59: Requirements for Participation in IFQ Programs (Tab B, No. 6)

SERO staff presented Reef Fish Amendment 59, which addresses participation requirements in the red snapper and grouper/tilefish IFQ programs. IFQ participants can generally be classified as fishermen, brokers, and vertically integrated dealers. Action 1 would prevent any entity without a valid or renewable commercial reef fish permit from opening or both opening and maintaining a shareholder account.

For any given share category, Action 2 would require that shareholders land at least 25% of their annual allocation every year, or 50% of their annual allocation during every two-year period. Committee members noted that Action 2 is intended to demonstrate fishing activity and indicated that the percentages required to be landed are too high. They requested lower percentages, for example 5% and 10%, be considered as well. The Committee expressed support for using a scalar to account for quotas with a low percentage of landings versus those with a high percentage of landings. The Committee noted that measuring fishing activity over a single year would result in adverse impacts on shareholders who cannot fish due to hardships. Committee members suggested that grace periods could be considered and recommended measuring fishing activity on a multi-year rolling average. The Committee asked about the appeals process. SERO staff responded that the IPT will work with NOAA's National Appeals Office as the amendment

progresses. SERO staff noted that if fishing activity for a current year is reported on December 31st, the agency would have a very short window to adjust IFQ shareholdings if needed. Committee members concurred and suggested the inclusion of alternative cut-off dates to provide more time to adjust accounts.

Action 3 would require shareholders to possess a valid or renewable commercial reef fish permit to obtain or to both obtain and maintain shares. In addition to permit requirements, Action 3 could also require a preset level of fishing activity. Action 4, Alternative 2 would require a commercial reef fish permit to obtain annual allocation. Alternative 4 would require a commercial reef fish permit to both obtain and maintain annual allocation. SERO staff discussed the implications of various combinations of alternatives with increasing levels of restrictions on shareholders. Committee members asked how permit requirements to maintain annual allocation would work. SERO staff indicated that permit requirements to maintain annual allocation are problematic because appeals by shareholders could potentially extend beyond the allocation annual life cycle.

The Committee recommends and I so move, **In Action 4, to move Alternative 3 to Considered but Rejected.**

Alternative 3: Reef Fish permit to obtain and maintain allocation.

Motion carried 15 to 0 with 2 abstentions.

Draft Options: Federal For-hire Buffer and Fishing Season for Red Snapper (Tab B, No. 7)

Council staff reviewed draft options which would reduce the buffer between the federal for-hire component of the recreational sector's ACL and annual catch target (ACT) for red snapper and modify the federal for-hire fishing season. The current ACL/ACT buffer is 9% for the red snapper for-hire component. Action 1, Alternative 2 would reduce the buffer using the ACL/ACT Control Rule to, implement a 5% buffer, while Action 1, Alternative 3 would set the ACL equal to the ACT which would result in no buffer. Action 2 would modify the start date of the federal for-hire fishing season for red snapper. Currently, the season opens June 1 every year and closes when the component ACT is projected to be met, or on December 31, whichever comes first. Action 2, Alternative 2 would operate the season similarly to what is currently done; however, the season would open the Friday before Memorial Day every year. Action 2, Alternative 3 would use a hindcasting approach to setting the season which would result in a slightly different season opening day year-to-year, based on the data used to estimate daily catch for projecting the fishing season duration.

Committee members recounted recent comments received at public testimony regarding the for-hire red snapper season. Stakeholders have frequently expressed a desire for a fixed season opening which provides consistency when booking trips for customers. There has also been some public support for starting the season over the Memorial Day holiday weekend or in mid-May, rather than adding days to the end of the season in the fall months.

Additionally, there have been some reports from the industry, especially in the northern Gulf, regarding the health of the stock. For-hire vessel operators have recently observed a reduction in the average size of harvested red snapper and have advocated for modifying the fishing season while maintaining the current ACL/ACT buffer. A Committee member asked if any novel management approaches, such as managing to a target average weight for harvested fish, could be used to inform the actions within the framework action. Council staff replied that an examination of any changes in trends of average weight of harvested red snapper would occur as part of the upcoming SEDAR 98 data workshop; however, these data would not be ready until December 2024 at the earliest.

A Committee member asked about timing of the document's development and inquired whether it would be feasible to implement the framework action in time for the 2025 federal for-hire red snapper season. SERO staff responded that it was probable that the upcoming change in presidential leadership would affect the rulemaking process. The Committee decided to delay making any decisions regarding next steps for the framework action until after receiving public testimony.

Contract Outcomes: Regional and Sector-Specific Gulf of Mexico Gray Triggerfish Age, Growth, and Age-length Key Estimation Derived from Otolith-based Ageing (Tab B, Nos. 8a-b and 9b)

Dr. Will Patterson (University of Florida) provided a presentation on the outcomes of recent Council-funded research to address ageing error in Gulf gray triggerfish. The next Gulf gray triggerfish stock assessment is planned for 2025. Rationale for the contracted work stemmed from the recent discovery that previous ageing methods on dorsal spines resulted in underestimation of true age. A new dorsal spine ageing methodology (Potts et al., 2023)¹ was compared to otolith aging, and was found to be comparable in accuracy. Through the work conducted, Dr. Patterson suggested that re-ageing archived dorsal spine sections for fish > age-5 is an appropriate solution to produce unbiased age composition estimates. Dr. Patterson concluded with a summary of ongoing work to better improve ageing methods.

Dr. Mickle (SSC representative) provided a summary of SSC recommendations based on the findings of the Gulf gray triggerfish ageing study. The SSC concurred with author's suggestions and noted that the new ageing techniques will be critical to an accurate stock assessment and subsequent management strategies.

Summary of the July 2024 Scientific and Statistical Committee Meeting and Presentation (Tab B, Nos. 9a-b)

The SSC received a presentation from Dr. Challen Hyman (University of South Florida) who is developing a multi-model framework to predict recreational effort, catch-per-unit-effort, and harvest proportion for Gulf gag using available recreational data. A Committee member asked for clarification on how sea surface temperature was used to estimate discard mortality within the

¹ <https://www.sciencedirect.com/science/article/abs/pii/S0165783623002023>

model. It was noted that the SSC suggested Dr. Hyman might consider the interaction between seasonality and water depth when attempting to model discard mortality. Dr. Hyman will incorporate the feedback provided by the SSC to improve the models and plans to present an update to the SSC at a future meeting.

Other Business

Update on State-Specific Private Recreational Red Snapper Season

Florida reported that landings information was not currently available, but would likely be published by the end of the week. The season opened June 1 and ran consecutively through July 31st. The season will reopen in the fall for 3-day weekends (Friday – Sunday) from September 1st – November 30th.

Mississippi opened May 25th and closed July 7th to avoid exceeding its quota. Mississippi reported that it paid back its previous year's overage.

Texas reported harvesting 59.9% of its ACL. Based on recent landings history, Texas expects the season to close around Labor Day.

Alabama reported harvesting 71.5% of its ACL and observed an expected plateau in effort which is common at this point in the season. The state will continue to monitor harvest and anticipates closing the season at some point prior to the end of the year.

Louisiana opened its season on April 15th, which is earlier than in the past. Louisiana has harvested 80% of its ACL and projects that the season will remain open until approximately mid-September, acknowledging that inclement weather and/or shifting effort to other activities may affect the season duration.

SERO staff expressed a desire to receive regular updates from all the states on their private recreational red snapper seasons and recommended continued communication going forward.

Discussion on Status of the Red Snapper Fishery

The Committee reiterated several public comments expressing concern about the status of the red snapper stock by both commercial and recreational sectors. Stakeholders have observed smaller fish and have had to increase effort to harvest red snapper. Several Committee members stated that depredation by sharks and porpoises is an ongoing problem and is likely adversely affecting the red snapper stock. Other Committee members pointed out that regional differences may be driving these observations with some areas in the Gulf experiencing higher fishing effort focused on specific inshore areas relative to others. The Committee agreed that the improvement of the red snapper stock has largely been a success and that continued efforts are needed to continue this progress.

Mr. Chair, this concludes my report.