

GULF OF MEXICO FISHERY MANAGEMENT COUNCIL

REEF FISH MANAGEMENT COMMITTEE

Omni Hotel

Houston, Texas

June 25, 2024

VOTING MEMBERS

- 10 Tom Frazer.....Florida
- 11 Kevin Anson (designee for Scott Bannon).....Alabama
- 12 Kesley Banks.....Texas
- 13 Susan Boggs.....Alabama
- 14 Billy Broussard.....Louisiana
- 15 Dale Diaz.....Mississippi
- 16 J.D. Dugas.....Louisiana
- 17 Bob Gill.....Florida
- 18 Dakus Geeslin (designee for Robin Riechers).....Texas
- 19 Michael McDermott.....Mississippi
- 20 Anthony Overton.....Alabama
- 21 Chris Schieble (designee for Ryan Montegut).....Louisiana
- 22 Joe Spraggins.....Mississippi
- 23 Andy Strelcheck.....NMFS
- 24 C.J. Sweetman.....Florida
- 25 Ed Walker.....Florida
- 26 Troy Williamson.....Texas

NON-VOTING MEMBERS

- 29 Dave Donaldson.....GSMFC
- 30 LT Carl Fuhs.....USCG

STAFF

- 33 Max Birdsong.....Social Scientist
- 34 Assane Diagne.....Economist
- 35 Matt Freeman.....Economist
- 36 John Froeschke.....Deputy Director
- 37 Beth Hager.....Administrative Officer
- 38 Lisa Hollensead.....Fishery Biologist
- 39 Mara Levy.....NOAA General Counsel
- 40 Emily Muehlstein.....Public Information Officer
- 41 Ryan Rindone.....Lead Fishery Biologist/SEDAR Liaison
- 42 Bernadine Roy.....Office Manager
- 43 Carrie Simmons.....Executive Director
- 44 Camilla Shireman.....Administrative & Communications Assistant
- 45 Verena Wang.....Fishery Biologist

OTHER PARTICIPANTS

- 48 Willy Goldsmith.....

1 Tim Griner.....SAFMC
2 Frank Helies.....NMFS
3 Dylan Hubbard.....FL
4 Andrew Loftus.....
5 Jessica Stephen.....NMFS
6 John Walter.....SEFSC

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PAGE 8: Motion to establish a vision for the red snapper and grouper-tilefish IFQ programs. Fishery vision: a cohesive commercial fishery - including a diverse range of profitable small, medium, and large businesses and fishery trusts - that maximizes access to and use of available IFQ shares. Process vision: a simple, automated, and transparent process that ensures IFQ shares and allocation are equitably distributed by NMFS to a defined user group, the impacts of which are measurable and evaluated over time. The motion was tabled on page 12.

PAGE 55: Motion to direct staff to explore the possibility of establishing a permit pool from terminated commercial reef fish permits for future use, including use by new entrants. The motion carried on page 62.

PAGE 90: Motion to direct staff to begin a framework action to remove the twenty-fathom recreational seasonal closure for shallow-water grouper. The motion carried on page 90.

PAGE 102: Motion to request staff to start a document to evaluate minimum size and bag limits and other measures to stay within the ACL for lane snapper. The motion carried on page 107.

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1 The Reef Fish Committee of the Gulf of Mexico Fishery Management
2 Council convened at The Omni Hotel in Houston, Texas on Tuesday
3 morning, June 25, 2024, and was called to order by Chairman Tom
4 Frazer.

5
6 **MR. KEVIN ANSON:** Good morning, everyone. A couple of things,
7 before we get started in Reef Fish, and, as we discussed yesterday,
8 we're going to provide some information, and Ms. Mara Levy is going
9 to talk about litigation that the agency currently is going through
10 that is related to the Gulf of Mexico, and then the other thing
11 is, just real quick, this was found on the table, a little USB to
12 USB-C adapter, and so, if you think it's yours, come see me.
13 Otherwise, Ms. Levy.

14
15 **LITIGATION UPDATE**
16

17 **MS. MARA LEVY:** Thank you. This will be a fairly short update.
18 You do have three cases, essentially, that are kind of still in
19 some sort of status, and so congratulations. I don't know if
20 that's a record for a council at one time, but so I guess I will
21 go in order, because it's 53, 54, and 56.

22
23 53, right, is the red grouper case, where we had the decision, and
24 it was remanded to the agency, and I know that NMFS is working on
25 the updated analysis to address the court's decision. I don't
26 really have any details to provide, in terms of timing, and, you
27 know, I've talked to Andy, and, you know, the aim is definitely
28 before the end of the year, and, obviously, the goal is to get it
29 done before that, and I could let Andy speak to timing, because,
30 really, that's in his wheelhouse, if you want more information,
31 and not mine. I will pause there. We're good? Okay.

32
33 Amendment 54, that's the greater amberjack case, and the challenge
34 was basically -- It was an Appointments Clause challenge, right,
35 and so it wasn't really to the underlying measures, but more
36 towards the constitutionality of the council system, and we had a
37 District Court decision in which we won, because the court upheld
38 the rule, but the court did find a constitutional problem with the
39 way that council members are appointed.

40
41 That went to the 5th Circuit Court of Appeals, and we just had
42 arguments yesterday, which is why I stepped out of the room at ten
43 o'clock, and so it is now with that panel, the three-judge panel.
44 They heard the argument, and you can listen to it online if you
45 want to, and the recordings are saved. It was fairly interesting,
46 and they had some questions for both sides. There is no way for

1 me to predict what they're going to do, or how long it's going to
2 take them to do it.

3
4 As I mentioned before, there is also a case pending in the 3rd
5 Circuit, on the same issue, and there is another case pending in
6 the District Court in the 1st District, in Maine, on the same issue,
7 and then that leads to my third update, which is Amendment 56, and
8 we recently got a lawsuit on that.

9
10 It is, again, an Appointments Clause challenge, and so it's not
11 related to the underlying action. That was filed in Alabama, and
12 so that's the 11th Circuit, and so I think you see the pattern
13 here, is that there is an interest in litigating this idea of the
14 constitutionality of the council structure in various different
15 circuits, to try to get the decision that the plaintiffs are
16 interested in. In that one, we're just putting together the
17 administrative record, in answer to the complaint, and it was filed
18 maybe two weeks ago, and so I don't really have any updates on
19 that yet, and that's it.

20
21 **MR. ANSON:** Thank you for the update. Ms. Boggs.

22
23 **MS. SUSAN BOGGS:** So, on the red grouper, is that something that
24 the council will see before it goes back out, or is that just an
25 internal NMFS --

26
27 **MS. LEVY:** It's not going to come back to the council. It was a
28 remand to the agency to discuss the points raised in the court's
29 decision about the various analyses and the determinations with
30 consistency with a couple of the National Standards.

31
32 **MR. ANSON:** Any other questions? All right. Thank you, Ms. Levy.
33 We appreciate it. That will take us to Reef Fish. Dr. Frazer.

34
35 **CHAIRMAN TOM FRAZER:** All right. Thank you, Mr. Chairman, and so
36 we'll call to order the Reef Fish Management Committee. The first
37 item is the Adoption of the Agenda, and that's Tab B, Number 1 in
38 the briefing materials, and so is there any additions, or
39 modifications, to the agenda? Mr. Strelcheck.

40
41 **MR. ANDY STRELCHECK:** Under Other Business, I would like to add a
42 discussion of the greater amberjack recreational season.

43
44 **ADOPTION OF AGENDA AND APPROVAL OF APRIL 2024 MINUTES**
45 **ACTION GUIDE AND NEXT STEPS**
46

1 **CHAIRMAN FRAZER:** Okay. Thank you. We'll add that. Any other
2 additions or modifications to the agenda? Okay. Seeing none, can
3 I get a motion to adopt the agenda, as amended? Motion by Ed
4 Walker. Is there a second? It's seconded by C.J. Is there any
5 opposition? Seeing none, we'll consider the agenda, as modified,
6 adopted.

7
8 The next item on the agenda is the Approval of the April 2024
9 Minutes. That's Tab B, Number 2 in the briefing materials. Any
10 edits or modifications to those minutes? Not seeing any, and is
11 there any opposition to approving the minutes as written? Not
12 seeing any, and we'll consider the April 2024 minutes approved and
13 adopted.

14
15 The next item in the agenda is the Action Guide and Next Steps,
16 and that would be Tab B, Number 3, and we're going to start out
17 with doing this item-by-item, and so the first item is going to be
18 Reef Fish Amendment 60, and so, Dr. Diagne, if you want to go
19 through the action guide, that would be great.

20
21 **DISCUSSION: REEF FISH AMENDMENT 60: INDIVIDUAL FISHING QUOTA**
22 **PROGRAMMATIC DISTRIBUTIONAL ISSUES**

23
24 **DR. ASSANE DIAGNE:** Yes, and thank you, Mr. Chair. Good morning.
25 For this item, Reef Fish Amendment 60, staff will give a
26 presentation on this amendment, which is an action that considers
27 methods for distributing shares and annual allocations in our two
28 IFQ programs. The continued development of this action is
29 consistent with the motion that you passed in April, at the last
30 council meeting.

31
32 Essentially, that motion proposed a draft purpose and need, and it
33 also highlighted potential actions to be included in the amendment,
34 and so this amendment, Reef Fish 60, will address the sources of
35 IFQ shares and annual allocation to be distributed, and this would
36 include the shares held by NMFS through Amendment 36A, and that
37 would be one thing, the shares that would be recovered from
38 inactive accounts, as well as the shares, and annual allocations,
39 that would be reclaimed from shareholders who would not meet the
40 requirements that you may set in Reef Fish 59.

41
42 It would also consider the distribution of annual allocation of
43 future quota increases for, you know, one of the share categories
44 included in the IFQ programs.

45
46 We are going to discuss then the purpose and need, potential
47 actions, and that would include discussing an appeals process,
48 which is not an action, but that was something that you mentioned

1 in your motion, and so, as a committee, you should discuss the
2 information provided, suggest revisions and additions, as needed,
3 and recommend next steps. Thank you.

4
5 **CHAIRMAN FRAZER:** All right. Thank you, Dr. Diagne. Mr. Gill.

6
7 **MR. BOB GILL:** Thank you, Mr. Chairman. Before we get started on
8 Amendment 60, I would like to broach the concept of a vision for
9 the IFQ program, which we discussed very briefly at the April
10 meeting, and we did not get into detail on it, due to lack of time,
11 but I think it's appropriate that we consider it and see if we can
12 make progress on developing a vision for the IFQ program.

13
14 Before we start on that, I would like to discuss a little bit about
15 my concept of what a vision is, and, for one, it's aspirational.
16 It's a guiding star. It's out there in the future, and you never
17 get there, and it's never achievable.

18
19 It's not like a goal and objective that are achievable, but it's
20 out there, and that's where you're trying to ultimately get to,
21 but you will never get there, and it's also an umbrella, because
22 it sets the stage, and, if you will, the metric for what's okay to
23 be included in the program, and, if it's outside the vision, or it
24 conflict with the vision, then it's not appropriate, and so it
25 acts as a filter, in that regard, but it does provide a roadway
26 that keeps you focused on what you're trying to achieve long-term,
27 which we sometimes, or frequently in my case, lose sight of,
28 because of the hectic day-to-day business. Bernie, if you would
29 put up my IFQ vision motion, please.

30
31 What I have drafted here is a strawman for a vision, an approach,
32 that hopefully will engender good discussion, and consideration,
33 and it's likely to be modified, and that's fine, but I'm thinking
34 that having a vision for this program will help, both now in
35 addressing 59 and 60, and any future potential amendments relative
36 to the IFQ program, and it would be an important asset. I broke
37 it down, and I will read it. I have broken it down into two parts.

38
39 **The vision that I propose is -- The fishery vision part is a**
40 **cohesive commercial fishery - including a diverse range of**
41 **profitable small, medium, and large businesses and fishery trusts,**
42 **and I use that word instead of "allocation bank", and we can talk**
43 **about that a little bit more, because allocation bank is more**
44 **restrictive than a trust, but that maximizes access to and use of**
45 **available IFQ shares. The second part, the vision, is the process**
46 **side, and the process vision is a simple, automated, and**
47 **transparent process that ensures IFQ shares and allocation are**
48 **equitably distributed by NMFS to a defined user group, the impacts**

1 of which are measurable and evaluated over time.

2
3 This expresses my concept of what a vision could be, and it can be
4 something else, but I think -- I would also say, and perhaps staff
5 can correct me, but I'm not sure that the council has ever created
6 a vision. I don't recollect one in the last twenty years, but,
7 nevertheless, I think it's important for this program, as we go
8 through and try to decide what the future version of the IFQ
9 program should be, that this helps provide some focus, and it helps
10 in that process, and I offer it for consideration, Mr. Chairman.

11
12 **CHAIRMAN FRAZER:** Okay. Thank you, Mr. Gill. Before I ask for a
13 second, I'm thinking a little bit. I mean, typically, when I'm
14 trying to put together some type of a vision, it takes some time
15 to think about it, right, and so I'm a little bit reluctant to try
16 to actually move, or pass, a motion quickly here. Perhaps, you
17 know, give folks some time to reflect on this, and we can bring it
18 back at Full Council, and that's my opinion at the moment.

19
20 **MR. GILL:** Thank you, Mr. Chairman, and so I understand that. A
21 vision is what I would call a difficult prospect to deal with,
22 because it's kind of ephemeral, and it's out there, and it's hard
23 to get your arms around, but I think I would like to ask for a
24 second for this motion, to show that there's some willingness by
25 this committee to pass this on to the council, that, if we don't
26 do that, then it gets kind of lost in the dust, and, if we want to
27 delay discussion of it, and let it sink in, and council members
28 think about their reactions, their thoughts, improvements, thumbs-
29 down, whatever, and that's fine with me.

30
31 We don't have to discuss it at committee, but I do think we need
32 to think about it in a knowledgeable way prior to council, and so
33 I would ask that, if there is agreement with this, that there is
34 a second to that motion, so that it goes on the record.

35
36 **CHAIRMAN FRAZER:** I am going to -- I mean, if we get a second, are
37 we obligated, Carrie, to vote on that motion?

38
39 **MS. BOGGS:** Can't it be tabled? I'm sorry.

40
41 **CHAIRMAN FRAZER:** Susan.

42
43 **MS. SUSAN BOGGS:** I apologize, and I was trying to get your
44 attention, and that's why my mic was on, and so, first of all, I
45 was going to say a point of order, because we were discussing
46 something that hasn't been seconded, and so I was going to second
47 it, so that we could discuss it, but then, if we second the motion,
48 and we have a discussion, then we could table the motion until

1 Full Council, I think.

2

3 **CHAIRMAN FRAZER:** Yes, we certainly could do that, and so, Susan,
4 do you want to second this motion?

5

6 **MS. BOGGS:** Yes. I will second for discussion.

7

8 **CHAIRMAN FRAZER:** Okay, and so, I mean, I'm looking around the
9 table right now, right, and so, Bob, I appreciate you taking the
10 time, and the effort, to prepare this as a strawman, right, and at
11 least have it for discussion, and, again, my preference is to bring
12 it back, since you've introduced it here, and let people chew on
13 it a little bit, and so I want to look around the table though.
14 Mara.

15

16 **MS. LEVY:** Well, just a question, because, I mean, I think it would
17 be helpful to think about it, but I'm also just reading it, and so
18 maybe, if people have questions about anything about what you mean,
19 it might be helpful to ask those, and so I'm just going to ask
20 this.

21

22 The vision part, where it talks about including a diverse range of
23 small, medium, and large businesses and fishery trusts, and then
24 that maximizes access to and use of, and I guess I'm just -- I
25 guess I'm asking you to think about how those interplay, and so
26 like maximize access and use means, to me, getting the most amount
27 of people, maybe, but maybe that's not what your vision is, and
28 like I don't think that's what it is, is that you want to maximize
29 it, meaning that everybody gets to go, right, and so I guess I
30 would think about, when you're thinking about this, like what those
31 words mean, and how you would further expand on that, because some
32 of these terms of are kind of vague, and they can have various
33 meanings, and, if you aren't clear about what they mean in the
34 vision, then it's going to be harder to move down the road and
35 actually accomplish that.

36

37 **CHAIRMAN FRAZER:** Thanks, Mara. Any other thoughts? Ms. Boggs.

38

39 **MS. BOGGS:** Well, that's one of the reasons that I seconded the
40 motion, is for a little bit of discussion, and the discussion that
41 we've had at this table, many, many times, is what defines small,
42 medium, and large, because we can't even come up with a definition
43 for new entrants, and so I understand, or I think I understand,
44 where Bob is headed with this, and I do appreciate the forethought,
45 and I agree, Tom, with what you said.

46

47 I think this council needs time to process it, but that's one of
48 the things that I see, is you're going to have to define what is

1 a small, medium, and large business, and then what does "maximize"
2 mean? Is that people, or is that fish, or is that dollars, or is
3 that -- I mean, what are we maximizing?
4

5 So back to my comment about, you know, we can take this and table
6 it, Bob, if you're amenable to that, but, if we do that, and we
7 don't just vote it up or down, I would ask if there's a way that
8 we can get it emailed to us, so that we have it to be able to
9 process.

10
11 **CHAIRMAN FRAZER:** We can certainly ask staff to email this motion
12 to everybody. That would be fine. Mr. Strelcheck.

13
14 **MR. STRELCHECK:** Thanks, Mr. Chair. Bob, I really appreciate your
15 effort here, and I agree with Tom, and others, in terms of wanting
16 to chew on this, and think about this some more, and I would really
17 like to hear from others around the table, right, and I think we've
18 been misaligned with regard to what our vision is, and I think
19 that's what you're trying to accomplish here, right, and so your
20 point is well taken.

21
22 The pieces that I think maybe are embedded in this, but maybe not
23 fully apparent to me, right, are you talk about not only maximizing
24 access, but breaking down barriers to entry, and you talk about
25 fishery trusts, which is something that we haven't dealt with, or
26 wrestled with, yet, with some of the conversations that are going
27 to come up later today, and so dealing with those.

28
29 There's nothing really about sustainability and maximizing
30 harvest, but also minimizing waste, right, and so I don't want it
31 to turn into a vision that's everything and the kitchen sink, but
32 I think there's some other aspects to this that are related to
33 those broader goals and objectives that probably still can be
34 pulled into this vision.

35
36 **CHAIRMAN FRAZER:** To that point, Mr. Gill?

37
38 **MR. GILL:** Thank you, Mr. Chairman, and I agree, and the intent
39 that I have here is that we start that discussion, and this is the
40 first step. There is seventeen folks around this table, and some
41 of us won't be here the next time this is discussed, past the
42 Thursday meeting, but we need to start thinking about how to
43 construct that and address the issues, Andy, that you suggested,
44 and that Susan suggested.

45
46 I would argue that you don't want a vision that is overly complex,
47 and you don't want it ultra specific either, because it's a star
48 out there, and you can't define exactly what that thing looks like,

1 but, nevertheless, we need to start that discussion. This is
2 offered as a first step to start that discussion, and hopefully it
3 will be carried forward in the future. Thank you.

4
5 **CHAIRMAN FRAZER:** Is there any further discussion? Ms. Boggs.

6
7 **MS. BOGGS:** So I'll make a motion that we table this motion until
8 Full Council, to allow the council members to think about it
9 between now and then.

10
11 **CHAIRMAN FRAZER:** Okay, and so we have a motion on the board to
12 table the motion. Is there a second? It's seconded by Mr. Geeslin.
13 **Is there any opposition? Seeing none, the motion carries.** Assane,
14 if you want to move into Amendment 60, the presentation.

15
16 **DR. DIAGNE:** Yes, Mr. Chair. Thank you. In this presentation, in
17 terms of an outline, we are going to begin by reviewing the motion
18 that you approved at the last council meeting, and then we'll
19 discuss a draft purpose and need, briefly, and then we'll talk
20 about the proposed actions. Big picture, they will address
21 inactive accounts, shares held by the agency through 36A, future
22 quota increases, and, to finish, we'll just say a few words about
23 an appeals process.

24
25 This is the motion that the council approved in April, and,
26 essentially, it offers a draft purpose and need, and we will come
27 back to that on the next slide, and it also highlights actions, or
28 at least the topics that should be covered in those actions, and
29 those were what shares to redistribute, what annual allocation,
30 what methods, and to whom, and, finally, talk about an appeals
31 process, and so these are the issues that we will discuss also.

32
33 For the purpose and need, we have some strikethrough, and also a
34 little piece there in blue, and those are proposed additions or,
35 in this case, I guess deletions to the purpose and need. The
36 purpose would be, of this action, is to increase access and
37 opportunities to Gulf of Mexico IFQ programs by equitably
38 distributing IFQ shares and allocations held by NMFS, reclaimed
39 from inactive accounts, or accounts not meeting eligibility
40 requirements, and set-aside from future quota increases. The need
41 for this action is to address access barriers in the Gulf of Mexico
42 fisheries, and so I'm going to pause here, and this is the draft
43 purpose and need, to see if there are --

44
45 **CHAIRMAN FRAZER:** Thank you, Dr. Diagne, and so is there any
46 feedback on the purpose and need, as it's been modified since our
47 last meeting? Mr. Gill.

1 **MR. GILL:** Thank you, Mr. Chairman. I would recommend that, in
2 the purpose, where it says "and set-aside from future quota
3 increases", that we either insert "those set-aside from future
4 increases", or make it a plural and say "set-asides from future
5 increases".
6

7 **CHAIRMAN FRAZER:** Okay. Assane, how do you want to handle these
8 edits? Do you want to make them on the fly here?
9

10 **DR. DIAGNE:** Yes, and, for something this small, I think we have
11 the intent of it, and we'll just do it, and so the preference would
12 be to say then "and those set-aside", but which those? Is it
13 annual allocation, or IFQ, and that's part of the reason why we
14 didn't put it, and I don't know that putting an "s" would capture
15 the meaning. Just think about it as redistributing IFQ shares and
16 allocation that are held by NMFS and that are set aside, and so,
17 if you think about it like that, I think the wording is fine, but,
18 you know, I'm fine with putting an "s" too.
19

20 **CHAIRMAN FRAZER:** Mr. Gill.
21

22 **MR. GILL:** Thank you, Mr. Chairman, and so Assane and I have had
23 these discussions last week, and we have agreed to disagree.
24

25 **DR. DIAGNE:** We can't just a hyphen and put an "s", and so that
26 would be fine, and then it becomes essentially a noun, right?
27

28 **CHAIRMAN FRAZER:** All right. We will bring it back with a hyphen,
29 and see how we like that, at some point. Is there any other
30 further discussion on the purpose and need? Captain Walker.
31

32 **MR. ED WALKER:** Did we discuss adding that -- Why is highlighted,
33 the "set-aside from future quota increases"? That was added since
34 the last council meeting, correct, and so --
35

36 **DR. DIAGNE:** Yes, and I added it, or we added it, to the purpose
37 and need, because it was discussed in the motion, but the draft
38 purpose and need that was offered didn't explicitly have it in
39 there, and so that was an omission, if you would, and so that's
40 why I highlighted it in blue, to draw your attention to it, and
41 then, with your approval, then we will have it in.
42

43 **CHAIRMAN FRAZER:** Mr. Anson.
44

45 **MR. ANSON:** I don't recollect the conversation that prompted
46 creating the blue text here in the purpose, and so I guess how
47 would this -- I mean, how would this work, Dr. Diagne? I mean, if
48 the IFQ shares, and allocation, are essentially redistributed, the

1 accounts associated with those -- All of that goes away, and so
2 there's going to be no action related to those previous accounts,
3 or allocation, that would pertain to any future quota increases,
4 unless I'm just reading that wrong.

5
6 **DR. DIAGNE:** Perhaps, and, Bernie, please go back, a couple of
7 slides, to the council's motion. Yes, this one. You will see, in
8 Point Number 2, what allocation to redistribute, and something
9 that was included in your motion mentions quota increases, and so
10 this is the reason why, when we essentially rewrote the draft
11 purpose and need, we added that, because it is mentioned in the
12 actions, but it is not mentioned up top in the purpose, and so we
13 essentially just, you know, corrected, quote, unquote, the
14 omission. That's where it comes from, from your conversation,
15 but, as far as the working of this, if you would, you know, we
16 have proposed actions to deal with that, and that would be
17 potentially Action 3.

18
19 I mean, the gist of it is that, for future quota increases, using
20 a certain reference point, a base point, and let's say, for
21 example, today's quota, and you could say, well, we have an extra
22 million pounds, and you could decide to take 100 percent of that
23 million pounds, or 50 or 75 percent, and distribute it differently
24 to those that you would deem more deserving of that, and, that
25 being said, of course, because quota increases are temporary, you
26 would only distribute annual allocation, so that, when the quota
27 goes back down, there is nothing to distribute, and so that's a
28 general mechanism, but we will talk about it in more detail.

29
30 **CHAIRMAN FRAZER:** Ms. Boggs.

31
32 **MS. BOGGS:** Thank you, Mr. Chair. One of the things that I don't
33 like about the need -- It's not that I don't like the need, but
34 it's the wording of the need, and the word "barriers" -- I mean,
35 I was just thinking about if it just said the need for this action
36 is to address inequities in the access of IFQ fisheries in the
37 Gulf of Mexico, and I don't know, but "barriers", to me -- I just
38 don't like the word "barriers", and that's the comment.

39
40 **DR. DIAGNE:** I mean, we could certainly think about, you know, a
41 replacement for it, but, I mean, we stayed consistent with the
42 motion that you approved as a council, and so that we didn't touch,
43 but we could certainly think about, I mean, a more, I guess,
44 positive way of saying that, if you would.

45
46 **CHAIRMAN FRAZER:** Susan.

47
48 **MS. BOGGS:** Yes, and, I mean, I wasn't really prepared to make a

1 motion, and I think I have some language, but I'll bring it back
2 at Full Council, but I would like the council to think about it.
3 Barriers just seems like there's roadblock, and you can't get it,
4 and I don't think that's the case. I think there's some hurdles,
5 and I just feel like -- But I'll bring a motion back at Full
6 Council, but just kind of know that I'm thinking in that direction,
7 to where it's not so -- I don't know. Thank you.

8
9 **CHAIRMAN FRAZER:** So I guess what I'm thinking -- I mean, we could
10 certainly bring it back at Full Council, as a motion, or, Assane,
11 is there enough direction there to say, hey, the intent is to
12 create a more positive need, I mean, because it will come back as
13 another draft. I mean, the question is do you want to insert that
14 language at Full Council, or do you want the team to work on it
15 before we see it again?

16
17 **MS. BOGGS:** So I would just like to say that maybe the need for
18 this action is to address access -- To address inequities of access
19 to the IFQ fisheries in the Gulf of Mexico, and just something a
20 little -- I don't know, but that's what I would prefer to see,
21 something like that, if it delivers the same message.

22
23 **DR. DIAGNE:** We could certainly take it back to the IPT, I mean,
24 rather than just thinking about it now here, and then have folks
25 -- Somebody would have, I guess, you know, a suggestion to capture
26 that, if that's okay.

27
28 **CHAIRMAN FRAZER:** So I think we have a couple of options, Susan.
29 You can certainly think about it, and, if you want some specific
30 wording, we can bring it back at Full Council. In the absence of
31 that, we'll let the IPT, you know, ponder it a little bit, and
32 bring back some revised wording the next time we see it. Mr.
33 Anson.

34
35 **MR. ANSON:** Based on your response, Dr. Diagne, I would agree with
36 Mr. Gill that it should be "set asides".

37
38 **CHAIRMAN FRAZER:** Assane.

39
40 **DR. DIAGNE:** So putting an "s" definitely wins.

41
42 **CHAIRMAN FRAZER:** I was just going to say denied, and -- All right.
43 We can move on in the presentation.

44
45 **DR. DIAGNE:** Thank you. Share information, and this is just a
46 little bit of information that would be useful, you know, as we go
47 through the presentation, and one thing that we have to keep in
48 mind is that, within the IFQ system, the minimum shares that could

1 be shown, if you would, would be at the sixth decimal points, and
2 so 0.000001, and this would be the absolute smallest value that
3 you can represent, if you would, in terms of shares, and so just
4 general caveats is everything that we are going to discuss, you
5 know, moving forward, did not consider share caps, meaning, for
6 example, I would say things such as twenty accounts will receive
7 shares, but it may be that, in reality, it would be nineteen,
8 because one of those accounts, when we look deeper, would have
9 exceeded the share caps, had we given them those shares, and so
10 this is a preliminary analysis, and so it does not really account
11 for share caps.

12
13 It also does not, or did not, look at suspended accounts, the
14 permit status, or account activities, as in active versus inactive
15 accounts, and so the numbers, in general, that we are presenting
16 and discussing here are for illustrative purposes, quote, unquote,
17 and, you know, as the amendment progresses, we'll have the real
18 numbers, in terms of those that may or may not be affected by this.

19
20 Let's start with the first topic, dealing with inactive accounts,
21 and so, here, we have to deal with two things. We have the
22 definitions for them, and so what time of inactivity are we going
23 to consider, and then, also, how are we going to redistribute those
24 shares.

25
26 For the agency, I mean, the IFQ system, inactive accounts are
27 defined as having no allocation transfers or landings within a
28 year. We have to note that, from one year to the next, an account
29 can switch status, meaning that it can be inactive this year,
30 because nothing happened, and, in the following year, shares, or
31 allocation, are transferred, or landings happen, and so this is
32 not a fixed status.

33
34 In what we are going to discuss today, this is really backward-
35 looking, in terms of providing the numbers. By that, I mean that
36 we use 2023 as the terminal year, and, when we say inactive for
37 one year, we mean accounts that were inactive in 2023, and, when
38 we say inactive for two years, then that will be 2022 and 2023,
39 and so this backward-looking, and that's what we built on, just to
40 get an idea, but, in the amendment that we are going to develop,
41 the requirement, or the criteria, is going to be forward-looking,
42 and so from the date of implementation of the amendment, one year
43 out, or two years out.

44
45 We did not consider a single year of activity, out of providing
46 flexibility, because there are many reasons for one to have an
47 inactive account for a year, problems with the vessel, health
48 issues, and so forth, and so the options that we are going to look

1 at shortly would be two, three, and four years.

2
3 This action here would reclaim shares from inactive accounts, and
4 we have already defined the inactivity, and we have here four
5 alternatives, starting with a status quo, no action, which would
6 not reclaim shares due to inactivity, and we have three
7 alternatives, which would consider various time periods of
8 inactivity, ranging from two to four, and Alternative 3 being three
9 consecutive years, and so from implementation, two consecutive
10 years, with no movement at all, then the agency will reclaim the
11 shares, and so on and so forth. I will pause here, or I can
12 continue.

13
14 **CHAIRMAN FRAZER:** Is there any questions on the reclaiming shares
15 slide? Okay. I'm not seeing any, Assane.

16
17 **DR. DIAGNE:** All right. Thank you. Then these tables would
18 illustrate what would happen had we looked backward and done this,
19 right, for two, three, and four years, and for all of the share
20 categories, and we would see that -- I am going to go into red
21 snapper as an example. If the period of inactivity were to be set
22 at two years, twenty-three accounts would be affected, and,
23 obviously, the number of accounts would decrease the longer the
24 period of inactivity to be considered, and that would go to twenty
25 if we went to four years, and we have various numbers here.

26
27 Looking at red grouper and gag, that's where we would presumably
28 have the largest number of inactive accounts, ranging from 166 to
29 129 for the two and four years for red grouper, or 149 to 129 for
30 gag, and shallow-water grouper also, and we start at 159, and end
31 up with 125, accounts.

32
33 What would be reclaimed from those accounts? We have, in the table
34 on the top-right, the amount to be reclaimed in shares, and on the
35 bottom table is the equivalent pounds that would have been
36 reclaimed, and so, again, in terms of the shares, as well as the
37 poundage, the numbers would decrease as you increase the lengths
38 of inactivity, and that's to be expected, and I will just take one
39 example here, and not to read all of these zeroes, for red snapper.

40
41 At the two-year mark, 0.08 percent would have been reclaimed, and,
42 at the four-year mark, 0.07 would have been reclaimed. Translating
43 that into equivalent pounds, for red snapper, that would 6,044
44 pounds, and, at the five-year mark, 5,265 pounds. Just here, as
45 a comparison, when we have the poundage, we also added the shares
46 held by NMFS, just to see the order of magnitude.

47
48 The short of it is, in general, the shares reclaimed from

1 inactivity would be greater than what it is that the agency already
2 holds, in general, and it is not really true for red snapper, and
3 they are comparable, and, you know, five-thousand-two-hundred-and-
4 some, and 5,500, but, by and large, for everything else, the shares
5 reclaimed due to inactivity would be a larger amount, when it comes
6 to poundage, than what the agency already holds, which is really,
7 in some cases, minute, and we will discuss that.

8
9 **CHAIRMAN FRAZER:** I think we have a question. Ed, did you have a
10 question?

11
12 **MR. WALKER:** Yes. Thank you, Mr. Chair, and so there is -- I'm
13 looking at this, and there's 149 inactive accounts with gag,
14 correct, in the two-year period.

15
16 **DR. DIAGNE:** Yes.

17
18 **MR. WALKER:** That amounts to 5,600 pounds, and so that's like a
19 thirty-four-pound average, and do a lot of these have like just
20 two pounds of gag sitting in the account, or something like that,
21 if it's just a thirty-pound average?

22
23 **DR. DIAGNE:** I do not know. I mean, some of these accounts probably
24 have a zero.

25
26 **MR. WALKER:** Or a fractional amount or something.

27
28 **DR. DIAGNE:** Yes, but Dr. Stephen is on the line, and we could ask
29 her if she knows.

30
31 **CHAIRMAN FRAZER:** One of things that was interesting, when I looked
32 at this slide, is, I mean, that's about a third of the accounts
33 are inactive, right, and, for the red snapper, it's a little less
34 than I think 10 percent, or something like that, and so there's a
35 big difference there. Ed.

36
37 **MR. WALKER:** So inactive accounts -- They would -- I thought about
38 this the other day, and so I have some, and we call it a scamp
39 account, shallow-water, and I haven't fished for those in about
40 three years. I fish in the reef fish fishery, and I just haven't
41 fished for scamp for a while, and is an inactive account defined
42 as across all species, or is it by species, because, on paper, I
43 haven't used any scamp in three years, but I am an active
44 participant in the commercial fishery, and so would my allocation,
45 and shares, that I don't use, if I haven't caught any in three
46 years, go into an inactive account?

47
48 **DR. DIAGNE:** Yes, and this here is specific by share category, and

1 so, if you have let's say deepwater grouper shares, and no
2 allocation transfers, no landings, of deepwater grouper, those are
3 in here.

4
5 **CHAIRMAN FRAZER:** Ed.

6
7 **MR. WALKER:** But is that how we're going to manage this, or is it
8 a whole account that hasn't done anything at all in any species
9 that we're targeting here? That, to me, would make more sense,
10 and I think that's where we're going with this, and am I right?

11
12 **DR. DIAGNE:** That's a decision that, as a committee, you have to
13 make. You could say that, well, if let's say an individual has
14 let's say deepwater grouper shares and red grouper, do not reclaim
15 the deepwater grouper shares if landings in red grouper were
16 available, meaning, if you land something else -- Because it's the
17 same account, right, and you have a series, a portfolio, of shares.
18 That is a decision that you guys have to make, and this just shows
19 you what would happen if you reclaimed the shares, let's say
20 deepwater grouper shares, that are in an account that did not, you
21 know, do transfers or land any deepwater grouper.

22
23 **CHAIRMAN FRAZER:** Mr. Strelcheck.

24
25 **MR. STRELCHECK:** I wanted to acknowledge Dr. Stephen has her hand
26 up, but I will say that, typically, and not all the cases, you
27 know, people have inactive shares throughout their entire account,
28 right, and it's not necessarily all the accounts though.

29
30 **CHAIRMAN FRAZER:** Dr. Stephen.

31
32 **DR. JESSICA STEPHEN:** I just wanted to expand on that as well, is
33 that I do the analysis by the share category, so you can see how
34 much is in there, but, typically, when we have someone inactive,
35 then, most likely, an account has actually already been suspended
36 to that point, for failure to provide us with information, and, in
37 that case, it is then, you know, inactive across everything that
38 they're doing, but these numbers were generated by the inactivity
39 by share category.

40
41 **CHAIRMAN FRAZER:** Okay. Thank you, Dr. Stephen. Ms. Boggs.

42
43 **MS. BOGGS:** So it would seem to me, and this is probably premature,
44 until we get through the document, but my understanding is, the
45 way that the commercial IFQ was created, it was to provide
46 stability, if you will, and so, in Ed's case, and I'm going to
47 pick on Ed, if you've got scamp, and you didn't land them for the
48 last two years, is it because the market was down, and so you're

1 holding those scamp until the market for scamp goes up, or -- I
2 mean, I'm just throwing this theory out there, and so why would
3 you reclaim those shares, when he is an active fisherman in the
4 commercial fishery, and he has an account?

5
6 I mean, I think, if there's been any activity in that account,
7 within any species, that is an active account. There may be a
8 reason they're not catching those fish, and, I mean, I'm trying to
9 think my way through this and why you would pick and choose,
10 because that's where I think the council is going to get in
11 trouble, when you start picking and choosing, and so I guess I
12 need a better understanding, and that may be a bad example, and
13 so, Ed, if you can help me, but just -- Dr. Diagne.

14
15 **CHAIRMAN FRAZER:** Let's go to Assane and then Ed.

16
17 **DR. DIAGNE:** Yes, and, Ms. Boggs and Captain Walker, I agree with
18 the points that you made, and, as Dr. Stephen mentioned, this
19 analysis was done at the share-category level, but, hearing what
20 you are talking about here, obviously -- I mean, going forward in
21 the amendment, and let's assume that these were the numbers, then,
22 after you generate eighty-three accounts that are deemed inactive
23 in deepwater grouper shares, then you would go back and say which
24 one of these accounts has landed anything else and subtract those
25 accounts from this analysis, or which one of these accounts has
26 transferred anything else, or meaning which one of these accounts
27 was active in some capacity during that time period, so that we
28 could exclude those from this, and that would be the final numbers.

29
30 Again, these are preliminary numbers that were generated just to
31 give you an idea of the magnitude that would have been reclaimed
32 had we looked backwards, and so not only are we going to look
33 forward in the amendment from the date of implementation, but we
34 are going to make it explicit that, if you are -- I guess your
35 shares are only going to be reclaimed if you are inactive in all
36 six share categories, meaning the five in the grouper-tilefish and
37 red snapper, meaning you are really not participating for two,
38 three, or four years.

39
40 **CHAIRMAN FRAZER:** Okay. We've got a number of folks. Susan, do
41 you want to go back to that point?

42
43 **MS. BOGGS:** So I want to make sure that I followed, and so that's
44 going to be an option, correct, or you're saying that's how it's
45 going to be, and I guess I'm a little confused, and I apologize.

46
47 **DR. DIAGNE:** Yes, and, I mean, this is preliminary by share
48 category, and we put it there, and, if you want to have both, we

1 can have it as also the options, but what I'm hearing here is what
2 makes sense is to not reclaim shares if there is any activity,
3 right, and so then that's the direction we are going to go, and
4 so, if you have red snapper landings, and nothing else, the
5 remaining five share categories, you are going to keep your shares,
6 because that's what I hear here as your intent, and so that's the
7 direction we're going to go.

8
9 **CHAIRMAN FRAZER:** All right. We're going to get some more
10 discussion around the table. We'll first go to Ed, and then,
11 Jessica, do you still have your hand up, or is that an old hand?

12
13 **DR. STEPHEN:** That is an old hand.

14
15 **CHAIRMAN FRAZER:** Okay, and so we'll go to Ed, Andy, and then
16 Kevin.

17
18 **MR. WALKER:** Thank you, Dr. Diagne. I thought that's where we
19 were, but I just wanted to clarify, and that's just for
20 demonstration, or illustration, if you will, and I looked at what
21 we have defined as inactive accounts, and it's no allocation
22 transfers or landings within a year, and so no allocation
23 transfers, to me, would go across species, and stuff like that,
24 but we can probably move on from this. I've got a handle on it
25 now.

26
27 **CHAIRMAN FRAZER:** Mr. Strelcheck.

28
29 **MR. STRELCHECK:** So good conversation. I mean, I think we need to
30 look at both options, right, you know, inactivity across an entire
31 account, but also within a single shareholding. You know, I hear
32 what you're saying, Ed, but I also think that, you know, this comes
33 back to the vision, and how we started, right, and what are we
34 trying to accomplish here, and are we really wanting people to sit
35 on shares, and allocation, that aren't being used, versus
36 distribute that, and create that access, right, that is essentially
37 limiting others from participation in the fishery. Maybe that's
38 not what we want as our vision, but I think we need to at least
39 frame it in a way that considers, obviously, utilization of the
40 shareholdings and allocation.

41
42 **CHAIRMAN FRAZER:** Thanks, Andy. Mr. Anson.

43
44 **MR. ANSON:** Andy essentially said what I was going to say, is that,
45 I mean, if our intent is to try to provide these shares, or
46 allocation, that are not being used, in order to make the fishery
47 more efficient, and utilizing the resource that's available, then
48 we ought to have options that allow us to have access to those,

1 and so I would say, as Andy said, at least keep that as an option
2 in here going forward, is that we look at it both ways, as to
3 whether, you know, other species are being used, but others are
4 not, but also having a chance to look at those that are not being
5 harvested.

6
7 I can understand if, you know, there's hardship, or something,
8 but, if a person is on the water, and they have those shares, and
9 the allocation to use them, then they ought to be using them,
10 unless the fish aren't there, but, if they're on the water, they
11 should be there, and so --

12
13 **CHAIRMAN FRAZER:** Okay. Thanks, Kevin. Again, I think this
14 discussion will help inform the vision, and so it's useful. Mara.
15

16 **MS. LEVY:** I would just suggest, and we can talk about this at the
17 IPT level, is sort of the nomenclature we're using, because --
18 Talking about inactive accounts seems imprecise, if you're going
19 to include inactive share categories within the account, and so I
20 just think we need to be a lot more specific, and clear, about
21 what we mean when we shorthand things, or refer to things, and,
22 depending on what you decide to do here, we can be more precise in
23 the descriptions of these things.

24
25 **CHAIRMAN FRAZER:** All right. Thank you. Dr. Diagne, I think we'll
26 move forward.

27
28 **DR. DIAGNE:** Thank you, Mr. Chair. This action here will deal
29 with the methods of distribution of those reclaimed shares from
30 inactive accounts. We have a status quo, which would not
31 distribute the IFQ shares reclaimed from these inactive accounts,
32 and we have three alternatives.

33
34 Alternative 2 would distribute the reclaimed shares based on the
35 share percentages owned, or held, by an existing shareholder
36 account. Obviously, that would exclude inactive accounts, right,
37 and we would have to weed them out. Alternative 3 would
38 distribute, but based on inverse share percentages, and
39 Alternative 4 would distribute each share category equally amongst
40 existing shareholders, and, of course, in all of these, we would
41 exclude inactive accounts.

42
43 Here, distributing using share percentages, and that is what we
44 typically do, right, and we just look at the holdings on record,
45 and we give folks -- So this would, I guess, perpetuate the system
46 that we have, by giving more to those that already have the most,
47 right, but, if we consider an inverse share percentage, then we
48 are going to give most of the shares to those that have the least,

1 and then that would help, you know, balance, or, quote, unquote,
2 improve at least, access to those that have the least amount of
3 shares.

4
5 Distributing equally would also help the folks that own smaller
6 amounts, because they are going to get the same as everyone else,
7 and so, depending on where we would place the emphasis, then the
8 inverse share percentage would give the most to those that have
9 the least, followed by equally distributing, and, finally, the
10 proportional distribution, based on shares, which is what we
11 typically do.

12
13 **CHAIRMAN FRAZER:** Captain Walker and then Ms. Boggs.

14
15 **MR. WALKER:** So, to me, this kind of brings back -- I have a little
16 hesitation to changing the purpose to including allocation
17 increases, because -- I think I'm okay with, you know, distributing
18 the shares that are held, the small amount of shares, to the people
19 who need them the most at the bottom, and most of the big
20 shareholder guys that I've spoken with are also onboard with that.

21
22 It's different when we're talking about allocation increases, and
23 that's going to be a large amount, and we're kind of talking about
24 them -- I think we're talking about them in the same terms now,
25 and so probably, in Full Council, I'm going to have some questions
26 about that addition to that, because distributing shares and
27 distributing allocation are a very, very different thing, and
28 reclaimed allocation could be, you know, hundreds of thousands of
29 pounds, and, to me, that's a pretty big different argument.

30
31 You know, the gag has been reduced this year by 80 percent, and
32 so, when they give that 80 percent -- If we ever get back to where
33 we were, they get 50 percent back over five years, and that's --
34 Would that be considered an increase? You know, that's a different
35 discussion than what we're talking about now, to me, and that's
36 why I'm not entirely comfortable blending the two together in this
37 discussion,

38
39 **CHAIRMAN FRAZER:** Dr. Diagne.

40
41 **DR. DIAGNE:** Yes, Mr. Walker, and I appreciate the concern, but
42 please bear with us. We have a specific action that would deal
43 with that, the quota increases and, you know, the method of
44 distribution for those increases.

45
46 **CHAIRMAN FRAZER:** Ms. Boggs.

47
48 **MS. BOGGS:** (Ms. Boggs' comment is not audible on the recording.)

1
2 **CHAIRMAN FRAZER:** Okay. Dr. Diagne, I have a question, and so,
3 essentially, that Alternative 3, hypothetically, right, if you
4 were to let this run out for a really extended period of time,
5 when you get to that inverse share percentage, it's forcing all of
6 the shareholders to actually have the same, right, and, I mean,
7 you would end up at equality.

8
9 **DR. DIAGNE:** Well, because reclaimed shares from inactive accounts
10 are really small, compared to the quota, I mean, it's going to
11 help, but it's certainly not going to go all the way. If you had
12 a very, very large, I guess, amount here, then, yes, that would do
13 that, but, given the amount we are talking about, if we are held
14 to those on the lower level, quote, unquote, they will not really
15 reach that level.

16
17 **CHAIRMAN FRAZER:** Yes, and I appreciate that, and I guess,
18 conceptually, what I was trying to get at is, you know, what's
19 optimal, right, and is an equal number of shares the end goal, and
20 I realize that we're not going to get there, but underlying that
21 approach is the philosophy that we would be moving in that
22 direction, and that's what we're trying to optimize, and so that's
23 what I'm understanding. Okay. Thank you. Mr. Strelcheck.

24
25 **MR. STRELCHECK:** I have some other ideas here, and so, one, we
26 need to be clear, right, that we wouldn't be distributing to anyone
27 that hits the share cap, right, and that's obvious. We don't have
28 allocation-only holders, as a way of distributing shareholdings
29 to, and I think we need to consider that, and we're essentially
30 just saying, you know, distributing to the existing shareholders,
31 and then, based on kind of what we were talking about previously
32 about reclaiming shares, we, obviously, don't want to be
33 distributing to inactive or suspended accounts either, right, and
34 so avoiding that, because that's just doubling our problem,
35 essentially, and we're going to have to take it back to reclaim it
36 anyway.

37
38 The other comment would be there is, to me, a number of different
39 iterations of combining these alternatives that could be
40 considered, and I would probably want to talk to Mara, and the
41 IPT, about kind of how we deal with fairness and equity
42 considerations, but, for example, right, do we want to distribute
43 shareholdings to I will say the smallest shareholders, however
44 that is defined, right, and anyone that falls above that threshold
45 wouldn't be receiving, you know, the redistribution, and so I don't
46 have all the alternatives kind of laid out kind of in my mind, in
47 terms of what that could look like, but I think we probably do
48 need to think about that a little more carefully, because we don't

1 have a large amount to redistribute in the first place, and, the
2 more that we include in the redistribution, the smaller the
3 shareholdings are going to be for those that receive it.

4
5 **CHAIRMAN FRAZER:** Dr. Diagne.

6
7 **DR. DIAGNE:** Yes, absolutely, and, with the flexibility at the IPT
8 level, we are going to look at those combinations, and maybe even
9 think about more, quote, unquote, creative approaches, such as a
10 random distribution among a selected pool of, you know, small
11 shareholders, based on criteria that we would define, for example,
12 because, as you said, some of these amounts are really, really
13 very small.

14
15 **CHAIRMAN FRAZER:** Okay. We can move on.

16
17 **DR. DIAGNE:** Thank you. The next, I guess, topic would be dealing
18 with shares that are held by the agency, and these shares were
19 withheld through Amendment 36A. The shares are already available,
20 obviously, and so the action here is going to deal with
21 distribution methods, and so the distribution methods that we have
22 here mirror what we just discussed, and this will be expanded based
23 on the comments that we are hearing, but, for the time being, what
24 we have would be an equal distribution, or based on existing share
25 percentages, and, finally, based on inverse share percentages.

26
27 These are the amounts held by the agency, both in share percentages
28 as well as in equivalent pounds, based on the 2024 quotas, and we
29 can see here, and I will just pick a few of them, that, for
30 deepwater grouper, it amounts to 291 pounds. For gag, it's 268,
31 and, for tilefish, it's 321 pounds. That is really, really small,
32 right, and we have what would represent one pound of fish for these
33 respective share categories. I'm going to pick the one with the
34 least zeroes, and, for example, shallow-water grouper would be
35 0.00019, and so on.

36
37 If you were to distribute this equally, this is what we would get,
38 and so here we could perhaps look at the accounts that are going
39 to receive shares, and I'm going to just pick deepwater grouper as
40 an example, being the top of this table, and 318 accounts would be
41 receiving shares.

42
43 Now, if you remember that, let's say, the minimum, in terms of
44 shares, that we can get would be up to six decimal points, some of
45 these accounts, although on paper would receive a percentage, but
46 that would be negligible, and so they would not be receiving any
47 pounds, and that explains why, when you move from accounts
48 receiving shares to those receiving pounds, you see a smaller

1 number, and so we would go from 318 to 294 accounts.

2
3 We will see the same thing across-the-board, but, in some cases,
4 and if you look at red snapper, because the amount is more
5 substantial, meaning 5,576, anyone who receives shares would
6 receive at least one pound of fish, by the time it is distributed.
7 We have, you know, the approximate distributions here, this one
8 being the equal distributions slides.

9
10 If we were to do what is typically done, and so distributing it
11 proportionally, based on the ownership on record, and, I mean,
12 this would be the formula, essentially, the share that an
13 individual owns, in percentage times what it is that the agency
14 has withheld, and we have the different share categories, and we
15 can look at the accounts that would be receiving pounds and the
16 accounts that would be receiving shares, and look at it actually
17 in that reverse order, starting with the accounts that would be
18 receiving shares.

19
20 For deepwater grouper, about 238 accounts would be receiving
21 shares, but the majority of those would receive such a small
22 percentage that they would receive nothing, and so that translates
23 into seventy-seven accounts only that would be receiving actual
24 pounds, and the maximum amount that could be received for deepwater
25 grouper would be forty-two pounds.

26
27 At the other extreme, if we look at red snapper 335 accounts have
28 shares. 309 of those would be receiving additional shares from
29 this distribution, but those receiving pounds would be 219, and
30 the maximum distribution here would be 282 pounds.

31
32 If we were to distribute this based on inversely proportional
33 distribution, then you would first compute the inverse shares by
34 doing one over the shares held by, you know, I guess, a particular
35 Shareholder A, and then you would distribute these shares by
36 multiplying the shares held by NMFS by a factor, and this factor
37 would be essentially the inverse shares divided by the sum of
38 inverse shares.

39
40 Here, most of what the agency holds is going to be given to those
41 that have the least, and the accounts receiving shares would be
42 160, but those receiving pounds would be twenty-eight, and I am,
43 again, using deepwater grouper as an example, and these twenty-
44 eight are going to be twenty-eight of the smallest shareholders,
45 and the maximum received would be seventy-nine, and then it will
46 go down from there. I will stop.

47
48 **CHAIRMAN FRAZER:** Dr. Banks.

1
2 **DR. KESLEY BANKS:** I think I have a clarifying question, and maybe
3 I missed it, and so, if we do the inverse -- Actually, any of
4 these, with the smallest shareholders, are we saying they have to
5 have some percentage first, because a lot of these are going to
6 have zero, right, and that's the smallest, and so are we saying
7 you already have to have some, or is zero the smallest, because
8 maybe they're not fishing for that species, and like how are we
9 deciding that, I guess?
10
11 **DR. DIAGNE:** Yes, and that's a very good point, because the inverse
12 of, you know, zero percent would be infinity, right, and so that
13 is something that we haven't addressed yet, and so, to the extent
14 that they need to be included, essentially, they could be assigned
15 an inverse share of 100, or of, you know, the highest possible
16 there, and then, you know, be factored into this, but we are going
17 to come with, quote, unquote, a proposal, when we go, you know,
18 take out the related accounts and really drill down on the number
19 of accounts that we have, and then we are going to assign a weight,
20 if you would, to those that have zeroes.
21
22 **CHAIRMAN FRAZER:** Kesley.
23
24 **DR. BANKS:** So, for example, red grouper is not that common in
25 Texas, and people fishing in Texas may not want red grouper, and
26 so are they going to have to apply for a certain species that they
27 want? Like I'm trying to figure out how these accounts are going
28 to get identified, because not everybody is going to want to fish
29 for all of those species.
30
31 **CHAIRMAN FRAZER:** Dr. Diagne.
32
33 **DR. DIAGNE:** Yes, and one of the things that we discussed at the
34 IPT would be to make the distributions only for those accounts who
35 actually land the particular species, and so that would also take
36 care of not giving say red grouper to folks in Texas. That could
37 be one of the options there, and look at this by share category,
38 and say have an inverse distribution in some accounts that land
39 the species.
40
41 **DR. BANKS:** So new entrants that want to get into the fishery would
42 have to have a lease history now to get quota, in this scenario?
43
44 **CHAIRMAN FRAZER:** Dr. Diagne.
45
46 **DR. DIAGNE:** We are going to talk about new entrants more maybe in
47 59, in some of the requirements, but someone that hasn't entered
48 yet, obviously, by the time we redistribute, would not be in the

1 picture, but, for example, in the activity requirements that we
2 are considering in 59, the new entrants were part of the
3 consideration in the way in which the alternatives were written.

4
5 **CHAIRMAN FRAZER:** I was thinking about that too, Kesley, right, I
6 mean, and, I guess to Andy's point, there's a large universe out
7 there. There's some really small shareholders, right, and then
8 those that don't have any shares at all, but they still have a
9 permit, and so this doesn't address that subcomponent. Ed.

10
11 **MR. WALKER:** I had similar questions to Dr. Banks there, but I
12 think we can define that, and I think landings is probably the key
13 thing, because there is guys that don't own any shares that lease
14 shares and still fish, and so, if a guy landed some of that
15 particular species, whether he owned it or he leased it, he's a
16 participant in that fishery, and I think those are the guys we're
17 trying to help out, but definitely, you know, as Dr. Banks said,
18 you don't want to give red grouper to a guy in Texas, who is not
19 even going to use it, and so we can define that, and I don't think
20 that will be a big deal.

21
22 **CHAIRMAN FRAZER:** So I'm thinking, Assane, as this goes back to
23 the IPT, right, and I was looking at the action schedule earlier,
24 and this particular document is supposed to come back in August,
25 right, and then a public hearing draft in November, and that's
26 what I saw on the action schedule, and that seems a bit aggressive,
27 to incorporate this type of a change, and I just want to know if
28 you have enough information and if you can incorporate that into
29 the next draft that we might see.

30
31 **DR. DIAGNE:** Yes, and, for the next draft, it would be best, for
32 these actions to come back in November, and I think this was the
33 original action guide, but, you know, given what we need to do,
34 and also some of the analysis that would be completed, it would be
35 best for us to shoot for November, to bring both this and 59 back.

36
37 **CHAIRMAN FRAZER:** Okay. We can circle back at the end of this on
38 that, but Mr. Geeslin.

39
40 **MR. GEESLIN:** Thank you, Mr. Chair, and I'm trying to wrap my head
41 around the math here, and I just want to clarify and really
42 understand what this means, as we start, at least in this proposal,
43 redistribution. If you take the max pounds, on that far column,
44 the max pounds distributed, divided by the accounts receiving the
45 pounds, that gives you the number of pounds distributed to each
46 account, and is that correct?

47
48 So, for example, deepwater grouper, that first one, you've got

1 seventy-nine pounds to be distributed over twenty-eight accounts,
2 and that would mean 2.8 pounds per account, and is that correct?

3
4 **DR. DIAGNE:** Not exactly, and so, for deepwater grouper, the pound
5 equivalents that are held by the agency would be 291 pounds, and
6 we have the number in shares there. That is what is to be
7 distributed, and so, if you take those 291 pounds, and you
8 distribute them based on inverse proportion of share held, and I'm
9 going to call it, quote, unquote, the winner, or the highest
10 recipient, is going to receive seventy-one pounds, and that's just
11 the maximum, and it goes downhill from there, all the way down to
12 one pound, and this is just to give you an idea of essentially the
13 magnitude of, you know, the largest amount.

14
15 **MR. GEESLIN:** Thanks for that, Assane. I do now follow you, and
16 I think it may be helpful to also see the range there of a minimum
17 pound, a minimum pound distributed, just so we can see, you know,
18 what that really looks like and the percentage associated with
19 that range of distribution.

20
21 **DR. DIAGNE:** Yes, understood, and the minimum is going to be one
22 pound, essentially, and you have some folks that would have a
23 percentage, but it will be so small that they are going to receive
24 zero, and, therefore, we have the difference in the number of
25 accounts.

26
27 **CHAIRMAN FRAZER:** Dr. Banks.

28
29 **DR. BANKS:** I think Jessica has her hand up too, and so she might
30 be able to answer this, but are we discussing giving these shares
31 or selling these shares, and what does that mechanism look like?
32 Have we discussed that?

33
34 **CHAIRMAN FRAZER:** Dr. Diagne.

35
36 **DR. DIAGNE:** These are distribution, and I don't think that the
37 agency sells shares, and so this is just a distribution. We are
38 going to give it out as, you know, shares are distributed.

39
40 **CHAIRMAN FRAZER:** Dr. Stephen.

41
42 **DR. STEPHEN:** Thank you. Assane did a great job of explaining how
43 this one works, and so, just to kind of clarify, sometimes somebody
44 will receive zero pounds, and, as you can see, the accounts that
45 receive shares under this scenario is less than the accounts that
46 have shares, and that's because, when you're doing the inverse
47 distribution, you're starting out where you're giving out the most,
48 and then you kind of run out of shares, and you run out of pounds

1 then to be given out.

2

3 The max pounds distributed could actually be more than one account
4 can obtain that maximum amount, and so take red snapper. The 1,929
5 pounds, I actually looked into that, and there were two accounts
6 that would have received that in my initial analysis, which had
7 all the caveats that Assane mentioned. One of those accounts
8 actually was inactive, and so that's why we had the additional
9 discussion that we want to kind of consider the inactive accounts
10 before we distribute anything, so that we're not redistributing to
11 accounts that have been inactive.

12

13 Then the other account, I think, was only transferring allocation,
14 and so the discussion about landings plays into this, and this is
15 just to give you a feel for how some of the different scenarios
16 work, to start the discussions.

17

18 **CHAIRMAN FRAZER:** Any further questions on this slide? I am not
19 seeing, but, Dr. Diagne, what I would say is I was just noticing,
20 when you were going through this Action 2, and then thinking back
21 to Action 1.2, right, they're essentially the same alternatives,
22 right, and so I would at least keep them consistent, the way that
23 you laid them out, and they're kind of reversed right, and so for
24 consistency in the document.

25

26 **DR. DIAGNE:** All right. Thank you. To wrap up, I guess, these
27 two issues, the final table here just shows us, you know, the
28 number of accounts that would be receiving shares for the different
29 methods of distributions, from equal to proportional distribution,
30 which we typically do, to inversely proportional, which would give
31 the most to those that have, you know, the least, and we see that
32 the number of accounts would be smallest, if we were to do the
33 inversely proportional, because we would run out of pounds, right,
34 by giving to the smallest one, and the large shareholders would
35 receive nothing, and so they would be excluded.

36

37 Equal distribution, and proportional, a large amount would get
38 some, under proportional, and, for equal, everybody would receive
39 the same thing, and so that's the largest number, and then it gets
40 smaller from there.

41

42 As far as the accounts receiving pounds, you would see the same
43 trends, but with smaller numbers, remembering that accounts that
44 receive pounds are smaller than those that receive shares, by
45 virtue of, you know, the cutoff in terms of the share percentages,
46 and running out of pounds to distribute. Here again, and, I mean,
47 this was just added for context, showing the share percentages for
48 the three methods of distributions, but we already talked about

1 this on the previous slides.

2
3 The same for the poundage, and this is just compiled information
4 from the previous slides, showing the equal distribution and the
5 proportional and the inverse proportional. Now we can move on to
6 discuss --

7
8 **CHAIRMAN FRAZER:** Mr. Strelcheck.

9
10 **MR. STRELCHECK:** Sorry, Assane, to interrupt, and so, before we
11 move on, I just wanted to verify that this would be -- If we,
12 obviously, approved this, and moved forward, this would be a
13 continual process that NMFS would have available, either on an
14 annual basis, or some other period basis that the council
15 specifies, and is that correct?

16
17 **DR. DIAGNE:** Yes, you are correct. I mean, I assume that you are
18 referring to reclaiming shares from inactive accounts.

19
20 **MR. STRELCHECK:** Right, and I just don't want to be in a situation
21 like we've been in for the last five or six years, and have NMFS-
22 held shares, but not have any way to redistribute them, and so
23 this would set that up and have a mechanism for us to do that.

24
25 **DR. DIAGNE:** Yes, absolutely, and that will be, let's say, if you
26 pick two years, on a rolling basis, and for the agency to just
27 take that and distribute it. Absolutely.

28
29 Now we can discuss the two actions that we have for future quota
30 increases, and so, to deal with that, first, the way the actions
31 are structured, the quota increase is going to be set aside, and
32 then distributed, and so the first decision point how much of the
33 quota increase should be set aside for distribution, and the three
34 alternatives here would take the entirety of the quota increase,
35 meaning the entirety of the amount above let's say the 2024 quota
36 and set it aside, and so 100 percent, or 75 percent, or 50 percent,
37 and these are just for your consideration.

38
39 If you think we should include other percentages, we could, but
40 let's say we picked Alternative 4, and there is a million pounds
41 above the 2024 quota, and then the 500,000 pounds would be set
42 aside, and the other 500,000 pounds would be distributed according
43 to the usual method, meaning based on existing shareholdings,
44 meaning the proportional way, and so everyone would get what it is
45 on that, but the other 50 percent would be distributed differently,
46 and based on the alternatives that we are going to discuss,
47 essentially, and so we could take the whole thing or a portion of
48 it.

1
2 **CHAIRMAN FRAZER:** Captain Walker.
3
4 **MR. WALKER:** Thank you, and I think this brings us back to what I
5 mentioned before, and, you know, defining an increase might be
6 something we need to do, because, if you decrease something, and
7 then you bring it back to where it was, is that actually an increase
8 at all?

9
10 Like say a guy has 10,000 pounds of gag, and he gets cut to 2,000
11 pounds of gag, as part of the rebuilding plan, and he does his
12 part, you know, and he takes the pain like everybody else, and
13 then, when the fishery recovers, you know, should he not be able
14 to participate at the same level that he did prior to the decrease,
15 or is half, or a percentage of what he started with, actually going
16 to be given out to someone else?

17
18 **CHAIRMAN FRAZER:** Dr. Diagne.

19
20 **DR. DIAGNE:** A different way to look at this is, to have a quota
21 increase, one needs to set, I guess, a base period, a reference,
22 and so what reference is to be used, and, obviously, that is at
23 your discretion, but we need that, you know, as a starting point.
24 What happened in the past, you know, before we got here, I mean,
25 I don't know how we would handle that, but we need to set a
26 reference point, a baseline, and go from there.

27
28 **MR. WALKER:** I agree. Thank you.

29
30 **CHAIRMAN FRAZER:** Ms. Boggs.

31
32 **MS. BOGGS:** So I was going to ask this question earlier, but I
33 wanted to get through the presentation, to make sure I hadn't
34 missed it, but I thought one of the objectives of doing all of
35 this was to help new entrants, and I don't see where we've
36 addressed that anywhere, and is this going to be a separate
37 document?

38
39 I mean, right now, all we're doing is -- I just remember there was
40 a lot of discussion about new entrants, and how do we help entrants
41 get into the fishery, and I'm not sure that this does this, and
42 I'm just curious how that would be looked at.

43
44 **CHAIRMAN FRAZER:** Dr. Diagne.

45
46 **DR. DIAGNE:** Yes, and I think we do have, actually, an alternative
47 in the proposed method of distribution here, for quota increases,
48 and I will explain that, you know, in a couple of minutes. To

1 help new entrants, replacement fishermen, or small fishermen, we
2 need to find essentially the quota to give them, and that's the
3 starting point, right, and so we could argue that, I mean, the
4 shares held by NMFS don't amount to much, really, and from inactive
5 accounts, hopefully on a continuing basis, you will add to the
6 pot, but this here, future quota increases, have the potential of
7 freeing up a substantial portion of quota over time, I mean, being
8 optimistic that, you know, our stocks are healthy and moving
9 forward.

10
11 The first decision point here, how much of the future increases
12 are you going to decide to set aside, it seems to me is very
13 significant in moving towards helping new entrants, because then,
14 however you distribute that, it has the potential of helping new
15 entrants, rather than just going through the proportional
16 distribution. It is not to be decided today, but that is something
17 to keep in mind when the time comes to choosing the percentage,
18 and now we can talk about the distribution methods, and hopefully
19 that will get closer to some of the issues that you are raising.

20
21 **CHAIRMAN FRAZER:** Susan.

22
23 **MS. BOGGS:** Thank you for that, Dr. Diagne, and so I guess, from
24 what I read, and, of course, we haven't defined what a new entrant
25 is, and I know we've talked about that a lot, but, under Action 3,
26 I suppose that Alternative 2 would be the closest to what I'm
27 thinking about, because you have a renewable commercial reef fish
28 permit who do not own IFQ shares, and I think that kind of gets to
29 where I'm at, I mean, because that might be what we consider a new
30 entrant, is someone that has a reef fish permit, but they don't
31 have the shares, as opposed to someone who is actually trying to
32 get into the fishery.

33
34 **CHAIRMAN FRAZER:** Mr. Strelcheck.

35
36 **MR. STRELCHECK:** Did you want to respond, Assane?

37
38 **DR. DIAGNE:** To what Ms. Boggs just said? I just told her that we
39 are going to deal with that in the next action, which is coming
40 up.

41
42 **MR. STRELCHECK:** So, with regard to kind of what Ed was getting at
43 -- Well, first, a couple of clarifications, so everyone I think is
44 on the same page. When we talk about quota increases, we're not
45 talking about shareholdings being redistributed here, right, and
46 it is just -- But, when you get above a certain baseline quota
47 amount, the allocation that would normally be distributed to the
48 shareholders would be distributed in some other mechanism. The

1 shareholdings would still remain 100 percent, up to that baseline,
2 and so am I correct in that?

3
4 **DR. DIAGNE:** Yes, you are, and the next action is going to make it
5 clear that we are only distributing annual allocation, because, of
6 course, when it goes back down, you don't have anything to give.

7
8 **MR. STRELCHECK:** Correct, and so then the other concern I have is,
9 and I will use red snapper and gag as kind of the examples, and
10 so, if we set the baseline at 2024 quota levels, right, and so red
11 snapper right now is a very stable fishery, right, and we're not
12 changing the quotas regularly, and we don't know, obviously, what
13 the next assessment is telling us, right, but you're not going to
14 potentially be distributing any additional quota in the near-term.

15
16 Gag, on the other hand, we have programmed in a rebuilding plan,
17 and that stock, you know, if we're successful, is going to continue
18 to rebuild, and, within two or three years, you potentially are
19 redistributing more quota to the fishermen than the actual, you
20 know, amount that is held by the shareholders under the baseline,
21 right, and I don't think that's our intent here.

22
23 I think maybe what we need to look at is, and I'm just kind of
24 throwing this out, spit-balling, but like a catch level that's
25 commensurate with a certain amount of the biomass at MSY, right,
26 a certain percentage of the biomass at MSY, so that it takes into
27 account an overfished stock as something that's rebuilding.

28
29 Then, once it actually gets above that threshold, you could
30 redistribute, you know, that further, but fishermen that,
31 obviously, hold shareholdings, where they've been cut
32 substantially, and then that stock continues to grow back, are
33 going to benefit from the rebuilding, but only to a certain point,
34 when the redistribution could occur, or the reallocation of quota
35 increase could occur, above that threshold.

36
37 **CHAIRMAN FRAZER:** Dr. Diagne.

38
39 **DR. DIAGNE:** Yes, Mr. Strelcheck, and, essentially, I mean, hearing
40 the discussion, this would suggest different baselines for
41 different share categories, because, let's say for something like
42 red snapper, as we mentioned, the baseline could be the 2024 quota,
43 but, for other fisheries, for example, you know, as stock in
44 rebuilding, as mentioned by Andy, maybe, you know, the value would
45 be determined, and we'll bring you suggestions, and you would pick
46 and say, well, we think this is a reasonable baseline, but, at
47 some point, we will need to define that threshold. That's number
48 one.

1
2 Number two, quote, unquote, to soften, I guess, the redistribution,
3 from the standpoint of large shareholders, you can play with
4 another lever, meaning what percentage of the increase are you
5 going to dedicate to the set-aside. The smaller that is, the less
6 they are going to feel it, right, and, the larger that is, the
7 more small shareholders, and new entrants, are going to benefit,
8 and so, by balancing out those two things, depending on what you
9 want to achieve, then we can pick the preferred options.

10
11 **CHAIRMAN FRAZER:** Captain Walker.

12
13 **MR. WALKER:** So defining these benchmarks is, you know, going to
14 guide the debate here, going forward, the best I can tell. To me,
15 if we're talking equity, the baseline should probably be set at
16 the peak for that particular species, because people have been
17 reduced, and increases above the peak would probably be more
18 voluntarily shared with other participants in the fishery.

19
20 You're not actually taking something away from one guy and giving
21 it to the other. If it's above where somebody might have got in
22 in the first place, and there's excess on top, I think distributing
23 that increase, which it would actually be an increase, and not
24 catching up to where you were before, would be an easier sell than,
25 you know, taking it away as it gets back to where it was in the
26 first place.

27
28 You know, guys have invested in X amount of pounds for their
29 business, and then it's reduced, and then, as it comes back in the
30 rebuilding plan, you're going to take and give to the other guy,
31 and I recognize that we're talking about allocation, and not
32 shares, but it's still less for the guy that's doing his part in
33 the rebuilding plan.

34
35 **CHAIRMAN FRAZER:** Dr. Diagne and then Kevin Anson.

36
37 **DR. DIAGNE:** I guess just a quick point, and I understand, and
38 appreciate, the concern, but, I mean, the flip side of this is,
39 now that gag, the quota, has been reduced, if I went in and bought
40 shares today, then, when there is an increase, right, I am getting
41 appreciation for what I just bought today, and I'm not necessarily
42 reduced, right, and you are really talking about the people who
43 bought it before, you know, the stock crashed, if I could say it
44 that way, and then we have the rebuilding plan, right, and those
45 are the folks that you are talking about.

46
47 Again, you know, it all depends on what it is that the council
48 wants to do, at the end of the day, and if you want to tweak the

1 overall frequency of the distribution of shares, you know, across
2 the program, you would have to move towards something like this,
3 however softly, by taking quota from somewhere, and this is where
4 it is, and redistributing it to tilt, quote, unquote, the balance.
5

6 **CHAIRMAN FRAZER:** Kevin.
7

8 **MR. ANSON:** I guess another potential option, and I understand
9 that, for some species, because of calibration to FES, but, for
10 those that haven't been, another option would be what was the
11 allocation amongst the commercial and recreational, and what was
12 the poundage that they established their catch history under, I
13 guess, that time period, and what was the total pounds that were
14 available in the commercial sector at that time, and whatever that
15 was would be the baseline.
16

17 **CHAIRMAN FRAZER:** Thanks, Kevin. Susan.
18

19 **MS. BOGGS:** Well, I just hope that the council is very careful in
20 what they do here, because you're talking about equity, and you
21 don't want to take something away from someone that has already
22 invested in this fishery, and they've got their blood, their sweat,
23 their tears, and the council needs to be very careful with how
24 they approach this, so that those people -- One of the things that
25 happens a lot with this council, and the decisions that are made,
26 are these unintended consequences, and I encourage you all to be
27 very thoughtful when you do this, because this is dealing with
28 people's livelihoods.
29

30 **CHAIRMAN FRAZER:** So I think there's clearly a number of
31 alternatives to consider, right, by the IPT, moving forward, and
32 maybe you guys, based on this conversation, can come back and
33 provide some options.
34

35 **DR. DIAGNE:** Yes, and we will have the slide to discuss the options,
36 the distribution options, but absolutely, yes.
37

38 **CHAIRMAN FRAZER:** Captain Walker.
39

40 **MR. WALKER:** I will just throw it in there, while we're talking
41 about the options. You know, you could think about the small guy,
42 who owns a thousand pounds, and hopes to get a little more going
43 forward, and would like to have an increase in what he has, and,
44 if he doesn't have enough, an increase would make a big difference
45 for that guy, and so that's just another angle that you could look
46 at. If you're going to take half of his increase and give it to
47 somebody else, it's not going to help that small guy either.
48

1 **CHAIRMAN FRAZER:** Ms. Levy.

2
3 **MS. LEVY:** Thanks. I'm just going to throw this out here, so that
4 I don't forget about it, and that now it's on the record, and we
5 may want to think about treating stocks that are in rebuilding
6 plans differently, for this purpose, for the reasons that you said,
7 and also the fact that we're supposed to distribute like the
8 rebuilding hardships and benefits equitably, right, and so that
9 might be a different consideration.

10
11 Then we may also want to think about not just the quota level, but
12 the landings level, right, because we've had a number of stocks
13 where we've had quotas that are high, but landings, over recent
14 years, have been low, and so, if your baseline is the quota, and
15 you're not going to go higher than that until you redistribute,
16 but landings have been like way below that, then maybe that's not
17 what you want your benchmark to be, and so there are a lot of
18 things that we probably need to consider, and so I'm just throwing
19 it out there so that we remember to do that.

20
21 **CHAIRMAN FRAZER:** Thank you, Mara. All right. I think we have
22 another slide, don't we, Dr. Diagne?

23
24 **DR. DIAGNE:** Yes. Thank you. For now, the alternatives that we
25 have included in the distribution approaches will have a status
26 quo, meaning do not distribute this at all, and Alternative 2 would
27 distribute the increases in each share category equally, and we
28 have to remember that what is distributed is annual allocation
29 from the quota set-aside, because you cannot give out shares, and
30 increases are temporary, by nature, right, and the quota may
31 decrease, and so forth, and so, every year, the annual allocation,
32 in pound equivalents, corresponding to the increase, that is the
33 only thing to be distributed.

34
35 Alternative 2 would distribute it equally, and 3 is to all existing
36 shareholders the same, and so that is going to be a step up from
37 our traditional approach, which distributes anything based on
38 share percentages owned, meaning that would give more of the quota
39 to the larger shareholders, right, by distributing proportionally,
40 and so, by distributing equally, you are already, I guess,
41 balancing it out slightly, by giving everyone the same amount,
42 rather than giving to the person that has let's say 50 percent,
43 the most, and so on and so forth.

44
45 Here, the equal distribution, one thing that we were thinking about
46 was the new entrants, because we could have this option here that
47 would only give it to those that have a commercial reef fish
48 permit, meaning valid or renewable, but who do not own IFQ shares,

1 and so that would be, quote, unquote, close to a new entrant, at
2 least for that share category, and so now the IPT will have to
3 further discuss this, because I could have a large holding, let's
4 say, of red snapper, and not have any shares of red grouper, and
5 does that mean that I should necessarily qualify for this
6 distribution?

7
8 It may be really contrary to the intent that we are discussing,
9 and so we still have to think about it, how to look at the big
10 picture, not owning anything, but not have, you know, beyond a
11 certain threshold.

12
13 We could do the traditional approach, just distribute based on,
14 you know, their share percentages of holding, and that is what we
15 typically do, or we could also use the inverse share percentages,
16 and that would concentrate the shares on the small holders,
17 essentially, because you would give really most of it to people
18 who have the least, and one thing that we would have to solve here,
19 in terms of the factors, would be to address the point that Dr.
20 Banks made and look at the biggest factor to be assigned to those
21 that are have zero shares, so that they can also participate and
22 become recipients in this. These are the four alternatives that
23 we have, and, next time you see this, probably it will have more
24 alternatives.

25
26 **CHAIRMAN FRAZER:** Mr. Strelcheck.

27
28 **MR. STRELCHECK:** Thanks for that, Assane, and I certainly agree
29 that we'll, obviously, have more alternatives here to look at
30 allocation holdings, or landings history, and a couple of
31 questions. I don't know if you and Jessica have spoken about the
32 reclamation and redistribution, or even with the quota increases,
33 in terms of timing, right, and so you, I think, have another slide
34 about the appeals process coming up, but my question is -- You
35 know, this isn't going to just happen automatically in the system,
36 right, and we're going to have to reclaim shares, or address the
37 quota increase being distributed, and so do we need an action in
38 here in terms of kind of the timing of that, or when that would
39 occur during the fishing year, or is the expectation that this all
40 could be done by January 1?

41
42 **DR. DIAGNE:** I am going to, I guess, begin, and I will let Dr.
43 Stephen complete the answer, but my understanding is inactive
44 accounts -- That is determined on an annual basis, right at the
45 end of the year, and so, in the structure of this amendment, at
46 the end of the year, as soon as inactivity has been determined, and,
47 I mean, let's say, for example, for a two-year period, then the
48 agency could reclaim those shares and automatically distribute

1 based on the distribution method that was selected. Now, as far
2 as quota increases, I have to say that, you know, we didn't discuss
3 that in more details, but I'm going to let Dr. Stephen chime-in
4 and add to that.

5

6 **CHAIRMAN FRAZER:** Dr. Stephen.

7

8 **DR. STEPHEN:** I'm sorry. The internet was breaking up a little
9 bit, and can you repeat that question?

10

11 **DR. DIAGNE:** Part of it is that we did not discuss the timing of
12 the distribution of quota increases, and we need to make that also
13 automatic, and just if you have thoughts on that.

14

15 **DR. STEPHEN:** I probably don't have any thoughts right now. I
16 would want to put a little bit more thinking into it, before we
17 talk about some of that timing.

18

19 **CHAIRMAN FRAZER:** Kevin.

20

21 **MR. ANSON:** To that point, how is it done now, Dr. Stephen?

22

23 **DR. STEPHEN:** The distributions?

24

25 **MR. ANSON:** Correct.

26

27 **DR. STEPHEN:** So, I mean, currently, when quota is increased in
28 the middle of the year, we distribute the additional quota to the
29 shareholders on that date, based on their shareholdings.
30 Otherwise, you know, allocation is only distributed really at the
31 start of the year, based on shareholdings, and then, you know, if
32 the quota is going down, we have the mechanism where we can hold
33 the expected decrease, and then, if that amendment hasn't gone
34 final by the timeline given, which I believe is I think June, then
35 we distribute what we held back.

36

37 **MR. ANSON:** Thank you, but, for the example of someone who may
38 have sold shares, and then put those shares that they bought into
39 that account, I mean, how is that captured? Is it at the end, at
40 December 31, and then you have a program that runs first thing in
41 the morning, that then spits out a number on January 1?

42

43 **DR. STEPHEN:** Yes, and so what we do is we shut down the system on
44 December 31 at 6:00 p.m., and all share transfers that were in
45 progress are reverted at that point, and anything completed is
46 completed, and so, from December 31 at 6:00 p.m., to I believe
47 2:00 p.m. on January 1, is when we do the math, and so, basically,
48 we take all the annual allocation out of the accounts, and so they

1 get reset to zero, and then we distribute the new allocation, based
2 on the shareholdings for that year. There's a couple of other
3 things, and so, if someone had an overage, we subtract that amount
4 before they have access to their account.

5
6 One thing to keep in mind is, when people transfer shares, the
7 allocation does not necessarily go with it. Allocation transfers
8 are considered a separate transfer, and they can be done
9 independently of the shares, and so we often see shares being
10 transferred throughout the year and not realizing allocation from
11 them until the start of the next year.

12
13 **MR. ANSON:** Thank you.

14
15 **CHAIRMAN FRAZER:** Okay. Dr. Diagne, I think you have one more
16 slide, and then I want to try to get us back on track here, as far
17 as time goes.

18
19 **DR. DIAGNE:** Yes, Mr. Chair. Thank you. In your motion, the one
20 from the April council, it was mentioned, you know, adding an
21 appeals process to this, and we briefly discussed this, and the
22 gist of it is that appeals can be heard now outside of the council
23 process, and they can be handled by the agency's national appeals
24 process, and that's a link to the website, and Dr. Stephen has
25 already spoken to the contact person there, and more information
26 will be provided as we develop this amendment, and so an action
27 dealing with appeals would not be necessary in this, given that
28 the appeals may be heard by the National Appeals Office.

29
30 **CHAIRMAN FRAZER:** Great. Thank you, and so I think, again, so we
31 can expect to see this document again in November, given the
32 considerable amount of input that you received.

33
34 **DR. DIAGNE:** Yes.

35
36 **CHAIRMAN FRAZER:** So we're going to revise the action schedule,
37 right, Dr. Simmons?

38
39 **EXECUTIVE DIRECTOR CARRIE SIMMONS:** Yes, we can do that.

40
41 **CHAIRMAN FRAZER:** Okay. So, Kevin, I went a little over time, but
42 we're scheduled for a break.

43
44 **MR. ANSON:** Thank you, and so we will take our fifteen-minute
45 break, and we'll start back at 10:35. Thank you.

46
47 (Whereupon, a brief recess was taken.)

1 **CHAIRMAN FRAZER:** We are going to step back into the Reef Fish
2 agenda, and we're going to talk about Reef Fish Amendment 59, but,
3 before we do that, Dr. Assane, I just wanted to make sure that we
4 closed out a quick discussion on Amendment 60, and I think, Mr.
5 Gill, you have a comment?
6

7 **MR. GILL:** Thank you, Mr. Chairman, and so I think there's a number
8 of questions, in my mind, that we ought to discuss at Full Council.
9 Number one is consider restructuring 60 to put the first part, to
10 determine what shares will be considered for redistribution,
11 aggregate them, and then do distribution once the aggregation is
12 done, and whether that makes sense or not I think is open for
13 discussion.
14

15 One of the other major questions I've got is Goals 1 and 2 have a
16 number of objectives, and goals and objectives are intended to be
17 achievable, and, obviously, 59 and 60 do not address all the goals
18 and objectives that we've set, and so the question is how are we
19 going to cover that, and, as part of that, one of the common
20 objectives, in both goals, is talking about allocation banks, or
21 what I prefer to call fishery trusts, and how is that going to be
22 addressed, because, if you get into distribution and don't consider
23 banks, you've got no money to put in the bank, and so how all that
24 is going to work I think we need to talk about at Full Council.
25 Thank you, Mr. Chairman.
26

27 **CHAIRMAN FRAZER:** Thank you, Mr. Gill. Dr. Diagne.
28

29 **DR. DIAGNE:** Yes, Mr. Gill, and some of those concerns perhaps
30 would begin to be discussed throughout the presentation for
31 Amendment 59, because, at the end of the day, we need to look at
32 the combination of actions, and alternatives, that we have, and,
33 if need be, then the discussion could continue at Full Council.
34

35 **CHAIRMAN FRAZER:** Okay, and so, before we move -- One more thing,
36 before we move into 59, and I just want to kind of level-set some
37 expectations here. Again, looking at the action schedule, I think
38 -- I'm not quite sure that we're ready for a public hearing draft
39 in August as well, and so keep that in mind as we have the
40 discussion today. Dr. Diagne.
41

42 **DR. DIAGNE:** Thank you, Mr. Chair, and, along those lines also,
43 the next time you see these documents, I mean, including the one
44 we are going to discuss, those are going to be drafts that will
45 reflect the suggestions that we received here, and perhaps an added
46 concern would be trying to bring both of them at the same time,
47 and so it is very likely that we would bring one in November, and
48 the next one in January, so that we know where we are.

1
2 **CHAIRMAN FRAZER:** Okay. Thank you.
3

4 **DRAFT OPTIONS: REEF FISH AMENDMENT 59: REQUIREMENTS FOR**
5 **PARTICIPATION IN INDIVIDUAL FISHING QUOTA PROGRAMS**
6

7 **DR. DIAGNE:** Thank you, Mr. Chair. Now we are going to switch and
8 discuss Reef Fish Amendment 59. As you recall, this amendment
9 addresses requirements for participation in the IFQ programs.
10 Staff will give a presentation, or I should say a two-part
11 presentation, and the first part will deal with what I will call
12 the diversity of business structures that we have in the IFQ
13 programs.
14

15 The various business models are going to be discussed by Dr.
16 Stephen, and that would range from the simple ownership, one
17 individual having one shareholder account, to more complex
18 arrangements, such as having corporations, or combinations of
19 corporations and individuals, owning multiple accounts. That will
20 be the first part.
21

22 For the second part, we are going to continue the presentation and
23 talk about a draft purpose and need, as well as a suite of actions
24 and alternatives. They are in draft form, but for your
25 consideration at this point. At the end, the committee should
26 discuss the information presented, and, again, make suggestions,
27 and revisions, and give us direction for next steps. Thank you.
28

29 **CHAIRMAN FRAZER:** Okay. Thank you, Dr. Diagne, and so I guess we
30 will go ahead and move right into the first part of the
31 presentation with Dr. Stephen.
32

33 **DR. STEPHEN:** This is just an outline of what we're going to talk
34 about on the presentation, such as Assane showed you for Amendment
35 60. First, I'm going to go over the IFQ business models, and then
36 I will turn it over to Assane, and he'll handle the purpose and
37 need and the proposed actions.
38

39 Back in January of this year, we were asked to kind of explain, in
40 more detail, the different types of business models that were used
41 within the IFQ system, and that's what this portion of the
42 presentation is going to be about. I want to identify that both
43 our permits system and our IFQ system utilize really the same
44 inherent structure.
45

46 We have an entity, and that entity could be a business, or a
47 person, and it also could be some types of non-person entities,
48 like trusts and nonprofits, or a bank, and more than one entity

1 can be listed on either a permit or an IFQ account, and the agency
2 does track the ownership of all entities, and so, for businesses,
3 we track the people involved, such as the shareholders, the
4 officers, who the president is, the vice president, and even a
5 manager, and so we get really detailed information on all of the
6 entities collected within our permit and IFQ system.

7
8 Going over the different types of models within this, and a couple
9 of caveats, before we get started, and there is no age restriction
10 on the individuals that can come into our system and obtain an
11 account. The information we do gather is on the shareholders and
12 officers for every business. If we're talking something like a
13 trust, we gain information on the beneficiaries and trustees, and
14 then, when we're looking at the share caps, we do apply them to
15 the shareholders in a business, the officers, for nonprofits, and
16 the trustees, for the trusts.

17
18 Getting into this overall model, there's a couple of different
19 ways we can look at the ownership models within both IFQ and within
20 permits. We have the model where there is a single entity that is
21 involved in something, and that can be shown in the upper-left-
22 hand side, the individual, often called the sole proprietorship,
23 or sometimes it's a business, such an LLC or a corporation, or,
24 again, those nonprofits and trusts, and there's only one name
25 listed, and that's either an individual or what we're going to
26 call business from here on in, just to make the language a little
27 bit easier.

28
29 We also have models where there is more than one name on an account.
30 For individuals, that could be two individuals or multiple
31 individuals, and we typically call these partnerships, as a more
32 generic term, and, likewise, we can have two or more businesses
33 that would be involved in something, and there is partnerships
34 occurring between those businesses.

35
36 We can also have a combination where you have an individual and a
37 business together, or multiple individuals and businesses
38 together, and so, on this slide, I've kind of outlined some of the
39 different varieties that we've seen, and we'll step into a little
40 bit more information on the next slide. What are some of the more
41 common business models seen, particularly within IFQ?

42
43 **CHAIRMAN FRAZER:** Dr. Stephen, we have a question from Ms. Boggs.

44
45 **DR. STEPHEN:** Sure.

46
47 **MS. BOGGS:** Thank you, Dr. Stephen. I appreciate it, but, before
48 we get too much further in this, the share caps, is that -- So, if

1 I'm an individual sole proprietorship, but I can have an account
2 with Dr. Overton, and then we can have an account where it's Dr.
3 Overton, myself, and Dr. Frazer, and does that share cap apply to
4 me, because I am across-the-board, or how does that work, or are
5 you going to get into that?
6

7 **DR. STEPHEN:** I will get into that, and I think it's Slides 9 and
8 10. I'm going to not only talk about it, but I'm going to show
9 you some exact examples, to show you how we do the math.

10
11 **MS. BOGGS:** Thank you so much.
12

13 **DR. STEPHEN:** All right, and so, moving on with some of the more
14 common business models that we see within the IFQ, we have the
15 typical model where you either have one entity with one vessel,
16 and so that one entity can either be a person or a business, and
17 they typically are only associated with one vessel.

18
19 One thing I want to point out is that, when we have a permit on a
20 vessel, all the permits on that vessel must have the same
21 ownership, and so that means, if John Smith has a permit on that
22 vessel, Jane Doe can't come in and have a different permit on that
23 same vessel, and that's a requirement within our permits system
24 that also follows through with our IFQ system.
25

26 In addition, the name on your IFQ account, if you intend to harvest
27 IFQ species, must exactly match the names that are on that permit,
28 and so that's where that linkage is between the one person and
29 their vessel, or the one business and their vessel, or, likewise,
30 the different types of partnerships that can be involved within
31 it.
32

33 We also see, fairly typically, where we have one person, and they
34 have more than one vessel, and so that's your lower slide, in the
35 lower-left-hand-corner, and illustrated here is that it could be
36 either a person or a business, whichever type of entity it is, and
37 that they have more than one vessel, and that means that all of
38 the permits are still in the same name as that person. That has
39 one IFQ account, and, underneath that, it would have two vessel
40 accounts, within this example, and the vessel accounts are
41 considered the sub-account to that shareholder account.
42

43 We also see, fairly commonly, a partnership with one vessel, and
44 we have seen accounts that started out with one person, and one
45 vessel, and then what they did is they transferred the permit to
46 two different people's names with that vessel. Most often, we see
47 this -- For example, early on in the system, we had a captain, or
48 a permit holder, and they wanted to add their wife to it, and so

1 what they did is they transferred the permit, and then both of
2 their names were on that vessel, which meant we could speak to
3 both entities about that account, for IFQ and about that vessel.
4

5 I will take note that there is a transfer of a permit, and it
6 creates a brand-new account within IFQ. Existing accounts in IFQ
7 are not modified at all, and we just have transfers, and so they
8 typically will also transfer shares or allocation to that new
9 account.

10
11 Likewise, we can have partnerships that have two different types
12 of entities, and so they could person and a business, and they may
13 own more than one vessel.
14

15 I wanted to keep note that any individual, or entity, can also be
16 involved in more than one type of business, and this kind of gets
17 you to where we're looking at the middle grouping, which is what
18 I call the diversified approach, and so, in this example, you have
19 a company that's the same, illustrated by that kind of red company,
20 and it is also associated with a permit and the IFQ account, with
21 a different person in each one, and so you can call it Company A,
22 and it's with Person 1, in the first example, and they have one
23 permit under their name, but then that same company might be linked
24 with someone else, and then they also have a permit and vessel
25 under their name.
26

27 Looking at the scenario, the person who is in purple has no ability
28 to see anything for those other two accounts, but the company does
29 have the ability, because the company is involved in each one of
30 those accounts, and then, finally, we have a little bit more of
31 kind of what I'm calling an incorporated vessel scenario. It's in
32 this case what we've typically seen is that there's a company
33 created, and it matches the name of the fishing vessel, and it
34 might be even Fishing Vessel Incorporated, and all of those
35 companies are then owned actually by the same people, and so, in
36 this example, the person in green, and the person in maroon, are
37 the complete owners of those four different companies, and those
38 four different companies are each associated with one individual
39 vessel.
40

41 Keep in mind that any types of business models that we see here
42 can also be vertically integrated, and so they could be involved
43 with a dealership as well, or some other aspect within the fishery.
44

45 Within this slide here, what we did is we put together some names,
46 or some numbers, to look over how the different accounts hold out,
47 and so the top row is really the total number of shareholder
48 accounts that we have going on, and this is, again, the shareholder

1 account, and they may or may not own shares, and, when we looked
2 at how they were owned, roughly half of the accounts, a little
3 more than half, are really owned by individuals, and that means
4 it's owned by one or more people, and they do not have a business
5 listed.

6
7 When we break down those individually-owned accounts, we see that
8 the bulk of them are actually owned by a single individual owner,
9 and that the rest are some sort of partnership, you know, two names
10 or more, that are listed on the account.

11
12 Likewise, just under 50 percent are really owned by businesses,
13 and that is where only a business is listed on the account, and,
14 of those, half of those are roughly owned by a single individual,
15 and so that means the business is 100 percent owned by one single
16 person, and the remaining half tend to be owned by multiple owners,
17 and then, finally, the little last bottom column is we have just
18 a handful of people that kind of are mixing the entities and the
19 businesses together, and so that was kind of that idea of the
20 partnership, where you had an individual and a business both listed
21 as the primary holders on that account. We have very little of
22 those overall, in general, within the system.

23
24 The next thing is how does this work when we think about vertical
25 integration and how things are integrated, understanding these
26 more common models.

27
28 On your far left, you will see basically the public participation
29 account, and so the public participant does not have a dealer
30 account, and, therefore, there is no owners of that dealer, but
31 they do happen to have a shareholder account, and they list the
32 entities that are owned within it. They do not have a vessel, nor
33 a permit, and that's what makes them public participation, and
34 remember that five years after each program is when the system
35 allowed for public participants to obtain an account.

36
37 We technically had public participants beforehand, and those were
38 people who originally had a permit, and then no longer had the
39 permit, but retained the account, and retained shares or
40 allocation, and the next level is what we traditionally think of
41 a fisherman. They have a shareholder account, and we have entities
42 named within it, and they have a vessel associated with it.

43
44 Likewise, a traditional dealer is just a dealer account, with a
45 name behind that dealer that we can understand and know who that
46 is, and the next dealer example, which is about the fourth column
47 over, is a dealer who is also holding a shareholder account, and
48 so this might be seen sometimes as a public participant account,

1 because there is no vessel associated with it, and so the dealer
2 has obtained a shareholder account, and they happen to have their
3 dealer account, and the names are actually the same within this,
4 and so it's easy to make that match and see what's occurring within
5 that, and then the next iteration of that would be someone who has
6 a shareholder account, has a vessel and permit, and has a dealer
7 account.

8
9 In the most obvious situation, they would have the same names
10 between these companies, and we would be able to tell who they
11 were and how they were connected. There were quite a few of these
12 vertically-integrated businesses in this model at the start of the
13 program, and so this is not necessarily something new due to IFQ.

14
15 The last three columns we run through are where we get a little
16 bit complicated, and so, in the next example, we might have a
17 dealer, and it has a certain name to it, and is owned by a business,
18 and so what we see is the business name for that dealer, but the
19 shareholder account is owned by an individual, and they happen to
20 have a vessel account with it. The way that we know that these
21 are related is that individual in the shareholder account happens
22 to be 100 percent owner of the business, or even a partial owner
23 of the business, and that's where we're seeing the relatedness in
24 the vertical integration across these accounts.

25
26 We can also have a similar situation to that, but where the
27 business names are different, and so, in the next scenario, you
28 have the red dealership business, and let's call it Red LLC, and
29 then you have the blue business holding the vessel account, and
30 let's call it Blue Seas, and so, on the surface, they don't look
31 related, but, if you look at who owns those companies, it turns
32 out that it's the same fisherman, or the same person, that is
33 owning both of those, and so we have to dig into those secondary
34 tiers in order to find the relatedness and see the vertical
35 integration.

36
37 Then the final example is one of the more complicated ones, and
38 it's similar to what I just talked about, except for that
39 dealership, in this case, is owned by two different people, and
40 only one of them is in common with the shareholder account that
41 happens to hold a vessel.

42
43 Now, obviously, I can keep doing iterations of this, in multiple
44 different ways, but what I wanted to show you here is kind of the
45 different types of scenarios and the thoughts and processes we go
46 through when we're looking at vertical integration, as well as
47 related accounts.

48

1 This one gets to your question, Susan, of how are share caps
2 calculated, and we actually calculate share caps at three different
3 levels. We do it at the IFQ account level, and no IFQ account can
4 hold more than the share cap, and we do it at any business level,
5 and no single business can hold more than the share cap, and we
6 also do it at the person level, and no single person can hold more
7 than that.

8
9 When we're looking at it, share caps are cumulative across the
10 different accounts that they are involved in, as a person or a
11 business can be involved in more than one account, and we do it
12 based on the percentage ownership. Where no percentage ownership
13 is given, such as in the example, where we just have two people,
14 a partnership with no share percentages, then we just distribute
15 the amount held equally.

16
17 All right, and so here is where my life gets really complicated,
18 when I'm looking at calculations, and we have nice algorithms that
19 do a lot of this for us. When you're looking at how you're
20 calculating a share cap, if an individual holds an account, in the
21 first kind of column there, you see that they hold the account,
22 and 100 percent ownership is to that person, and they account for
23 100 percent of the shares held within that account.

24
25 When you have a business, you can have more than one person own
26 it. In this example, in the business, Mr. Green has 75 percent,
27 and Mr. Maroon has 25 percent of the business. That means, when
28 we're applying the share cap at the entity level, at the person
29 level, Mr. Green gets 75 percent of the shares within that account,
30 pushed toward their calculation of the share cap, and Mr. Maroon
31 would get 25 percent.

32
33 In the next example, we're building in complexity, and, here, we
34 have a business and a person owning the account. Now, because
35 there's no ownership, and there are just two names listed on that
36 account, we divide the shares, at this part, 50 percent to each
37 one. Mr. Green is 100 percent ownership of himself, so to speak,
38 and so he ends up with 50 percent of the shares overall, but the
39 company is held by Captain Purple, and Captain Purple owns 100
40 percent of that. You take the 100 percent, times the 50 percent,
41 and Purple owns 50 percent of the shares within the account.

42
43 Now I'm going to make you all do some math with me, as we move to
44 the next example. Here, we have two companies, and, once again,
45 50 percent in each one of them, and we have three different
46 individuals, Mr. Green, Mr. Maroon, and Captain Purple. Mr. Green
47 is 75 percent of Company Blue, which is 50 percent, and so you
48 take 75 times 50 percent, and his share cap in that account is

1 37.5 percent. Captain Purple is 50 percent of the Company Maroon,
2 and that's 50 times 50 percent, and then end up with 25 percent.

3
4 When we're looking here at Mr. Maroon, he has ownership in both
5 companies, 25 percent of Company Blue and 50 percent of Company
6 Maroon, and so his math turns out to be 25 times 50 percent, plus
7 50 percent times 50 percent, and what that ends up equaling out to
8 is 37.5 percent of that account is associated with Mr. Maroon, as
9 part of his share cap calculation.

10
11 In the next example, you have a company owned by a company, and we
12 do see this frequently, a couple different tiers of ownership, and
13 so we do kind of similar percentages, and so, here, Mr. Maroon is
14 50 percent of Company Purple, which is 100 percent of Company Blue,
15 and it would be 50 percent, times 100 times 100, and we leave him
16 with 50 percent ownership, and the same is true in this example
17 for Captain Purple.

18
19 In the very last example, we have a company that is owned by two
20 separate companies, and we have seen this in our system as well.
21 We know that both those companies own 25 percent and 75 percent of
22 the main company, and we know who owns those companies
23 individually, and what percentages they are owned at, and we follow
24 through with the math.

25
26 Here, if you're looking at Mr. Green, he's 30 percent of Company
27 Maroon, which is 25 percent of Company Blue, and so his percentage
28 then is 7.5 percent. If you look at Captain Purple, he's 20
29 percent of Company Purple, which is 75 percent of Company Blue,
30 and his math turns out to be 15 percent. For Mr. Maroon, it's 70
31 percent, times the 25 percent, plus 80 percent, times 75 percent,
32 and they end up with 77.5 percent overall.

33
34 The main point in working through this is there's a lot of math in
35 doing the share caps, but we do go through the different
36 iterations, and we always get down to the lowest human level, and
37 that human level is then calculated, so that we can get the
38 cumulative percent. I don't have the example here, but we do the
39 same thing with the businesses. If the business is involved in
40 more than one account, we follow the same logic through for that
41 business as well.

42
43 I am happy to take any questions you have on the structure, or the
44 business models, before Assane gets into the purpose and needs for
45 the amendment.

46
47 **CHAIRMAN FRAZER:** Thank you, Dr. Stephen, for that presentation.
48 I am looking around the table, to see if there are any questions.

1 I am not seeing any, and so we will go ahead and shift over to
2 Assane.

3
4 **DR. DIAGNE:** All right. Thank you, and we can start with the
5 purpose and need for Amendment 59. The purpose of this action is
6 to update the goals and objectives of the IFQ programs and revise
7 the requirements to participate in the IFQ programs. The goals
8 and objectives are the five that you already approved and discussed
9 previously.

10
11 The need for action is to promote participation by entities engaged
12 in the harvest of reef fish species included in the IFQ program
13 and improve opportunities for new participants to enter IFQ
14 programs through considering requirements for obtaining IFQ
15 accounts and holding and obtaining shares and allocation.

16
17 **CHAIRMAN FRAZER:** Are there any questions on either the purpose or
18 need? I am not seeing any, Assane.

19
20 **DR. DIAGNE:** Okay. So we can start by looking at the red snapper
21 shareholder accounts, and, here, they are divided into two
22 categories, if you would, those with shares and those without
23 shares, and we can see the progressions here, and, essentially,
24 the number of shareholder accounts without shares has increased
25 over time, and, for the last row here, we see that 44 percent of
26 the red snapper accounts do not hold shares, and the complement,
27 to 100, would hold shares. Here again, I mean, these tables do
28 not account for related accounts, if I could say that.

29
30 If we went through the same exercise for the grouper and tilefish
31 IFQ portion of this, we see a similar trend, meaning that the
32 number of shareholder accounts without shares would have increased
33 over time, and, last year, we had 30 percent of the accounts
34 without shares, and 70 percent with shares.

35
36 We can take a further look at IFQ accounts, shareholder accounts,
37 but this time by combining the two programs. In terms of
38 shareholder accounts with allocation, and we have here a five-year
39 time series, 2018 to 2022, we see what I would say is a fairly
40 stable number, roughly, and, the last year that we have here, we
41 have 879 shareholder accounts with allocation.

42
43 If we look at the number of accounts with shares, we get a smaller
44 number, because some folks just get allocation on an annual basis
45 to fish, and I will just use the last column as an example, as we
46 go through this, and we will have 662 accounts with shares, and
47 now, if we go to the next row, and we would see that the IFQ
48 shareholder accounts with a permit -- The number drops now to 529.

1
2 IFQ shareholder accounts with landings is still a smaller number,
3 388 accounts, and shareholders with shares, and with a permit,
4 that would be 363 accounts, and, essentially, shareholder accounts
5 with everything -- By that, we mean with shares, and, of course,
6 if you have shares, you have allocation, and with landings, and,
7 if you have landings, it means you have a permit, and that would
8 be 201, and so that would be the smallest subset, as we go through
9 this. We will come back to portions of this table as we discuss
10 the requirements that we have in the presentation.

11
12 **CHAIRMAN FRAZER:** Ms. Boggs.

13
14 **MS. BOGGS:** So it seems like there's an awful lot of accounts
15 without shares. I mean, you can open an account without anything,
16 is what I understand, and maybe this is a question that I would
17 ask at break, is why would you have an account with no shares, but
18 I guess maybe you did, and you retired, or, I mean, do we know
19 what's happening here, why there's so many accounts without shares,
20 because that's where this process starts, correct?

21
22 **DR. DIAGNE:** Yes, and I will let Dr. Stephens chime-in, but there
23 are a variety of reasons why one would have an account without
24 shares, and I would just mention one, which is, you know, for
25 business purposes, or liability issues and so forth, and I would
26 have a shareholder account, and receive my shares, but open one or
27 two or three other shareholder accounts, and distribute the annual
28 allocation that I receive on an annual basis, or actually move a
29 portion of my shares into one of those, and so the short of it is
30 I can keep my shares separate and then distribute the annual
31 allocation that I receive on an annual basis into however many
32 accounts that would suit my purpose.

33
34 **CHAIRMAN FRAZER:** Dr. Stephen.

35
36 **DR. STEPHEN:** I can chime in as well, and so what Assane described
37 is kind of that business model that I have sort of called
38 incorporating the vessel, and so they might create a corporation
39 for each of the vessels, but, for liability reasons, they're
40 keeping shares in a different account, that might be composed of
41 those same entities who actually own the businesses that own the
42 vessels.

43
44 Another reason that you have shareholder accounts without shares
45 are new entrants coming into the program. Shares are very
46 expensive, and so you might come in, and you're only obtaining
47 allocation from someone else in order to go fishing, because you
48 can't afford to buy their shares, and we definitely have seen kind

1 of an increase with people coming in with a kind of, you know,
2 inequalities, or ability to get access to the shares, and I'm
3 trying to avoid the word "barrier", but there are barriers to
4 obtaining the shares, whether it's financial or some other
5 mechanism going through it, and so they do open a shareholder
6 account, because it's the same type of account that functions both
7 ways. That's where we're kind of seeing this discrepancy, and
8 it's kind of a combination.

9
10 It's not all one thing or another thing, and we also have accounts
11 that have been opened up by dealers. Some dealers want to hold
12 shares, and some just want to hold allocation, to supply that
13 allocation to the people coming to them, if they're coming in a
14 little short for the fish that they have onboard, and so those are
15 at least three different mechanisms that could account for
16 shareholder accounts that do not have shares.

17
18 **MS. BOGGS:** So, in short, you have to have a shareholder account
19 to receive the allocation, and I'm thinking back, and Dr. Stephen
20 and Dr. Diagne will understand this too, but back to the Headboat
21 Collaborative. We held the account, and then we distributed the
22 shares, and then they all had to have a shareholder account to
23 receive that allocation, correct, or, I mean, we didn't distribute
24 shares, and we distributed allocation, and then they had to each
25 have a shareholder account to receive that allocation, and is that
26 correct? I have to put it in a real-world scenario.

27
28 **DR. STEPHEN:** Yes, and so a similar scenario there. You guys were
29 kind of the shareholder account that had the shares, and it was a
30 little different, because we structured it differently, but you
31 had to have what we termed a shareholder account type, in order to
32 hold that allocation, and the reason for that is that roll -- You
33 know, it's kind of a role within the system.

34
35 You know, someone may go from having shares to not having shares,
36 and they might have shares in one category and not another, and it
37 would be too difficult to like kind of change what type of account
38 they have, or what role they have, just based on a period of time
39 and whether they did or did not have shares, and so it's an overall
40 role, and we typically call it a shareholder account, to
41 distinguish the role, versus when we talk about each shareholder,
42 which typically means someone who has a share, and so nuances
43 within the terminology.

44
45 **CHAIRMAN FRAZER:** Okay. Thank you, Jessica. Dr. Diagne.

46
47 **DR. DIAGNE:** Thank you. Let's move on, and so we can start with
48 Action 1, and this action would look at permit requirements to

1 obtain or maintain a shareholder account. Alternative 1, the
2 status quo alternative, would be that we would not establish new
3 requirements to obtain, or to maintain, IFQ shareholder accounts,
4 and that is the current state of affairs. Essentially, outside of
5 the citizenship or permanent residency requirement, there are no
6 other requirements to open a shareholder account.

7
8 Alternative 2 would revert back to what we had during the first
9 five years of each one of the programs, meaning that, in addition
10 to citizenship or permanent residency requirements, applicants are
11 required to possess a valid or renewable commercial reef fish
12 permit to obtain an IFQ shareholder account. That said, once the
13 account has been obtained, one would be free to let that permit
14 lapse, essentially, and become without a permit, because the
15 account was already created. Again, that was what we had as a
16 requirement initially for the first five years.

17
18 Alternative 3 is the result of something that was discussed here
19 the last time we talked about 59, and that would require a permit,
20 valid or renewable, to maintain a shareholder account, and this
21 would mean that, to open that account, one would not necessarily
22 have to have a permit, but, after a certain time, one would have
23 to have a permit to be able to maintain that account, and this
24 alternative is not very practicable. I mean, we did include it
25 here, for you guys to see it, and react to it, because then, you
26 know, we would have to discuss a time period to allow folks to go
27 get a permit, and so on and so forth, and so maybe it is an
28 alternative that we could do without, just as a suggestion.

29
30 Alternative 4 would require to have a permit to obtain and maintain
31 the shareholder account. To open the account, one would have to
32 have the permit, and, to keep that account, one would have to
33 continue to have a valid or renewable permit, essentially, and so
34 that would make sure that all shareholder accounts in the system
35 belong to folks that have a valid or renewable permit. These are
36 the four alternatives that we have now for requirements,
37 essentially, to open or maintain a shareholder account.

38
39 **CHAIRMAN FRAZER:** Ms. Boggs.

40
41 **MS. BOGGS:** So once, in this scenario, or these scenarios, and, if
42 I met one of these requirements that we choose, and I open a
43 shareholder account, and then, as you stated, you let that permit
44 lapse, nothing is saying then you have to close that shareholder
45 account, because there is no renewal process or anything, because,
46 once the account is open, it's open.

47
48 **DR. DIAGNE:** Yes, but I guess -- I mean, the endpoint of this is

1 what it is that, as a council, you would do with shares in those
2 accounts, should someone fail to meet the requirement, and those
3 we are going to talk about.

4

5 **CHAIRMAN FRAZER:** Dr. Banks.

6

7 **DR. BANKS:** Thank you. How many permits a year are lapsing? Is
8 that a common issue?

9

10 **DR. DIAGNE:** I do not have the exact number of that, in terms of
11 how many permits are not renewed, and maybe Jessica has an idea,
12 you know, an approximate number of permits, and so I would ask
13 her.

14

15 **CHAIRMAN FRAZER:** Andy.

16

17 **DR. STEPHEN:** I don't have the -- Andy, if you know.

18

19 **CHAIRMAN FRAZER:** Go ahead, Dr. Stephen.

20

21 **DR. STEPHEN:** Okay. I was going to say, I mean, roughly, what we
22 see is that there's a small number of permits that terminate each
23 year, the limited-access permits, anywhere between like five to
24 twenty overall, and I haven't kind of looked at where we are
25 recently, and sometimes we go in like larger drops, and then
26 smaller drops, but it's typically a low number.

27

28 **CHAIRMAN FRAZER:** Andy.

29

30 **MR. STRELCHECK:** Speaking to the alternatives, Assane, you were
31 alluding to, I think, eliminating Alternative 3, and I certainly
32 would support that, and I don't think it makes a lot of sense,
33 because you still need a permit to obtain an account, and then we
34 would have to come up with some time period to define maintaining
35 an IFQ account going forward with a permit, and so I would
36 recommend eliminating Alternative 3, just from an administrative
37 standpoint.

38

39 **CHAIRMAN FRAZER:** Okay. We'll circle back on that. Dr. Banks.

40

41 **DR. BANKS:** Going back to the lapsing permits, even though that's
42 a small percentage, is there a way to recapture those permits for
43 new entrants?

44

45 **CHAIRMAN FRAZER:** Dr. Diagne.

46

47 **DR. DIAGNE:** Well, I think, in some perspective, that would be a
48 great idea. Essentially, rather than letting those permits just

1 disappear, start what I would call a permit pool, because, thinking
2 longer term, to let's say potential new entrants, that are not
3 even in the position of getting a permit yet, and then they would
4 presumably have access to those permits, and based on what criteria
5 --
6

7 I mean, we can discuss that further, but this would be consistent
8 with the overall idea of a moratorium, which we had, but,
9 essentially, we would just set, I guess, you know, a threshold,
10 and, rather than letting those permits disappear, create a permit
11 pool, upon which any new entrant who wants to fish could draw, and
12 then subsequently get shares, and so, if that is something that
13 you are interested in, we could consider that further, but I think
14 that would be a great idea.
15

16 **CHAIRMAN FRAZER:** Kesley.
17

18 **DR. BANKS:** Do I need to make a motion to that effect? Is that
19 enough direction for staff to explore that, or what's the next
20 step, because I would like to see more information regarding that.
21

22 **CHAIRMAN FRAZER:** I suspect we're going to need a motion, but I
23 will defer to Dr. Simmons.
24

25 **EXECUTIVE DIRECTOR SIMMONS:** Thank you, Mr. Chair. I think we
26 need a motion.
27

28 **CHAIRMAN FRAZER:** Okay.
29

30 **DR. BANKS:** I'm going to need some help wordsmithing, but I can
31 wait to the end of this or do it now, and I will leave that to
32 your discretion, Chair.
33

34 **CHAIRMAN FRAZER:** I think we should do it here, actually.
35

36 **DR. BANKS:** Want to help me wordsmith?
37

38 **CHAIRMAN FRAZER:** I will.
39

40 **DR. BANKS:** Okay. **Then I would like to make a motion to direct**
41 **staff to explore the possibility of a --** What did you call it, a
42 permit pool, Dr. Diagne?
43

44 **DR. DIAGNE:** Yes, and that would work. To explore the possibility
45 of, I guess, establishing a permit pool for future use by new
46 entrants, something like that.
47

48 **DR. BANKS:** Is that?

1
2 **CHAIRMAN FRAZER:** I think it's enough direction, but you're going
3 to explore the possibility of establishing a permit pool from
4 expired permits, or something, right, and you need to know where
5 the pool is coming from.
6
7 **DR. BANKS:** Yes. **From expiring or lapsing permits, whichever term**
8 **is appropriate.**
9
10 **CHAIRMAN FRAZER:** Okay, and so we have a motion on the board to
11 direct staff to explore the possibility of establishing a permit
12 pool from expiring or lapsing permits. Is there a second to that
13 motion? It's seconded by Dr. Sweetman. Is there further
14 discussion? Ms. Boggs.
15
16 **DR. JOHN FROESCHKE:** Did you want the part about for use by new
17 entrants tacked on, or is it good?
18
19 **CHAIRMAN FRAZER:** Kesley.
20
21 **DR. BANKS:** Yes, please. **I would like to direct it toward new**
22 **entrants.**
23
24 **CHAIRMAN FRAZER:** Okay, and so we had a modification, and the
25 seconder is good with that. Thanks, John, for that. Any further
26 discussion of the motion? Mara.
27
28 **MS. LEVY:** I think this is clear, but, when we're saying
29 "expiring/lapsing", you're talking about permits that are about to
30 terminate, right, because they expire, and then they have a year
31 to renew it, and so we're talking about those that terminate after
32 that year, after expiring.
33
34 **CHAIRMAN FRAZER:** Right, and so maybe a friendly amendment there.
35 Permit pool from expired, and would that be sufficient, or do you
36 want the word "terminated" in there?
37
38 **MS. LEVY:** I think we would use the word "terminated", because
39 that's when they would be gone, and not able to be renewed anymore,
40 right, or you could say non-renewable, and whatever --
41
42 **CHAIRMAN FRAZER:** I think staff understands what that is, and so,
43 Dr. Banks, you're good with that? C.J.? All right. Ms. Boggs
44 and then Captain Walker.
45
46 **MS. BOGGS:** So, again, this council has never defined what a new
47 entrant is, and so careful, and I would like a roll call vote.
48

1 **CHAIRMAN FRAZER:** Okay. Captain Walker.
2
3 **MR. WALKER:** So there's kind of something missing here, and it
4 should say commercial reef permits, because this here would open
5 up king mackerel permits, and Spanish mackerel permits, and a lot
6 of other things, and so I think you might want to mention that
7 we're talking -- Which permits we're talking about, or it becomes
8 a really big deal, if all expiring permits can be renewed.
9
10 **CHAIRMAN FRAZER:** Okay, and so a couple of things here. I see Mr.
11 Gill, and then Susan, but let's go ahead and fix that language,
12 right, and so, Dr. Banks.
13
14 **DR. BANKS:** Well, as it's falling under Amendment 59, does that
15 not stick to just reef fish? I mean, it's Reef Fish Amendment 59.
16 Do we need it in there, or --
17
18 **CHAIRMAN FRAZER:** I think it's implied, and I get it, right, but
19 it doesn't hurt to be specific.
20
21 **DR. BANKS:** I'm fine with that.
22
23 **CHAIRMAN FRAZER:** C.J.? Okay. We're good then. I think Susan
24 was next.
25
26 **MS. BOGGS:** So I agree completely with what Captain Walker is
27 saying, because there is all types of restricted permits, or
28 limited-access permits, out there, but, if I'm not mistaken, one
29 of the major intents of the IFQ program was, and I'm not going to
30 get the language right, but it was to, one, limit the number of
31 people who could enter the fishery, and then, kind of through
32 attrition, it would decrease, and not just to kind of level-out
33 the fishery, and, like I said, I'm not using probably the correct
34 language, but I think we just need to be careful going down this
35 path.
36
37 **CHAIRMAN FRAZER:** Mr. Gill.
38
39 **MR. GILL:** Thank you, Mr. Chairman. I just wanted to point out
40 that this concept could be part of fisheries trusts, which is a
41 broader concept than just allocation banks. You know, this would
42 include permit banks, which is what we're talking here, and other
43 conceptually more inclusive items, and that's why I used that term
44 for consideration in the future.
45
46 **CHAIRMAN FRAZER:** Dr. Diagne.
47
48 **DR. DIAGNE:** In light of, I guess, some of the comments, and if

1 the maker of the motion agrees, it seems to me that maybe we could
2 just say commercial reef fish permits for future use, and just
3 stop it there, because we would have, you know, fishermen that are
4 new entrants, but, if you want to consider, later on, quota banks,
5 they don't have permits, and where are they going to get it from,
6 and that sort of thing, and it just depends on the amount of
7 flexibility that you envision for the use of those permits down
8 the line.

9
10 **CHAIRMAN FRAZER:** Dr. Banks.

11
12 **DR. BANKS:** I'm fine amending the language a little bit, but I
13 would like to have in there, maybe, "including exploring the use
14 by new entrants", and I would like that somewhere in it, and it
15 doesn't have to limit to new entrants, but I would like to look at
16 that being a way to get new entrants in, especially since we hear
17 a lot about new entrants in public comment.

18
19 **CHAIRMAN FRAZER:** Ms. Boggs.

20
21 **MS. BOGGS:** I am going to keep harping on this, and what is a new
22 entrant? We have not defined what a new entrant is, and we keep
23 having all these motions and actions and discussions about we've
24 got to help the new entrant, and I don't know what that means.

25
26 **CHAIRMAN FRAZER:** Dr. Banks and then Captain Walker.

27
28 **DR. BANKS:** Maybe the council chair can add it to other business,
29 or the reef chair to other business, and we can have that
30 discussion, and maybe put a definition to it, at this meeting or
31 the next meeting, whatever the chairs decide.

32
33 **CHAIRMAN FRAZER:** Dr. Diagne.

34
35 **DR. DIAGNE:** Before I speak, I think Dr. Stephen has her hand up
36 to speak.

37
38 **CHAIRMAN FRAZER:** Sorry, Jessica.

39
40 **DR. STEPHEN:** It's all right, and so I just wanted to point out
41 that the number of permits terminating are pretty small, but there
42 is a large group of what we would call latent permits, and they
43 are permits that are owned by someone, and renewed each year, and
44 not actively fishing, and that might be where more consideration
45 would come from in kind of just how the limited-access permit
46 system currently works, and where the permit has a significant
47 value between the two people that are buying or selling the
48 permits, that the agency is not involved in.

1
2 Then the other point that I wanted to point out is we would have
3 to consider the reasons that we did the reef fish limited-access
4 permit, which I believe had to probably do with overcapacity, and
5 also remember that the IFQ itself is considered a permit, and, by
6 allowing a reef fish permit, it has more than just IFQ to it, and
7 so do you mean new entrants for IFQ or new entrants to the reef
8 fish fishery?

9
10 Typically, what we've heard about, on the phone lines, for people
11 coming into IFQ, is they already have the reef fish permit, and so
12 that's not as big of a deal for them, and they're trying to get
13 into the IFQ component, and that's where really the cost of shares
14 seems to be the driver that is kind of inhibiting their ability to
15 get into the IFQ program, but, meanwhile, they can fish for other
16 reef fish species that are not under an IFQ system, and that's
17 just points for consideration.

18
19 **MR. WALKER:** Just to explore it, I think it's fine, but you also
20 have to decide are we going to give these to somebody, or are they
21 going to buy them, and who would they buy them from? NMFS, or a
22 lottery, or you know, and it's further down the road, and I support
23 the motion, but just additional considerations.

24
25 **CHAIRMAN FRAZER:** Great. Dr. Banks.

26
27 **DR. BANKS:** The intent of this motion is to explore those
28 possibilities, and come back with some options, and see if this is
29 feasible, right, and we're not suggesting implementing it with
30 just this one possibility.

31
32 **CHAIRMAN FRAZER:** Yes, I would agree that's where we're at. Mr.
33 Strelcheck.

34
35 **MR. STRELCHECK:** Dr. Banks, is it your intent that this would be
36 included in Reef Fish Amendment 59, or it could be a separate
37 effort?

38
39 **DR. BANKS:** I think I would like to just see the possibilities, at
40 the moment, and then we can decide if we want to include it or
41 have it separate, and I don't know that I have an opinion at this
42 moment.

43
44 **MR. STRELCHECK:** Okay, and the reason I ask, and so thank you for
45 that, and I'm, I think, supportive of exploring this, and we've
46 been working on the IFQ actions for quite some time, and I'm
47 concerned this could really bog us down, and take some time to
48 work through, and I'm just think it may be better to have an

1 independent effort.

2

3 The other thing I will mention is, right, we need to do this in
4 light of consideration of overcapacity in our fisheries, right,
5 and so that has to be kind of a key factor, and objective, that
6 we're thinking about, and, right now, I'm not seeing that the
7 permits are limiting, right, because there's latency, and there's
8 availability of permits, but I think it is maybe cost prohibitive
9 to some of those newer entrants and that this could address some
10 of those cost challenges for someone starting up a business.

11

12 **CHAIRMAN FRAZER:** Dr. Banks.

13

14 **DR. BANKS:** This might be for you, or for Frank, but do we have a
15 definition, like a number of vessels or permits, for overcapacity
16 in this IFQ fishery? I know that may change by species, but --

17

18 **CHAIRMAN FRAZER:** Andy and then Mr. Gill.

19

20 **MR. STRELCHECK:** I mean, we've done some economic analyses, and
21 they probably need to be updated at this point, and we've certainly
22 debated, around this table, the definition of "overcapacity", as
23 I look at Mr. Gill.

24

25 **CHAIRMAN FRAZER:** Bob.

26

27 **MR. GILL:** Thank you, Mr. Chairman. That's precisely my point,
28 but what the reviews defined as overcapacity is not necessarily,
29 at least in my view, what this council thinks that overcapacity
30 is. For example, their definition is fundamentally a fleet
31 comprised of highliners, and they can catch all of the available
32 quota. That's not what we want, in my view, for the fishery, and
33 so it's a quagmire that we have not addressed, and, in my view,
34 it's an important subject, that needs to be addressed by this
35 council going forward, because it comes up in questions, as we
36 just discussed.

37

38 **CHAIRMAN FRAZER:** Dr. Diagne.

39

40 **DR. DIAGNE:** Very short, and not to that point, but I will speak
41 on something that Mr. Strelcheck and Dr. Banks mentioned, and it
42 seems, to me, that this, I guess, exploration, for lack of a better
43 term, could be done outside of Amendment 59, and not to slow down,
44 essentially, the progress, however limited, we already made, and
45 so we are going to start this, but, you know, a definition for
46 "new entrants", potential use of the permits, looking back at how
47 many permits expired, just to get an idea, et cetera, and it seems,
48 to me, that doing this without slowing down the progress in 59

1 would be, I guess, you know, a perspective to consider.

2

3 **CHAIRMAN FRAZER:** Okay. A couple of things here, and I want to
4 make sure that I go back to all of the actionable items. The first
5 one I would think is that I heard that we still might -- If I could
6 suggest a friendly amendment to the motion, where perhaps it says
7 "terminated commercial reef fish permits for future use,
8 including, for example, use by new entrants", and so that opens it
9 up for staff a little bit to explore. It also allows the
10 possibility to consider some of the thoughts that were brought up
11 around the table, particularly with regard to overcapacity and
12 things of that nature, and so that's one.

13

14 Then Ms. Boggs -- I don't think that -- We've already approved the
15 agenda, and I can't add another agenda item here, but we could
16 certainly do it at Full Council, because we haven't approved that
17 agenda, to discuss what a definition of "new entrant" is, and so,
18 if you want to do that, you have to modify the agenda at Full
19 Council.

20

21 Then, to Andy's point, and to Dr. Diagne, we'll probably do this
22 as a separate effort, right, and we'll bring back that analysis,
23 including all of the kind of caveats and things that might be
24 affected, separate of the amendment, but moving forward. All
25 right? Is everybody good with that? Okay. Is there any further
26 discussion of the motion? Not seeing any, is there any opposition
27 to the motion? I'm sorry. We have a roll call vote. Dr. Simmons.
28 Ms. Boggs asked for a roll call vote.

29

30 **EXECUTIVE DIRECTOR SIMMONS:** We can just use the voting equipment,
31 and I think we're ready to go, Mr. Chair.

32

33 **CHAIRMAN FRAZER:** We will break open the clickers.

34

B.5.1. To direct staff to explore the possibility of establishing a permit...

First Name	Last Name			
Kevin	Anson			Abstain
Susan	Boggs		No	
Billy	Broussard	Yes		
Dale	Diaz	Yes		
JD	Dugas	Yes		
Anthony	Overton	Yes		
Tom	Frazer	Yes		
Dakus	Geeslin	Yes		
Bob	Gill	Yes		
Michael	McDermott	Yes		
Chris	Schieble	Yes		
Joe	Spraggins	Yes		
Andy	Strelcheck	Yes		
Kesley	Banks	Yes		
CJ	Sweetman	Yes		
Troy	Williamson	Yes		
Ed	Walker	Yes		
Results - Passed	Subtotals	Yes (15)	No (1)	Abs (1)

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CHAIRMAN FRAZER: Okay, and so the motion carries fifteen yes, one no, and one abstention. Dr. Diagne, if you want to -- We'll get the presentation back on the board.

MR. ANSON: Dr. Frazer, if I can, real quickly, and so we're up for, at 11:45, our scheduled lunchbreak. We don't have a lot of options here that are close, and so we'll probably need the full hour-and-a-half. Dr. Simmons and I believe that we could probably have some time after lunch to continue this discussion, but if you're agreeable to that.

CHAIRMAN FRAZER: Yes, and I'll try to make up some time after lunch, and so do you want to break now or --

MR. ANSON: We can go a few more minutes, and maybe, you know, dispense with this option, and then still try to keep our 11:45 to 1:15 time.

CHAIRMAN FRAZER: Thank you, Kevin. We can do that. Dr. Diagne.

DR. DIAGNE: There is a hand.

CHAIRMAN FRAZER: Andy.

MR. STRELCHECK: So, before we move on, the range of alternatives

1 we just talked about -- I made the suggestion about Alternative 3
2 being removed, but that wasn't, obviously, a consensus
3 determination, and so do we have agreement around that, and do we
4 need to make a motion?

5
6 **CHAIRMAN FRAZER:** Let me look around the table. Is there any
7 heartache about removing Number 3?

8
9 **DR. BANKS:** Can we put them back on the board, so I can see it?

10
11 **CHAIRMAN FRAZER:** Sure. If we can back up one slide, Bernie.
12 Alternative 3 had to do with maintaining an IFQ shareholder
13 account. I don't see any objection to removing that, Assane.

14
15 **DR. DIAGNE:** Okay. Thank you. On this slide here, we are looking
16 a little closer, and some of these numbers we've seen in the
17 previous table, and I'm just going to use 2022 as an example. If
18 we look at IFQ shareholder accounts with shares, we would have
19 662. Shareholder accounts with permits are 529. Accounts with
20 shares and permits are 363.

21
22 Shareholder accounts with shares, but without a permit, are 299,
23 and IFQ shareholder accounts with permits and no shares, we have
24 166 of those, and so I guess, you know, one of, I guess, the points
25 that could be made here is, within the IFQ system, there is some
26 flexibility here, given that we have let's say 166 permits with
27 shareholder accounts that have no shares, and so presumably there
28 is flexibility for, you know, cooperation, if you would, or permits
29 to move towards accounts with shares and without permits, in light
30 of the requirements that we may have down the line.

31
32 **CHAIRMAN FRAZER:** I think, if it's okay, I mean, this is a good
33 breaking point, because we're at dealer accounts, and I think it
34 will take us more than a couple of minutes to work through this
35 slide, and so, if it's up to you, Mr. Chairman, maybe we should
36 break for lunch.

37
38 **MR. ANSON:** Let's go ahead and do that. We'll break for lunch,
39 and if we can be back here and ready to roll by quarter after one,
40 please.

41
42 (Whereupon, the meeting recessed for lunch on June 25, 2024.)

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45
46 June 25, 2024

47
48 TUESDAY AFTERNOON SESSION

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The Reef Fish Committee of the Gulf of Mexico Fishery Management Council reconvened at The Omni Hotel in Houston, Texas on Tuesday afternoon, June 25, 2024, and was called to order by Chairman Tom Frazer.

CHAIRMAN FRAZER: We are going to pick up on the discussion and presentation on Reef Fish Amendment 59, with Dr. Diagne, and I think we're at dealer accounts.

DR. DIAGNE: Yes. Thank you. So, when we were talking about when permit requirements, or, rather, when you discussed it at the previous meeting, one of the issues that you highlighted was to look at dealers, to be -- You know, to pay some attention to the situation of the dealers, and so this table here provides us with some information relative to the number of dealer accounts and those with permits and shares.

For your time series, 2020 to 2023, we have the dealer accounts, and, as an illustration, I'm just going to use the last row, as we discuss this, and we would have 163 dealer accounts, and, of those, 107 processed landings.

From the dealers with accounts, or, excuse me, the dealer accounts rather, with shareholder accounts, we have eighty-four of those, and that's 2020, but, if I go back, to stay consistent, to 2023, that would be seventy-nine.

Of those seventy-nine, sixty-eight have commercial reef fish permits, and so then this table shows us that eleven dealers with shareholder accounts do not have a commercial reef fish permit, and this number has been decreasing, because, starting from 2020, I mean, twenty of them did not have a permit, but, by now, we have eleven of them, and so, given what we discussed previously, in terms of the permits without any shares, there is, again, quote, unquote, some wiggle room, if people wanted to look for alternative options.

You have also directed us to look at participation requirements, as in active participation, those that are fishing. For the time being, we have three alternatives, and the percentages indicated here are for illustration, and it's open to adding others, of course.

We have a no action alternative, which would not set active participation requirements in the IFQ program, and that is status

1 quo. Alternative 2, to be considered as an active participant in
2 the IFQ programs, in addition to the citizenship or permanent
3 residency requirement, a person, I mean in the legal sense of the
4 term, right, individual, business, et cetera, must land at least
5 25 percent of their IFQ shares annually. Alternative 3 would
6 consider a two-year period and require that the person lands at
7 least 50 percent of their IFQ shares during that two-year
8 timeframe.

9
10 Just one thing that I wanted to add to this is that when, at the
11 IPT level, we started talking about it, we initially framed the
12 alternatives using pounds, actual pounds, and then we started
13 discussing new entrants and said, well, if you are entering, then
14 you don't have any shares to land, and that is why we use percentage
15 points, because, of course, if you don't have any shares, you would
16 automatically meet the requirement.

17
18 **CHAIRMAN FRAZER:** Okay. We have a couple of questions. Mr. Gill.
19

20 **MR. GILL:** Thank you, Mr. Chairman. Thank you, Assane. Relative
21 to this action, I'm sure there is results of these decisions, the
22 unforeseen consequences, at least in my mind, that might be, but
23 did you consider, and, if not, why not, a lower percentage, just
24 10 percent say, in case there are unforeseen consequences to a
25 larger percent, as discussion rolls out? It would seem to me that,
26 on the face of it, it would be worth looking at from an analysis
27 point of view.

28
29 **CHAIRMAN FRAZER:** Dr. Diagne.
30

31 **DR. DIAGNE:** Yes, absolutely, and we -- I mean, as I indicated, we
32 used these two percentages as illustration, and it is open to
33 adding other fractions, if you would, and so I'm hearing 10
34 percent. If that is a consensus, we'll add an alternative with 10
35 percent. Would it be for a one-year period, or a two-year period,
36 or for both?

37
38 **CHAIRMAN FRAZER:** Anthony.
39

40 **DR. ANTHONY OVERTON:** Maybe it might be worth just adding -- With
41 keeping the two alternatives, but adding a range, and so, that
42 way, we address the concerns of the percentage differences between
43 the low and the high, and so you could say anywhere between 10 and
44 25 percent, and then, I don't know, 26 to 50 percent, and so it
45 captures everyone, and that's just a thought.

46
47 **DR. DIAGNE:** Yes, and so we'll keep the two alternatives, and,
48 under each one of them, have options, and those options then will

1 present the range of percentages. Okay.

2
3 **CHAIRMAN FRAZER:** Are the data available to kind of look at what
4 the -- I guess, for the shareholders now, is there like a frequency
5 histogram, or something like that, that shows what the number of
6 -- Or what percentage of their shares are landed annually?

7
8 **DR. DIAGNE:** Those analyses are ongoing, and, next time we see the
9 document, you will have that.

10
11 **CHAIRMAN FRAZER:** Thanks. Mr. Strelcheck.

12
13 **MR. STRELCHECK:** A couple of comments, and so my concern is really
14 the annual requirement, and, obviously, you could have illness, or
15 you could have a boat break down, or you could have a hurricane.
16 There's lots of implications of that, and so I think we probably
17 want to be considering a multiyear period for share usage, and
18 then, in terms of earlier comments that I made, and we discussed
19 a little bit about, is, you know, is this cumulative shareholdings
20 of all share categories, or do we want to do this on a species-
21 by-species share category, you know, list? You might use red
22 snapper and grouper shares, but maybe you didn't use your tilefish
23 shares, right, and so is it the cumulative, or is it going to be
24 on an individual share basis?

25
26 **DR. DIAGNE:** As written, this would be cumulative across all share
27 categories.

28
29 **CHAIRMAN FRAZER:** Dr. Stephen.

30
31 **DR. STEPHEN:** I did get some preliminary analysis, in between when
32 Assane and I submitted this presentation and now, and so there are
33 some accounts that land up to almost 4,000 percent of their shares.
34 Now, keep in mind they might be people who have very little shares,
35 and they're transferring allocation, and that's why it's landing
36 by more, but there is a little bit stronger analysis later, but I
37 wanted to kind of give you a range, and there's a good percentage
38 of people by share category, and so not across the categories,
39 that do not hit even that 25 percent mark, and so just a little
40 bit of background there, and so we might be exploring different
41 avenues on how to look at it.

42
43 **CHAIRMAN FRAZER:** We have Captain Walker and then Ms. Boggs.

44
45 **MR. WALKER:** I'm still kind of processing that one. I had a
46 comment, but now I'm reconsidering, but there definitely will need
47 to be discussion of if it's per category or cumulative, because,
48 you know, like I was talking about earlier, some fishermen keep

1 some shares of other stuff, in case they run into that, and that
2 might not be caught up to 50 percent on a regular basis, and so
3 it's definitely something we need to -- Or whatever percentage,
4 but it's something we need to discuss further.

5
6 **DR. DIAGNE:** That could also be an option, I mean, with the
7 understanding that doing this by share category is going to be a
8 more flexible requirement, if I can put it that way, rather than
9 in aggregate, right, and it will be easier to meet the threshold
10 if we do it by share category, and so we can certainly present
11 both options.

12
13 **CHAIRMAN FRAZER:** Ms. Boggs.

14
15 **MS. BOGGS:** Well, something that maybe can be considered is,
16 instead of buying it and doing it by individual species, just look
17 at your red snapper IFQ, and your grouper-tilefish as a whole,
18 instead of trying to drill down to each specific species, and maybe
19 not -- I'm not saying that it -- The more you keep parsing this
20 out, the more you're going to have to -- It may be important to
21 look at it, to make sure, again, that unintended consequences --

22
23 But I think it might be just as simple as just dividing it between
24 the two IFQ programs as a whole, if you will, because, the more
25 you keep parsing this out, the bigger this document is going to
26 get, and you're going to be dividing it, and we're going to have
27 60 A, B, C, through Z, or 59, I guess is what we're on now, but it
28 just -- I just think you need to try not to -- I don't know what
29 the word is, and I want to say tear this apart, but that's not the
30 word, but you're just going to make this document so big that
31 you're going to be back where you were with 36A, B, and C, and so
32 I just caution the drill-down on this.

33
34 **CHAIRMAN FRAZER:** Mr. Anson.

35
36 **MR. ANSON:** Dr. Diagne, I wonder if we can get the motion back up,
37 and I just wanted to make sure I'm reading this correctly, or not
38 the motion, but the action item, Number 4, I think. Where it says,
39 in the alternative, Alternatives 2 and 3, that a person must land,
40 and so I'm just trying to align that with the, I guess, description
41 that was provided earlier in this presentation, on I believe Slide
42 10, and so it could default down to the second tier ownership, and
43 each individual owner then, because it would be actually a person,
44 and not a corporation, that type of thing, and so is that what the
45 intention is here?

46
47 **DR. DIAGNE:** I mean, it would be to the unique person, be it an
48 individual or an entity, that owns the share, at the end of the

1 day, and each one of them -- If I own, I don't know, 5 percent of
2 shares, I should land 25 or 50, depending on the time period, and
3 so it will be at the individual, or I say person, because some of
4 those are businesses, but to include the individual or the
5 business.

6
7 **MR. ANSON:** Yes, and that's what I wanted clarification on, was a
8 person/business would have to show that there was a landing, and
9 so okay. Thank you.

10
11 **CHAIRMAN FRAZER:** Ms. Boggs and then Mr. Strelcheck.

12
13 **MS. BOGGS:** Getting back to that "s" thing again, and so should it
14 be "person", with an "s" in parentheses, because, some of these,
15 you have multiple people that are a part of the ownership, based
16 on what Dr. Stephen showed us.

17
18 **DR. DIAGNE:** I'm sorry, Ms. Boggs. I missed the first part, and
19 what do you mean?

20
21 **MS. BOGGS:** When you say "a person", that's singular, but you have
22 some of these that have two persons, and so does that need to be
23 a person/persons? I mean, look, we get drilled-down on semantics
24 when we talk about this stuff, and I don't want it to come down
25 to, okay, well now it's going to be the majority holder.

26
27 **DR. DIAGNE:** This would apply to anyone that owns shares, at the
28 end of the day. If it is a business that owns those shares, the
29 shares are in the name of the business, the requirement would be
30 applicable to that business. If it is an individual who owns the
31 share, then that individual is going to be responsible for landing
32 whatever percentage.

33
34 **CHAIRMAN FRAZER:** Susan.

35
36 **MS. BOGGS:** I think we need to specify that, because I'm a new
37 council member sitting at the table, and it says, well, a person,
38 and, well, who is that person, and so I think we need to say
39 person, persons, entities, however, but be very clear or who, or
40 what, can be a part of this alternative.

41
42 **DR. DIAGNE:** Yes, point taken, and it will be done, but, in writing,
43 it is usual to say a person, and that, in a, quote, unquote, legal
44 sense, that includes individuals or businesses, and that's why
45 here, I guess, for economy, we just wrote "a person", but we'll
46 definitely make sure that we say individuals or businesses, to
47 make it clear. That would be helpful. Thank you.

48

1 **CHAIRMAN FRAZER:** Dr. Stephen and then Andy.

2
3 **DR. STEPHEN:** There are a few ways we can do this. We can do it
4 at the account level, which is transparent and simple for us to
5 track and keep track of, you know, things, because the landings
6 are under the account level. If we do it at the entity level,
7 which is the kind of preferred term I use, based on what Susan's
8 comments were, we have to do it the same way we do share
9 calculations.

10
11 That will not be transparent to most of the participants, and it
12 will get a little tricky about how we apply if one person if a
13 share account meets that level, but another one doesn't, and does
14 that account meet that level as a whole, and so those are some
15 considerations, and we can come back with you, at the next meeting,
16 and kind of show you what the difference would be in looking at it
17 at the entity level, which would be following that share cap type
18 of calculation that I showed, versus looking at the shareholder
19 account level. There are pros and cons to each approach.

20
21 **CHAIRMAN FRAZER:** Mr. Strelcheck and then Dr. Banks.

22
23 **MR. STRELCHECK:** So Jessica hit on one my, I guess, concerns, and
24 I think it's more the administrative challenges of how we track
25 this in the system, right, and I think we're going to have to look
26 at this, and get some advice from the IPT about how to track it,
27 and I think probably the account level is going to be the most
28 straightforward, rather than at the entity level.

29
30 At the entity level, if we do it that way, you could have someone
31 with five or six accounts in the system, and then you have to
32 determine, if they didn't meet the threshold, where are you pulling
33 or reclaiming shares from, which account, right, or is it all the
34 accounts, right, and so there's a lot of things that I think would
35 have to be worked out if we took that approach.

36
37 The other thing I think that the IPT is going to have to help us
38 weigh-in on is the buying and selling of shares throughout the
39 year, right, and so, when we say someone has to land 25 percent of
40 their shares annually, is that shareholdings at the start of the
41 year, or is that the highest shareholdings during the year, or is
42 it whatever you end up with, the shareholdings at the end of the
43 year, because that could be very different numbers, depending on
44 those shares moving around, and so making sure it's very clear, in
45 terms of how we're calculating it, based on when those shares were
46 held.

47
48 **DR. DIAGNE:** Yes, that is one of the points that the IPT will have

1 to discuss, because, depending on the time we do it, yes, those
2 would be very different numbers, right, and I can have a very
3 little bit landed, and then acquire a bunch of shares before the
4 end of the year, and so we are going to look at this at the IPT
5 level.

6
7 I guess the spirit, or the intent, of this action is to make sure
8 that participants show that they are active in the fisheries, and
9 so now I guess we are going to discuss this and present options
10 that would allow you to be more or less lenient, when it comes to
11 measuring that activity.

12
13 **CHAIRMAN FRAZER:** Dr. Banks.

14
15 **DR. BANKS:** So I think my question is more clarification, and maybe
16 Andy or Jessica could answer this, but, if I understood the
17 presentation this morning, shares, or allocation, could hit an
18 account, and pass from that account that's not actually fishing to
19 multiple other accounts associated with a permit and a vessel, and
20 so, if we're requiring 25 percent -- At what account level, and is
21 that what you were getting at, Andy, that we're looking at? Is it
22 the first account, and so it included all of these other
23 subaccounts, or -- I think that's where I'm getting lost.

24
25 **CHAIRMAN FRAZER:** I think you're exactly right. I mean, one of
26 the things we're going to have look at is when people start moving
27 fish around, right, at the very end, and, you know, there's always
28 loopholes, and it sounds good, but we'll have to look at the
29 details. Ed.

30
31 **MR. WALKER:** Yes, and that was going to be my comment. I don't
32 think you could do it any other way than the percentage of shares
33 that were issued to the individual right out of the gate, at the
34 first of the year, before trading and stuff happens, and I think
35 that's kind of the intent we have here, is what you're issued at
36 the beginning of the year. If you're not catching some of it,
37 then we're going to maybe talk about that, but, to me, there's no
38 other way, that I can think of offhand, than to do it based off of
39 the shares that you're initially issued at the beginning, at
40 January 1.

41
42 **CHAIRMAN FRAZER:** I thought I saw your hand, Andy.

43
44 **MR. STRELCHECK:** I mean, I think the conversation is good, and it
45 points to, obviously, some of the nuances, and the challenges,
46 with how we would determine, you know, usage, and that's where the
47 IPT will have to come back with, I think, some more input and
48 direction, based on this conversation.

1
2 **CHAIRMAN FRAZER:** All right. Dr. Diagne.

3
4 **DR. DIAGNE:** Now we have to consider the requirements to obtain
5 and maintain IFQ shares. We have a no action alternative, status
6 quo, and, under that alternative, we would not set requirements to
7 obtain, or to maintain, shares, and so outside of the citizenship
8 or permanent residency requirements that we have.

9
10 For Alternative 2, only those who meet the citizenship requirement
11 and hold a valid or renewable commercial reef fish permit can
12 obtain IFQ shares, and so, essentially, this is what we had at,
13 you know, the beginning of the program, when people had permits,
14 and Alternative 3 is only those who meet the citizenship
15 requirement and have a valid or renewable permit can maintain
16 shares, meaning that, once you get it, you have to keep your permit
17 active, and, if not, you will have to essentially divest of those
18 shares.

19
20 Alternative 4 would have the permit requirement to obtain and
21 maintain the shares. You would need to have the permit to have
22 the shares in the first place, but you would need to maintain the
23 permit to continue keeping those, and Alternative 5 would combine
24 Alternative 4 here, obtaining and maintaining IFQ shares, with
25 whatever active participation requirement you would set in the
26 previous action, in Action 2, and so that essentially would be the
27 most restrictive, if you would, requirement, by combining that
28 activity with obtaining and maintaining IFQ share and requiring a
29 permit.

30
31 **CHAIRMAN FRAZER:** Ms. Boggs.

32
33 **MS. BOGGS:** So, Assane, hypothetically, if the council chooses, in
34 Action 1, no alternative, then that would mean these other
35 alternatives would be viable, and is that correct?

36
37 **DR. DIAGNE:** In Action 1, and let me go back quickly.

38
39 **MS. BOGGS:** It's basically the requirement for a permit, and I'm
40 just trying to get -- I'm just trying to see how this would flow,
41 or can you have different requirements for different aspects of
42 being a shareholder for IFQ? I mean --

43
44 **DR. DIAGNE:** Yes, but Action 1 applies to opening and maintaining
45 a shareholder account, and so let's say, for example, you do not
46 require a permit here, and you say the no action alternative, but
47 then you can still be required to have a permit to have shares.
48 Then I do not know what your account would do, but this is a series

1 of actions, because, to participate here, you need a shareholder
2 account, and you need shares, and you need annual allocation, and
3 so, to give the flexibility, it is possible to tweak the
4 requirements here, for example, to allow dealers and say that,
5 well, to have a shareholder account, you need a permit, but, to
6 hold and maintain shares, you don't, and so on, to be able to build
7 the flexibility, depending on, I guess, the group of folks that
8 you want to see involved in the fishery.

9
10 **CHAIRMAN FRAZER:** Susan.

11
12 **MS. BOGGS:** The reason for my question, if the council is
13 perplexed, is, about five years ago, we were working on a document,
14 and we said, well, we're going to take care -- We're not going to
15 do Action 1, and we're going to go to Action 2, and we picked
16 alternatives, and, well, then that precluded us from doing
17 anything, and we were stuck, and so I'm just making sure -- Is
18 there a pecking order of how this needs to be done, because, I
19 mean, this council is bad about, well, we'll talk about that later,
20 and this go to this, and you don't want to preclude -- To get
21 yourself in a box, where you make this decision, and so now you
22 can't do something else that you wanted to do up here.

23
24 **DR. DIAGNE:** I was just quickly looking at the goals that you
25 approved, and it's to improve the opportunity for a participant to
26 enter the fishery, that we addressed before, but some of the idea
27 here is to make sure that the share and allocation are held by
28 people who actively participate in this, and so, during the first
29 five years of the program, in Action 1, people were required to
30 have a permit.

31
32 Then we moved to public participation, and the sense, based on
33 your previous discussions here, is that you want to do, I guess,
34 better than what we had before public participation, and that would
35 bring us to at least probably Alternative 4, that we would require
36 a permit for those who would want to obtain and maintain a
37 shareholder account, and so, if you start there, and have the
38 permit already, then it would flow, right, and the same requirement
39 could be applicable to shares, but, for annual allocation, maybe
40 you want to be more flexible, but that would be at your discretion.

41
42 **CHAIRMAN FRAZER:** Captain Walker.

43
44 **MR. WALKER:** So have we defined what "maintain" means? Does that
45 mean that you can do allocation transfers? I'm not sure what we
46 mean by "maintain shares", versus -- I know what "obtain" means,
47 obviously, but what do we mean by "maintain"?

1 **DR. DIAGNE:** Yes, and, at the inception of these programs, and
2 let's just take the red snapper, you had to have a permit, right,
3 to receive the shares, but that requirement of having a permit
4 lapsed after five years, and so, when public participation came,
5 one didn't need to have a commercial reef fish permit to have
6 shares or to maintain them. During the first five years, once you
7 received your shares, you could get rid of your permit and still
8 maintain your shares, and, actually, there were some accounts there
9 that continued to receive the annual allocation, but did not have
10 a permit anymore. That is essentially what we want to address
11 here, by saying obtain and maintain, to make sure that, I guess,
12 the individual has a permit, a valid one, throughout.

13
14 **MR. WALKER:** So "maintain" just means to hold shares, and it
15 doesn't infer any transferring or anything like that, or allocation
16 shifting or anything like that. Okay.

17
18 **DR. DIAGNE:** Yes.

19
20 **CHAIRMAN FRAZER:** So, Assane, in Action 1, and I know we're on
21 Action 4, I believe, 3 or 4, but Andy, earlier, had made the
22 suggestion, and the council largely agreed, to get rid of
23 Alternative 3 here.

24
25 **DR. DIAGNE:** Yes.

26
27 **CHAIRMAN FRAZER:** But that wording in Alternative 3 is exactly the
28 same wording that's used in the Action 3 that we're discussing
29 right now, and is there a difference, or does that need to be --

30
31 **DR. DIAGNE:** Yes, it is the same wording, but it does not have the
32 same implications, and so we can eliminate that here, but we can
33 leave it, in terms of the shares and the annual allocation.

34
35 **CHAIRMAN FRAZER:** All right, and so, Bernie, I think we need to go
36 back to the slide with Action 3. Dr. Diagne. Mr. Strelcheck.

37
38 **MR. STRELCHECK:** Going back to the alternatives in Action 3, and
39 so, Assane, you're suggesting maintaining Alternative 3? I was
40 thinking that the same rationale would apply, to be able to
41 eliminate that, as I made for Action 1.

42
43 **DR. DIAGNE:** So, here, the Alternative 3 says that, essentially,
44 when you get IFQ shares, and presumably let's say with a permit,
45 you are not allowed to let your permit lapse, right, and, to
46 maintain the shares, when that time comes, to hold the shares, you
47 still have to have a valid permit.

48

1 **MR. STRELCHECK:** I guess I view that, if we keep Alternative 3, in
2 order -- The only way that you can select Alternative 3 is if you
3 also select Alternative 2, because you have to obtain them first,
4 and then we're saying you maintain them, and that's essentially
5 what Alternative 4 then does for you. It does both of those
6 things, and so my suggestion is we eliminate Alternative 3, and I
7 think, in Alternatives 4 and 5, we would change "obtain or
8 maintain" to "obtain and maintain IFQ shares".
9

10 **DR. DIAGNE:** Yes, and that would cover it. Instead of obtaining
11 or maintaining, make it an "and", and make it more restrictive,
12 and, in that case, we could get rid of Alternative 3.
13

14 **CHAIRMAN FRAZER:** All right. Thank you, Andy. Dr. Diagne.
15

16 **DR. DIAGNE:** Thank you. Action 4, the same thing, but now for
17 obtaining and maintaining annual allocation, but, for annual
18 allocation, there is really no activity requirement, because, at
19 the end of the day, I mean, those are valid for the year, and so
20 we did not have the Alternative 5 here, but, based on the comments
21 that were just made, we are going to follow a similar path and do
22 the same thing here, eliminate 3 and make the requirement in 4
23 more restrictive, by putting an "and". Okay.
24

25 Presumably, some requirements are going to be set in this
26 amendment, and so the question is what do we do for those who do
27 not meet the requirement at implementation of the amendment, and
28 that is one thing, or those who, further down the line, no longer
29 meet the requirement, and so that is what this action addresses by
30 offering divestment measures for noncompliant entities.
31

32 We have a no action alternative, and it reads that, if the council
33 sets requirements in Action 2 or 3, shareholder accounts must be
34 compliant with these requirements by the effective date of the
35 final rule implementing these requirements, or the shares in these
36 accounts will be reclaimed by NMFS, and so no adjustment period at
37 all. When this becomes final, anyone who is not compliant would
38 have to divest.
39

40 Alternative 2 is, if the council sets requirements in the previous
41 actions, NMFS will reclaim all the shares in noncompliant
42 shareholder accounts one year following the effective date of the
43 final rule, or several other options, and it could be two or three
44 years, and so, essentially, this would give a grace period for
45 folks to become compliant with the requirements, rather than taking
46 it immediately, and Options b and c are we have two and three
47 years, but that is flexible, depending on what it is that you would
48 think would be the right timeframe.

1
2 Alternative 3 addresses the issue of what to do down the line if
3 someone is no longer compliant, and so, after the implementation
4 of this amendment, if a shareholder account is no longer associated
5 with a permit, meaning that, if the permit is transferred, or is
6 not renewed within the allowable period, and is terminated, the
7 shareholder must divest of their shares, or the shares would be
8 reclaimed, one or two years following, you know, the transfer or
9 termination of the permit, and so, essentially, a grace period,
10 again, following their lack of compliance, if you would.

11
12 **CHAIRMAN FRAZER:** Captain Walker.

13
14 **MR. WALKER:** So, in this situation, would I take "divest" to mean
15 sell to somebody else, prior to them being reclaimed?

16
17 **DR. DIAGNE:** Yes.

18
19 **MR. WALKER:** You could sell them before you get them taken away.

20
21 **DR. DIAGNE:** Yes, rather than having it reclaimed, or find some
22 arrangement to be in compliance.

23
24 **CHAIRMAN FRAZER:** Thank you, Dr. Diagne. I'm not seeing any more
25 hands or questions, and so -- I lied. Ms. Boggs.

26
27 **MS. BOGGS:** Well, I was looking back, and so, in Action 1, we're
28 deciding if we have to have a permit or not, as it relates to
29 shareholder accounts, and then, in Action 5, say you choose
30 Alternative 3, and now you're saying you have to have a valid or
31 renewable reef fish permit, and so, if you select no action, but
32 you come down here and select -- I mean, I'm just trying to figure
33 out -- Some of these don't seem like they correlate.

34
35 **DR. DIAGNE:** But it is possible to pick a combination of
36 alternatives that would not make sense, if I can put it that way,
37 right, and it is possible, but, for each action, we have to
38 present, you know, the range of possibilities, right, and now,
39 based on your intent, and your discussions, and the goals and
40 objectives that you have selected, it seems, to me, that -- I guess
41 the council is trying to move away from public participation, if
42 I could put it that way, and so it would logically start with
43 requiring a permit in Action 1, right, because that is the one
44 that is going to begin to essentially trim down, quote, unquote,
45 public participation. Then you say, well, okay, let's make sure
46 that folks have a permit to obtain and maintain an account, and
47 then we go down from there.

48

1 **CHAIRMAN FRAZER:** Susan.

2
3 **MS. BOGGS:** The reason I'm beating this dead horse is because I
4 believe it was 36C, and I can't remember now, that dealt with
5 permits, and we could never get past Alternative, or Action, 1,
6 and so, here again, here we are, and, until you deal with Action
7 1, I don't think you can deal with anything else in this document.
8 I understand that you're presenting it, but I just am saying this
9 is I think where we got in trouble with 36C, because we were trying
10 to do everything else before we dealt with the very main issue of
11 do you need a permit or do you not.

12
13 **DR. DIAGNE:** Yes, Ms. Boggs, and you're absolutely correct, and
14 the major, major difference is that, when we dealt with 36B and C,
15 the council tried to grandfather some accounts and say, well, we
16 are going to carve out exceptions for people past this gate, and
17 so forth, but, here, that is not what, I mean, this document is
18 going to do, because grandfathering anyone would not be consistent
19 with the goals and objectives that you approved, and with your
20 discussion, and so, here, once a requirement is set, all the
21 participants are going to be subjected to the requirements, and
22 the main, I guess, hang-up in 36B and C was discussing as to who
23 is deserving of an exemption and who is not. I mean, 59 here is
24 saying no one is going to have an exemption. Whatever requirement
25 you set as a body would be applicable across-the-board.

26
27 **CHAIRMAN FRAZER:** Okay. Dr. Banks.

28
29 **DR. BANKS:** I just had a clarification question. These timelines,
30 the one year, two years, three years, if I remember right, they
31 have a year to renew the permit after it falls out, a year to get
32 back into compliance, and so are these years, these timelines, the
33 expiration date or the termination date?

34
35 **DR. DIAGNE:** Yes, and, if we look at Alternative 2, essentially,
36 you are no longer in compliance once your permit is terminated,
37 because it says here, you know, if you are no longer associated
38 with a reef fish permit, meaning that you transfer your permit,
39 you sell it or whatever, or the permit is not renewed within the
40 grace period, as you mentioned, that one year, and it has been
41 terminated, and we cannot, I guess, reclaim shares from someone
42 who is still within that year of -- You know, during which they
43 could renew their permit.

44
45 **DR. BANKS:** So you're not adding these years on top of the grace
46 period, and this is just the end of the grace period.

47
48 **DR. DIAGNE:** The grace period is going to start from the

1 termination of your permit.

2

3 **CHAIRMAN FRAZER:** Okay. Are there any further questions on this
4 presentation? All right, and so hopefully, Assane, you got a lot
5 of good feedback, and we will see a draft document at some time
6 here in the near future, and you will let us know.

7

8 **DR. DIAGNE:** Thank you, Mr. Chair. We intend to.

9

10 **CHAIRMAN FRAZER:** All right. Dr. Stephen. I'm sorry. I didn't
11 see your hand.

12

13 **DR. STEPHEN:** That's all right, and so I just wanted to remind
14 folks that, back in January, we gave kind of a preliminary
15 presentation that led into this one, and so, to Susan's point of
16 the order of operations, there is a slide in there that kind of
17 shows some potential actions, which turned into a lot of these,
18 and how they would work together, or not together, to go through
19 with it.

20

21 I believe, to Kesley's question, there was also, in that
22 presentation, or one of the other ones, we go over kind of how the
23 permits work with the valid and renewable and then terminated, and
24 so the renewables -- You know, if it's expired, it becomes a
25 renewable permit, and a couple other features to add to the
26 renewable status, but, if that would help to look at, and those
27 are slides in the past presentation from January, to help explain
28 how these all would work together.

29

30 **CHAIRMAN FRAZER:** We're going to switch to a presentation and
31 discussion on the twenty-fathom recreational seasonal closure for
32 shallow-water grouper, and I believe that Dr. Froeschke is going
33 to walk us through the action guide and then lead us through a
34 presentation.

35

36 **PRESENTATION AND DISCUSSION ON THE TWENTY-FATHOM RECREATIONAL**
37 **SEASONAL CLOSURE FOR SHALLOW-WATER GROUPEr**

38

39 **DR. FROESCHKE:** Good afternoon. This item is a follow-up to a
40 motion that was passed at the April 2024 council meeting requesting
41 some information on the twenty-fathom seasonal closure, time-area
42 closure, and so what I have prepared is a presentation, and it's
43 going to give you some background information on the history of
44 this, and there's a little bit -- There's quite a bit of how we
45 got here, just so it helps frame the discussion, to give you some
46 options, and then we can talk about how you would like us to
47 proceed. If there's any questions on that, and we could bring up
48 the presentation.

1
2 This first slide here is just, for your recollection, is the motion
3 that you passed in April to explore the removal of the twenty-
4 fathom closure, and so, just to clarify, this is for the
5 recreational fishery, the months of February and March. In case
6 I forget to describe what this is, this closure is a seaward of
7 twenty-fathoms closure. I sometimes skip over that, and so there's
8 no confusion, and so, closer to shore, it's open.

9
10 Then, as we go through the background of this, you will see why,
11 and so the other thing is I tried to refer to this as a time-area
12 closure, because it's, obviously, not a full year, and it's a
13 geographic -- It's not the entire Gulf, but you will see why that
14 was not always the case.

15
16 Okay, and so what I'm going to do is give you a little bit of
17 information, background, and this is both on what I'm going to
18 call the shallow-water grouper complex, which is the species that
19 this potentially encompasses, and then the information about the
20 various -- What I will call seasonal closures, which is parts of
21 the year that the entire Gulf was prohibited from harvest of these
22 species, and then, later on, when it becomes a time-area closure.

23
24 The group of stocks that we're going to talk about here originally
25 was defined in Amendment 1, and what you will see, in that first
26 bullet there, are several species that we no longer manage, or
27 have been removed, for various purposes, and so I'll try to help
28 you keep score about how we got to where we are today.

29
30 Reef Fish Amendment 3, we moved speckled hind to the deepwater
31 grouper complex, and so that one we got rid of, and then I'm going
32 chronological, but there's some different steps, and so, if
33 something doesn't make sense, please interrupt. In 1999, we
34 implemented the seasonal closure, on the commercial sector, for
35 gag, black grouper, and red grouper. It was February 15 through
36 March 15, and this coincides with at least a portion of the
37 spawning season, and I have a graphic on that later, and we can
38 look at that.

39
40 It was intended to benefit gag, as well as other groupers. Through
41 the history of the council documents, as you know, the groupers
42 tend to cycle through periods of boom and bust and things, and so
43 the management measures, and their intended effects on benefiting
44 gag, or red grouper, or other stocks, oscillate through that, and
45 so the language is a little bit all over the place, or at least it
46 varies through time, based on what the problem at-hand was during
47 that, but, in general, these time-area, or these seasonal, closures
48 have the effect of -- They're intended to reduce fishing mortality

1 during the spawning season, or part of it.

2
3 In 2006, there was a regulatory amendment that implemented a
4 similar seasonal closure that mirrored the commercial closure,
5 and, again, this was throughout the Gulf for the shallow-water
6 grouper complex, and so, here, we change gears a little bit, and
7 Amendment 30B was one of the heavier lifts of the council, and a
8 number of changes were in this.

9
10 One of these was this was in anticipation of the IFQ program, and
11 you may recall some discussion about that, which got away from the
12 seasonal management of the commercial grouper species at least,
13 and so, in anticipation of that, they removed the seasonal closure
14 on the commercial sector, and they implemented The Edges, which is
15 a time-area closure in between Steamboat Lumps and Madison-
16 Swanson, up in the Panhandle, and that's closed from January 1
17 through the end of April every year, and so that was intended to
18 reduce fishing mortality during the spawning season for grouper.

19
20 This removed the seasonal closure, and, on the recreational side,
21 this same document, the recreational closure was extended from --
22 All the way from the beginning of February through the end of
23 March.

24
25 The Generic Amendment removed some of the species that were not
26 harvested very much in shallow-water grouper, and so Nassau, and
27 we transferred management, and it was prohibited from harvest, and
28 then red hind and rock hind, and we removed those. During that
29 amendment, we removed a number of species, because we didn't land
30 them, and we were required to set ACLs, and so we did a review and
31 got rid of several species, just because they weren't a big part
32 of our reef fish fishery.

33
34 Then, finally, in 2013, this seasonal closure became this time-
35 area closure, and so, seaward of twenty fathoms, for the
36 recreational sector, February 1 through March 31, we had this
37 shallow-water grouper closure that prohibited harvest. Shoreward
38 of that, they were open to harvest. Is everyone keeping score?

39
40 Just to kind of sum this up, and this is the fine print, on the
41 right is the map of the shallow-water grouper closure in February
42 and March, the hashed area, and on the left is the text that
43 describes that, which is essentially the polygon, and then the
44 shallow-water grouper species, and then the dates, and so then I
45 put the link to the CFRs, if you're really interested, and it just
46 describes that in more detail, but that's what we have, and that's
47 what is currently in effect, and that's essentially what we're
48 here to discuss.

1
2 These are the species that this encompasses, sort of, I will say,
3 and all of these were in this, but, for some of these, and we can
4 kind of sum this up at the end, but, for example, gag is not open
5 to harvest anyway, because of an existing seasonal closure, and so
6 the other species are currently open during, but these are the
7 species, and then, on the right column, I kind of put some of the
8 either ongoing or recent management actions that are already in
9 place, just to kind of understand how this might dovetail with
10 some of those, and so, gag, we just completed a rebuilding plan.

11
12 Red grouper, we completed another one, and then we have a stock
13 assessment that is nearing completion, and so we'll see how that
14 comes out. Scamp, we're working on Amendment 58, which will modify
15 many things in the shallow-water grouper complex, and the same
16 with yellowmouth grouper, black grouper, and yellowfin. Black is
17 the one that we adjusted the catch levels using the Tier 3a
18 approach, and then yellowfin is combined with that, but all of
19 those will be subject to -- The reason I'm mentioning this, just
20 for your own edification, something for you to think about, is
21 every stock on here is either subject to recent quota reductions
22 or it's likely to -- They're coming in Amendment 58, and so just
23 thinking through that.

24
25 The yellow box didn't line up there perfectly, but what I did here
26 is this is from the Stallings shelf project report, and it's a
27 chart of some common reef fish species, and the gray and the black
28 coincide with their spawning, or peak spawning, season. The yellow
29 box is supposed to be shifted over to February and March, and what
30 you will see -- So this does encompass portions of the spawning
31 season for almost every grouper stock we're discussing, and it
32 doesn't include all of it, but it does include some of it, and so
33 that's sort of just a little bit of biology about why this is in
34 place.

35
36 As far as the management options, I mean, there's really not too
37 much here. The no action would be to keep it in place. The Option
38 2 that I put here would be simply to remove it seaward of twenty
39 fathoms, and then the bottom sentence, to achieve the management
40 goals through existing -- We have ACLs for every species, and so
41 removing this closure -- You're not allowed to harvest more fish.
42 We have seasonal closures, that I've mentioned, and we have area
43 closures, and we have accountability measures, and so there are
44 numerous controls on the stock. I'm not suggesting, you know,
45 that this should or shouldn't, but just as a reminder that these
46 things are in effect.

47
48 Some things to think about is the closure, like I mentioned, was

1 intended to promote conservation for gag and red grouper. Gag is
2 subject to long seasonal closures, and so it's, at least on the
3 recreational side, is no open. The commercial side, for all the
4 IFQ species, has been open, which is a different discussion.

5
6 Red grouper is subject to seasonal closures, and they seem to be
7 shortening year by year, and so perhaps that could be thought
8 about, and even moved, if the spawning closure was an issue, and
9 the allowance, I mentioned, and there is shallow-water grouper
10 species that are likely to decrease once we get Amendment 58
11 through, and so there are a number of challenges with these, not
12 necessarily directly tied to this twenty-fathom closure or not,
13 but I'm just trying to provide the suite of information.

14
15 This shallow-water grouper, at the time, was a seasonal closure,
16 and not a time-area closure, but it's been discussed for a long
17 time, both in the context of these other seasonal closures, and we
18 have fixed seasonal closures, and, at least with the gag, they
19 spawn deeper than this, out beyond forty fathoms, and so they
20 expressed sentiment that maybe this wasn't a necessary, or useful,
21 tool anyway, and so this discussion has been going for a long time,
22 and so I just kind of put that in there, from all those years ago.

23
24 This is certainly not -- This is just kind of what council staff
25 came up with, just to get the conversation started on, you know,
26 things to think about. It might provide some conservation
27 benefits, and, if you remove it, it doesn't -- What you're going
28 to catch is limited. Gag is already closed, and one of the things
29 that we've talked about, that it might be worth asking our OLE
30 partners or something, is about the at-sea enforcement.

31
32 I don't know how familiar the average private angler and things
33 are with this, and you can't harvest beyond twenty fathoms, but it
34 doesn't say you can't fish, and so whether this actually changes
35 anglers' behavior, and they avoid this area, or they're just
36 discarding fish that they're encountering -- It would be great to
37 have a data-driven look at that. We're challenged in that way,
38 but, at first blush, it's not apparent, to me, that we're achieving
39 a lot or changing the way that anglers prosecute their fishery.
40 The other thing is that commercial harvest is allowed during this
41 period, just for conversation.

42
43 This is where I stop and you start, and I just wanted to get some
44 feedback on is this something that you still want us to develop,
45 and are there other ideas that you need us to think about, things
46 that you want us to bring back, or do you want us to write a
47 document, that kind of thing, and so I will stop there and take
48 any questions.

1
2 **CHAIRMAN FRAZER:** All right. Thanks, John, and so I'm going to
3 open up the floor for discussion. Captain Walker and then Ms.
4 Boggs.

5
6 **MR. WALKER:** So I would speak in favor of removing the closure,
7 and I will explain why. A lot of the guys, where we live, are
8 still fishing out there, and, also, a lot of people just ignore
9 this rule, and some people don't even know this rule is still on
10 the books, and so, at best, I think we should take another look at
11 it here. It was, as listed, originally put in place to reduce
12 overfishing on gag, and gag is now closed essentially all year,
13 for all intents and purposes, and so there's a lot of things about
14 this old rule that I don't think still apply.

15
16 As was mentioned in the presentation, gags spawn at forty fathoms
17 plus, and this is a twenty-fathom closure, and so there is a very
18 large area that you're eliminating red grouper fishing, you know,
19 for little gain, in my view, and it seems like it's a bit debatable
20 whether this was actually put in place to protect spawning fish or
21 it wasn't, and it depends on which year you look back, but I would
22 say that, at the time, everything was open all year.

23
24 All these grouper species were open all year, and they're not
25 anymore. Red grouper is only open for six months now, and so I
26 think this rule could be eliminated, without having great negative
27 effects, but certainly I look forward to discussion on it.

28
29 **CHAIRMAN FRAZER:** Thank you, Captain Walker. Ms. Boggs and then
30 C.J.

31
32 **MS. BOGGS:** Thank you, and this is not a fishery that is big in
33 Alabama anymore, but, to answer the question about enforcement,
34 it's probably hard to enforce. You know, you can't draw a line,
35 and you have to use GPS, and nobody is going to try to figure that
36 out.

37
38 The discard issue, I think you're increasing discards, because, if
39 you're having to fish in the shallower waters, catching the smaller
40 fish, to catch the bigger fish, and you're doubling your discards,
41 you know, what have we gained, or achieved, and now, with the
42 closures that we have in Amendment 56, what good does it do,
43 because it's not during the time period in which you're going to
44 be allowed to fish anyway, and so I would say -- I would be in
45 favor of just removing the regulation.

46
47 **CHAIRMAN FRAZER:** Thank you, Susan. Dr. Sweetman.

48

1 **DR. SWEETMAN:** Thank you, Mr. Chair, and so, obviously, this is
2 largely a Florida issue here, and I just want to kind of offer my
3 two-cents on this. So certainly we're open to options that are on
4 the table here, but I kind of want to take a step back here and
5 kind of think about what would potentially come from this, if we
6 remove this, and so understood about gag, and it's closed, and it
7 would be closed during that timeframe, but part of this was about
8 red grouper too, and I've heard a lot of discussion about wanting
9 to harvest additional red grouper out there, rather than discarding
10 them.

11
12 From that perspective, I understand it, but then I'm sitting there
13 thinking about, if we actually remove that, wouldn't the quota for
14 red grouper be met earlier, and, therefore, the season would close
15 earlier, and you would be discarding for the rest of the year off
16 of that, and so I'm not entirely sure that discards would effective
17 be reduced.

18
19 On top of that, another one of my concerns here, as it relates to
20 kind of that particular point is, as Dr. Froeschke highlighted,
21 you know, we've had quota reductions for just about all of these
22 species, and, obviously, gag is in a rebuilding plan, and we've
23 got issues with scamp, and we seemingly have issues nearly every
24 year with red grouper, and we have stock assessment coming up, in
25 just a few months, I believe, and so we should get some additional
26 information about where that fishery is at.

27
28 Part of that is kind of, from a red grouper perspective, timing,
29 a little bit, for me there, to see where the status of that stock
30 is at, considering the consistent overages that we had there, and
31 then, just from -- This was implemented from a conservation
32 perspective, and so, just philosophically, removing a conservation
33 management measure, with not kind of having something
34 commensurate, that actually helps out with some of these stocks -
35 - I mean, the first thing that comes to my mind is a spawning
36 season closure, but that's even more restrictive than what we
37 currently have in place with this twenty-fathom closure, and so
38 I've got -- I've got a lot of questions on this one.

39
40 I'm open to what the rest of the committee thinks here, but I do
41 have some concerns, mainly from a conservation perspective and how
42 this would actually be implemented, and these benefits that
43 everyone is highlighting are actually realized.

44
45 The enforcement component of it, honestly, we -- That argument
46 doesn't really hold water, just with me at least, and, I mean, I
47 kind of feel that 95 percent of the people try to abide by the
48 regulations, and I've heard a lot about private recreational not

1 understanding this, or even being aware of this twenty-fathom
2 closure, and fair point. Maybe that's an outreach component, to
3 try and get that word out there, but I don't know, and these are
4 -- I'm kind of open to other people's thoughts on this topic here,
5 but that's kind of my perspective.

6
7 **CHAIRMAN FRAZER:** All right. Thank you, C.J. Susan and then Ed.

8
9 **MS. BOGGS:** So we're going to have this conversation again about
10 spawning, and we close one sector to spawn, and you don't close
11 the other sector to spawn. Heck, if red snapper were to be closed
12 during the spawn, we would be closed right, and everybody tells me
13 that a fish out of the water is a fish out of the water, and it
14 doesn't matter when you take the fish out of the water, and then
15 I am told that different species respond differently, and some
16 aggregate, and some don't aggregate, and we have an excuse for
17 everything we do, and so it's kind of like which is it, and, to
18 me, if the commercial fishery is going to be closed for, what is
19 it, amberjack to spawn, then -- You know, we don't -- We're not
20 consistent with what we do, and I've given this argument a
21 multitude of times, and it makes it confusing, and nobody
22 understands.

23
24 I mean, I don't really have a preference which way you go with it,
25 but, to me, I'm tired of hearing this spawn argument, because I
26 get a different answer every time we talk about spawning, with the
27 same species.

28
29 **CHAIRMAN FRAZER:** Captain Walker and then Mr. Geeslin.

30
31 **MR. WALKER:** I agree, and that wasn't my primary purpose for
32 discussion, but I do agree with Ms. Boggs there. I don't think
33 everything should be closed when they're spawning, and
34 particularly red grouper are not a large aggregating spawner. They
35 are harem, and so they have small little groups on patches of
36 hardbottom, and so they are not much more susceptible to
37 exploitation when they're spawning than when they're not, to my
38 knowledge. They're not in large aggregations, like some people
39 might consider snappers or something, where they're very
40 vulnerable to be really whacked out there.

41
42 To Dr. Sweetman's comment on removing a conservation measure, I
43 would argue that several other conservation measures have been put
44 in place since this rule was, and so you might be removing one,
45 but there have -- You know, if you look at gag, gag is closed
46 almost all year, and so you might be removing a small conservation
47 measure, but there has been a much larger one put in place, not
48 the least of which is six months of closed red grouper, which was

1 not in place when the rule was put in.

2
3 As far as the season closing earlier, I don't think it would,
4 because this rule is hugely ignored, and I think that's why some
5 of the guys requested that we revisit it from our area, and those
6 red grouper are hitting the dock, and being counted right now, and
7 a large number of them are coming from outside the twenty-fathom
8 closure, and so I really don't -- I don't see a big change in the
9 landing, and an adjustment necessary to anything else, myself.

10
11 **CHAIRMAN FRAZER:** To that point, C.J., and then Dakus.

12
13 **DR. SWEETMAN:** Yes, and so, I mean, I guess what I would say there,
14 Ed, relative to the conservation measures, is, I mean, we're
15 consistently seeing decreases in quota on these stocks here, and
16 we're consistently seeing downturns, for most of these shallow-
17 water grouper species, and so I understand that we have added some
18 additional conservation measures on top of it, but clearly we still
19 have some issues.

20
21 **CHAIRMAN FRAZER:** Mr. Geeslin.

22
23 **MR. GEESLIN:** Thank you, Mr. Chair. Not having a dog in this hunt,
24 I will place a lot of stock in my Florida colleagues, but I'm
25 questioning -- If I'm following along, this has been in place,
26 this closure has been in place, since 2013, and, to Dr. Froeschke's
27 point, do we not have enough data to look back and determine the
28 efficacy of this particular management measure?

29
30 **CHAIRMAN FRAZER:** John.

31
32 **DR. FROESCHKE:** Well, the challenge is that we don't have a lot of
33 spatially-explicit data, and so, I mean, you look at the landings,
34 and they're by wave, but we don't have -- For example, if you look
35 at the landings rate, and whether they were inside or outside of
36 twenty fathoms, and those kinds of things, and so we might be able
37 to do a little bit of that kind of thing, but it's -- You know,
38 you all know that that's the part that gets a little bit tricky.

39
40 While I've got the mic, I just wanted to just -- One, you don't
41 have to figure out everything today, but just we would like
42 something back of if there are other options, or if you want to
43 modify the option, and then we can talk about what would be next,
44 if you want us to develop the document and bring it back, and then,
45 two, we did present this discussion to the Reef Fish AP, at their
46 meeting, and they provided a motion in support of developing this
47 concept, and Captain Hubbard is here, if you have any questions
48 for him.

1
2 **CHAIRMAN FRAZER:** I think we're scheduled, in this session, to
3 have the AP recommendations, but, if it's the pleasure of the
4 council, we can go ahead and get those recommendations and then
5 have further discussion. All right. Is it Ryan or Dylan? Come
6 on up, Captain Hubbard.

7
8 **MR. DYLAN HUBBARD:** Thank you. We had this discussion in the Reef
9 Fish Advisory Panel meeting, and the Reef Fish Advisory Panel did
10 pass a motion to this effect, unanimously, to remove this rule.
11 This rule has been in place for a very long time, and I want to
12 echo Ed's comment. It's been in place for a very long time, and,
13 back then, it was a twelve-month fishery for gag grouper, and for
14 red grouper, and, if we're worried about the fish and conservation
15 measures, if this rule has been in place for so long, and nothing
16 has helped -- I mean, it doesn't seem like a very effective rule,
17 right?

18
19 As far as the enforcement rule, as far as the enforcement
20 conversation, that's one of the big driving forces behind the
21 rationale to remove this, because we, as professional anglers,
22 have federal permits that we have to maintain, that we're very
23 concerned about risking, and so we have to know the laws, and we
24 have to follow the laws, and it's gotten to the point now where
25 even federal permits holders are ignoring this rule, and it's a
26 very big contention among the fleet.

27
28 It doesn't apply to commercial fleets only for recreational, and
29 most of the recreational fleet, specifically private recreational,
30 and even some of the federal for-hire, just straight up either
31 don't know about it, or know about it and outright ignore it.

32
33 Those who know about it, and follow this rule, we're professional
34 fishermen, and we do this for a living, and, if I'm allowed six
35 people on my boat, that's two red grouper per person, and that's
36 twelve red grouper, and I'm going to catch those fish, guaranteed.
37 Whether I am forced to do it inside this imaginary line or outside
38 this imaginary line, I'm going to catch those fish.

39
40 If I'm forced to fish in a shallower area, where I'm going to find
41 more smaller fish, I'm forced to sort through these smaller,
42 undersized red grouper and to throw them back. If I'm allowed to
43 fish more efficiently, more effectively, and in an area where I'm
44 going to run into less regulatory discards, that seems like a
45 better conservation measure, right?

46
47 Then, on top of that, this rule doesn't negate us from fishing
48 beyond the line, and so what a lot of people do is they will fish

1 beyond the line, for mangrove snapper, or other snapper species,
2 and then, if you catch a legal-size twenty-pound red grouper,
3 you've got to throw that back, and that's another regulatory
4 discard. Then we come inside the line to fish for red grouper,
5 and, once I have a red grouper on the boat, I can't go back past
6 that line, and so this rule is completely, in my opinion,
7 unenforceable, by an underfunded and underrepresented law
8 enforcement population in the Gulf.

9
10 Then, on top of that, it's impossible to even navigate, from the
11 perspective of the federal for-hire fleet, and it's not equitably
12 distributed among the stakeholder groups either. It's an outdated
13 rule. As the presentation described, even in 2012, or 2013, around
14 this table, the sentiment was, hey, do we really need this anymore,
15 and so it's beyond time. It's been in place for many, many years,
16 and it hasn't helped, and there's no reason that it should be
17 there, and you're just punishing the honest, law-abiding federal-
18 for-hire fleet. Thank you.

19
20 **CHAIRMAN FRAZER:** Thank you, Dylan. Captain Walker.

21
22 **MR. WALKER:** I was just going to mention, Captain Hubbard, that I
23 think a good point that he brought up was that this does not
24 prevent fishing out there. People are still out there legally
25 fishing. It prevents you from keeping a red grouper, but people
26 are still out there fishing anyway, and so that's something to
27 keep in mind. It's not a barrier to keep boats out, and there are
28 other things to catch there, and so boats are in there fishing.

29
30 **CHAIRMAN FRAZER:** Okay. John, let me ask you a quick question. I
31 mean, so this is really -- The way that your last slide read, you
32 know, you're asking for next steps, and whether or not we proceed
33 with the development of a document, and it's a relatively simple
34 document, I would imagine, right, and is it a framework?

35
36 **DR. FROESCHKE:** I think so. I'm looking over at Mara, but I
37 believe this could be done through a framework.

38
39 **MS. LEVY:** Perhaps. I will double-check the list, but, I mean,
40 either way, you would need to develop some sort of document.

41
42 **CHAIRMAN FRAZER:** All right. Thank you. So maybe we can get some
43 public comment, but, Andy, go ahead.

44
45 **MR. STRELCHECK:** I mean, I think there's been good discussion and
46 arguments on both side of this, and, you know, I think I'm okay
47 with exploring, you know, elimination of this, but I do caution,
48 based on the record right now, that most of our grouper species,

1 you know, are not doing well, and C.J. has pointed that out, and
2 so I think, in terms of a conservation benefit here, right, there
3 is arguments why maybe it's not providing that benefit in the first
4 place, but it is something more than what we would be taking away,
5 essentially, right, and so I think there has to be thought given
6 there of in terms of, if we're going to take this away, is there
7 anything else that we would want to do, in addition to this, that
8 may be better, and more enforceable, or not, and I'm not suggesting
9 that I have the answers for that, but, given the status and health
10 of our grouper species, that's certainly a concern of mine.

11
12 **CHAIRMAN FRAZER:** Thanks, Andy. Kesley.

13
14 **DR. BANKS:** Like Dakus said, this isn't really a Texas issue, but
15 I do agree with C.J. The argument that it's an enforcement -- I
16 mean, we have spatial closures, and we have state lines, and we
17 have MPAs, and so that argument, to me, isn't a good enough
18 argument to remove this.

19
20 I don't disagree, and I don't know where I fall on removing it or
21 not, and so I'm not coming in favor or opposing, but that argument
22 itself I don't think is, alone, worth removing. There are some
23 other good arguments that have been made, but the enforcement one
24 -- We use spatial closures in areas all the time, and so I don't
25 know that that's the argument that we hang our hat on.

26
27 **CHAIRMAN FRAZER:** Dr. Sweetman.

28
29 **DR. SWEETMAN:** Thank you, Mr. Chair, and I'm not opposed --
30 Honestly, I'm not opposed to seeing a document, to see what the
31 removal of this would look like there, but, I mean, to the point
32 of kind of what I've been discussing, is there some other option
33 out there that would be more enforceable, along those lines.

34
35 Like I was telling you, Ed, and, you know, we were talking the
36 other night, and like that spawning season closure is the first
37 thing that comes to mind, but, again, that's more restrictive than
38 what this is, and so I don't think there would be a huge appetite
39 for that, but I'm sitting here thinking from the conservation
40 perspective of what would be done here, and it just seems a little
41 weird, to me, to remove this, when we see some of these stocks
42 going in the wrong direction, despite the issues that, you know,
43 everyone's point is well taken. Like I understand Dylan's point,
44 and I understand Ed's point about the utility of this, but there
45 is some benefit there, despite maybe some of the challenges
46 associated with this rule.

47
48 **CHAIRMAN FRAZER:** Captain Walker.

1
2 **MR. WALKER:** Fair enough, but I don't think we are getting a huge
3 conservation gain under this rule, as it stands now, and so I don't
4 -- I don't see the landings changing a whole lot, and, therefore,
5 I don't really think we need to replace it with some other
6 restrictive measure, when I really don't think we're losing that
7 much, as far as conservation goes, but that's my opinion.

8
9 **CHAIRMAN FRAZER:** Ms. Boggs.

10
11 **MS. BOGGS:** You know, I was just sitting here thinking about
12 something, and we make these closures, and we do these things, and
13 we've had this conversation a couple or three times, I think, now,
14 in the last couple or three meetings, and that, and we send these
15 regulations, and then we feel like they're ineffective, and so we
16 want to go change the regulations, but we don't have the data to
17 back up what we're doing.

18
19 Are we doing ourselves, the fishery, the fishermen, the economics,
20 all those things that the National Standards tells us we need to
21 look at, and are we doing ourselves a disservice by setting some
22 of these more restrictive regulations, because then we don't have
23 data to make the changes that we want to make, and this kind of
24 brings me back to my same conversation that I had several meetings
25 ago.

26
27 To me, we're setting ourselves up, on just about everything we do,
28 for more regulatory discards, which seems to be what gets us in
29 the problem we're in to begin with, and it seems like we're just
30 in this vicious cycle. We try to fix one problem, and we just
31 create more of a problem than the problem we're trying to correct.

32
33 **CHAIRMAN FRAZER:** Dr. Froeschke.

34
35 **DR. FROESCHKE:** So I will just cut to the chase. Do you like the
36 options? Are there other options? I mean, I'm happy to write
37 those up in a document. I just want to make sure that there's not
38 an option that I've omitted and that you want to look at.

39
40 **CHAIRMAN FRAZER:** I think what I'm hearing around the table, John,
41 is that people are interested in exploring the options, right, but
42 they're not -- You know, until they see them, it's difficult to
43 fully evaluate whether or not they want to move forward. Ms.
44 Boggs.

45
46 **MS. BOGGS:** So do you need a motion?

47
48 **CHAIRMAN FRAZER:** I think we're going to need a motion.

1
2 **EXECUTIVE DIRECTOR SIMMONS:** Yes.

3
4 **MS. BOGGS:** I will make a motion. I will step out there. To
5 direct staff to prepare, create, and I don't know what word you
6 want to use, but a framework action to remove the twenty-fathom
7 recreational seasonal closure for shallow-water grouper. Does
8 that give you enough to direct staff? Thank you.

9
10 **CHAIRMAN FRAZER:** Is there a second to that motion? It's seconded
11 by Captain Walker. I'm going to just take a stab. **Is there any**
12 **opposition to that motion? Seeing none, the motion carries.**

13
14 It carries, but it's still not on the board yet. Okay, and so the
15 motion was to direct staff to begin a framework action to remove
16 the twenty-fathom recreational seasonal closure for shallow-water
17 grouper, and that motion carried without opposition. Unless
18 there's any further discussion on this agenda item, Mr. Chairman,
19 I would suggest that we take our scheduled break.

20
21 **MR. ANSON:** It sounds like a plan. We'll do that. Fifteen minutes.

22
23 (Whereupon, a brief recess was taken.)

24
25 **CHAIRMAN FRAZER:** We are going to move on to Agenda Item Number
26 VII, and that is a discussion on lane snapper, and I'm going to
27 have Mr. Rindone work us through the action guide.

28
29 **DISCUSSION: NMFS LETTER TO GULF COUNCIL ON LANE SNAPPER**
30 **OVERFISHING**

31
32 **MR. RYAN RINDONE:** Thank you, Mr. Chair. On April 9, National
33 Marine Fisheries Service sent the council a letter stating that
34 Gulf lane snapper was subject to overfishing in 2023. The ACL for
35 lane snapper has been exceeded in three of the last four years.
36 However, the 2023 ACL overage exceeded the 2023 overfishing limit,
37 and it was greater than the new OFL that is being put in place for
38 2024.

39
40 Under Magnuson, the council should reevaluate the system of ACLs
41 and accountability measures for lane snapper and make
42 modifications, if necessary. NMFS intends to closely monitor
43 landings in 2024 and take a precautionary approach in determining
44 whether an in-season closure is necessary.

45
46 The Reef Fish AP discussed the letter at its April 2024 meeting
47 and recommended that the council evaluate a minimum size limit for
48 lane snapper in federal waters, and so you guys should discuss the

1 letter from NMFS and the motion by the Reef Fish AP and make any
2 recommendations, as appropriate, and, Mr. Chair, I believe the
3 presentation there is one that has been put together by the
4 Southeast Regional Office, and so, if you want them to go through
5 that, they could do that, just to recap the landings.
6

7 **CHAIRMAN FRAZER:** Sure. We can certainly do that, and so, in the
8 action guide and next steps, reference is made to a letter, and
9 that letter is in the briefing materials, but, if you have any
10 questions about it, Frank Helies is there to address those, and,
11 if not, we'll go straight into the presentation. All right. We'll
12 load up the presentation, Ryan. Go ahead, Frank.
13

14 **MR. FRANK HELIES:** Thank you, Mr. Chair. Frank Helies, NOAA
15 Fisheries. This is a very brief presentation to kind of orient
16 yourselves for the following discussion, and so, prior to 2021,
17 lane snapper rec landings were tracked in MRFSS units, and so there
18 was a much lower OFL and ABC. A framework action, in 2021, switched
19 the monitoring units into MRIP-FES, and then we are working on
20 another framework amendment that was recently submitted to us, and
21 that will increase -- That will further increase the OFL, ABC, and
22 stock ACL.
23

24 These are some of the management measures currently in place. The
25 size limit is eight inches total length, with a ten-fish aggregate
26 snapper bag limit, and the accountability measure is an in-season
27 closure when the ACT, the stock ACT, or the stock ACL, excuse me,
28 is projected to be met.
29

30 **CHAIRMAN FRAZER:** Frank, hold on, real quick. We just have a
31 question by Dr. Sweetman.
32

33 **DR. SWEETMAN:** Isn't the aggregate bag limit twenty?
34

35 **MR. HELIES:** I would have to check on that.
36

37 **MR. RINDONE:** It's a twenty-fish aggregate reef fish limit. It's
38 a ten-snapper aggregate limit.
39

40 **MR. HELIES:** Okay. Thank you.
41

42 **CHAIRMAN FRAZER:** Thanks, Ryan.
43

44 **MR. HELIES:** These are some of the recent landings, and so, in
45 2023, the total landings exceeded the stock ACL and the OFL, and,
46 for comparison, you can compare past landings with the ACL and the
47 OFL that will be in place once the new framework is effective.
48 Any questions on this slide, before I move forward? Okay. Lastly,

1 this is basically, in graphical form, the previous slide there,
2 and so this shows, in the years that were starred, the landings
3 exceeded the ACL.

4

5 **CHAIRMAN FRAZER:** All right. Thank you, Frank. Are there any
6 questions about the presentation? Okay. I am not seeing any.
7 Ms. Boggs.

8

9 **MS. BOGGS:** Well, to C.J.'s point, because now he's got me
10 thinking, and we're at the table, but, if you look at the federal
11 regulations, it says the lane snapper bag limit is twenty, and the
12 aggregate is twenty reef fish combined total. I thought it was
13 twenty, and so that's why I went to looking.

14

15 **MR. RINDONE:** Carrie is looking it up in the CFRs right now, just
16 to double-check, and there are a couple of them, and a couple of
17 the jacks also, that are exempt, that aren't part of like a
18 separate aggregate, and they're part of the overall aggregate, and
19 so --

20

21 **MS. EMILY MUEHLSTEIN:** So lane snapper is not in the snapper
22 aggregate, but it is in the reef fish aggregate.

23

24 **MR. RINDONE:** Okay, and so then it would be under twenty, and so
25 that's kind of interesting that it's not under the aggregate
26 though.

27

28 **CHAIRMAN FRAZER:** All right. For the record, it's twenty. Okay.
29 If I go back, the Reef Fish AP also made some recommendations with
30 regard to lane snapper.

31

32 **MR. RINDONE:** I will go through those, Mr. Chair, and we can bring
33 Captain Hubbard up, also. The Reef Fish AP discussed this at their
34 April meeting, and they had some back-and-forth about it, and,
35 generally, they were talking about they're seeing more lane
36 snapper, and they're interacting with lane snapper on more
37 recreational and for-hire trips, and they're also seeing an
38 increase in the length compositions of those fish, and so the fish
39 are starting to get larger, and they're also starting to occur
40 further and further north into the Gulf than they've been seen in
41 the past.

42

43 They expressed some concern about being in a situation where they
44 would constantly be running up against whatever the catch limit
45 is, if the stock is improving, and we're not assessing it at the
46 same rate at which it's expanding, and perhaps realizing its health
47 is greater than we think it is, or we thought it was before, and
48 so the Reef Fish AP passed two motions.

1
2 The first was to request that the council evaluate a minimum size
3 limit for lane snapper. Casually, the AP had discussed ten inches,
4 or twelve inches, and we didn't have life history information at
5 the ready for this particular discussion, because this was added
6 under Other Business, but, just for the committee's edification,
7 we looked up a paper yesterday that described the length at which
8 50 percent of lane snapper are sexually mature as being just a
9 hair over ten inches, and so that's something to consider there,
10 if you want to consider this Reef Fish AP motion further. The
11 second -- If you want, I can stop there, Mr. Chair, if you want to
12 hear any more from Captain Hubbard.

13
14 **CHAIRMAN FRAZER:** Captain Hubbard.

15
16 **MR. HUBBARD:** I think Ryan captured the sentiment from the AP
17 discussion. pretty well, and, basically, it's a lot of what I've
18 been saying at public comment here. The lane snapper are just
19 expanding spatially. Now we're starting to see reports from the
20 federal for-hire fleet into Alabama, and they're seeing a lot more
21 of these lane snapper.

22
23 We're seeing larger fish, in greater areas, and we're seeing them
24 shallower, and they're becoming more and more common even into
25 inshore waters, in the estuaries of Tampa Bay, Sarasota Bay,
26 Charlotte Harbor, that kind of area in central-west Florida and
27 southwest Florida, and we're seeing them deeper than we
28 historically have seen them as well, and so they're expanding
29 spatially, and they're expanding in average size.

30
31 We are catching them often, and this was historically more of a
32 bycatch fishery, and you saw them anywhere from like forty to 100,
33 or 100, foot of water, on average, and it's like, oh, a lane
34 snapper, and throw it in the box, and now it's lane snapper are a
35 common occurrence, and in times of year where other species are
36 closed, this is now more of a mainstay of a lot of our fisheries,
37 especially in central-west and southwest Florida, and even into
38 the Panhandle.

39
40 Lane snapper -- I mean, some really big lane snapper were weighed-
41 in at the Destin Rodeo this past year, with some like record lane
42 snapper sizes, and so we're seeing more of these fish, more areas,
43 and we constantly are bumping up this quota, and so it's a healthy
44 fishery, and my big concern, around this table, is a lot of what
45 we run into is sometimes negative sentiment from Average Joe
46 Angler, and the general public, and, in a healthy fishery like
47 this, that is doing so well, I would love if we could try to stay
48 ahead of this and avoid closures in a healthy fishery, because I

1 think that really discredits, and disenfranchises, Average Joe
2 Angler, and especially on this whole process.

3
4 I think anything we can do, as a council, as an AP, to try to stay
5 ahead of the ball, and prevent closures in a healthy fishery like
6 this, I think would benefit the system, benefit the process, and
7 benefit the fishermen, and so that was the reasoning behind our AP
8 motions. Both carried unanimously, and I personally, and not as
9 Reef Fish chair, because we didn't have this conversation in-
10 depth, but I personally have been talking with more folks since
11 this AP meeting, and I think it would make sense, if we're going
12 to do a size limit evaluation, to match other snapper seasons that
13 already occur, and so something like what's done with mangrove
14 snapper.

15
16 The state has a smaller mangrove snapper limit of ten inches in
17 state waters, and, in federal waters, it's twelve inches, and so
18 something like that could be done, because now, more and more, we
19 have a state fishery for lane snapper. This was a fish that you
20 did not see in state waters very often, and now they're catching
21 them from fishing piers, fishing piers that threw off our shore
22 mode for other species, that we can all recall happened very
23 recently, and so, if intercepts start happening, and being
24 captured, we're going to have a lot of problems with lane snapper,
25 and so I think changing the size limit in state waters a little
26 bit would make sense, while still allowing for harvest, because
27 that would be a minimal size change, but I think you would have a
28 more substantive size limit change in federal waters.

29
30 Going from eight to twelve inches would make more sense, to me, in
31 federal waters, because we have a healthy fishery, but we need to
32 slow down the fishing mortality, and I think that change from eight
33 to twelve would do that. You would have some fish that would have
34 to be discarded in shallower water, and I think that would help,
35 and so anything we can do to try to stay ahead of this ball would
36 be a wise decision, in my mind, and supported unanimously by the
37 AP.

38
39 **CHAIRMAN FRAZER:** All right. Thank you, Captain Hubbard. We have
40 several questions. I will start with Mr. Anson.

41
42 **MR. ANSON:** Thank you. Thanks, Captain Hubbard, for being here.
43 What is your sense of this species and its use, or need, in
44 headboats?

45
46 **MR. HUBBARD:** I think it's a huge use, or need, in headboats, and
47 charter boats, and really just the private -- The recreational
48 fleet in general, because, for example, in times of year where

1 other fisheries are closed, like, for example, when we come into
2 this fall, this winter, we won't have gags, and we won't have red
3 grouper, and we won't have red snapper, and we won't have
4 amberjack, but you'll be able to go out there and catch mangrove
5 snapper, and you'll be able to catch some lane snapper, and we'll
6 be able to put together a trip, and so they're of big importance.

7
8 **CHAIRMAN FRAZER:** Go ahead.

9
10 **MR. ANSON:** So, relative to its size then, and for headboats
11 specifically, I mean, are they -- Have they been kind of shifting
12 their catches, as far as the average size? Do you know anything
13 about that? Are they actually moving? I mean, we can get some
14 data to --

15
16 **MR. HUBBARD:** 100 percent. 100 percent, and, like I mentioned, it
17 used to be a bycatch fishery, and so like, for example, our ten-
18 hour trips fish about fifteen to twenty-five miles from shore, in
19 about anywhere from forty to about a hundred foot of water, and,
20 historically, when I was working on the boat, fifteen years ago,
21 every day, we might catch one or two lane snapper a trip.

22
23 Now we're catching a hundred, or 150, or 200 lane snapper a trip,
24 and these are a prolific fish, and it has now become a mainstay.
25 When I used to advertise trips, even in 2016, I would never, ever
26 mention, in an ad, or a Facebook post, that, oh, we caught a lane
27 snapper today, because it was a total of one snapper, and now it's
28 all the time. If you look at our social media, you see nice,
29 quality lane snapper.

30
31 They were so small that you didn't take pictures of them, and now
32 we're catching substantive fish, that we take pictures of and
33 advertise, because they're a larger, more quality fish, and now
34 people are going out there to target lane snapper. I get questions
35 of what tackle, or what bait, should I use for lane snapper, and
36 that didn't happen five years ago.

37
38 **CHAIRMAN FRAZER:** Captain Walker.

39
40 **MR. WALKER:** I agree, and we've seen the same up where I am in
41 Tarpon Springs. Lane snapper was a really minimal kind of bycatch
42 fish, and now it's become kind of a legitimate fishery up there
43 where I am as well, but we're bumping up against a closure,
44 potentially, and so we're looking at places to reduce the catch a
45 little, and I'm onboard with a size limit analysis so far. What
46 would you say is the average size keeper that you guys catch on
47 your boats?

1 **MR. HUBBARD:** I mean, without having real objective data, I would
2 say that average would be over twelve inches. I mean, an eight to
3 ten-inch fish is not a very large fish, and lane snapper, again,
4 are not the mainstay, and it's an addition, and we're catching
5 quite a few of them, and so I don't think there would be much of
6 a pain point in throwing back a ten, or an eleven, inch fish. I
7 think getting to that twelve-inch minimum size limit would be a
8 small increase, and enough of an increase to cut the landings down
9 enough to where we avoid bumping into this, because we're into a
10 point now where we're hitting that overfishing limit, and I want
11 to avoid that as much as we can.

12

13 **CHAIRMAN FRAZER:** Mr. Gill and then Ms. Boggs.

14

15 **MR. GILL:** Thank you, Mr. Chairman. Thanks, Captain Dylan. Did
16 the AP discuss consideration of a bag limit change to accommodate
17 the reduced catch levels?

18

19 **MR. HUBBARD:** No, we did not. One of the discussions that happened
20 was even a conversation around why are we talking about increasing
21 the size limit, and this is a healthy fishery, and kind of what I
22 mentioned before about the public sentiment, right, is we have a
23 healthy fishery, that we're seeing more of these fish, and they're
24 growing in average size in the area that we're catching them, and
25 so now we have to have a bigger size limit, and now a smaller bag,
26 and so the conversation, at the AP, basically was let's try to do
27 whatever we can minimally to not penalize people for having a
28 healthy fishery. That was kind of the conversation around it.

29

30 **CHAIRMAN FRAZER:** Ms. Boggs.

31

32 **MR. BOGGS:** Well, it's kind of to Mr. Anson's question, and I had
33 made the comment, even last year I think, that, on the dock, for
34 our headboat, we're seeing, I'm going to say, on average, one per
35 trip, but that's way more than we used to see in the past, and,
36 most trips, it's two, or maybe three, at the most, but, again --
37 And the ones that we're catching are quite large, I mean, compared
38 to an eight-inch fish, and so it's something that we haven't seen
39 in the past, but, again, I sit here and think about my comments
40 with the last species.

41

42 You know, if we increase the bag limit, now you're going to have
43 discards. I mean, not the bag limit. Excuse me. The size limit,
44 and you're going to have discards, and so are you doing yourself
45 a disservice, and so I understand what you're saying, and I agree,
46 and, of course, nobody is real confident in FES, and so that throws
47 another monkey-wrench in it, and so I don't know where I would go
48 with any kind of adjustments at this point, but I did want to

1 comment to Mr. Anson's question to you, because it is something
2 we're seeing more so than we used to off of Alabama.

3
4 **CHAIRMAN FRAZER:** Dylan.

5
6 **MR. HUBBARD:** To that point, the previous conversation about red
7 grouper, we're forced to release a legal-sized red grouper in deep
8 water, because of that rule, and this is a little different, and
9 the lane snapper that we do encounter, that are smaller, are almost
10 always associated with shallower water.

11
12 This is a species that is very -- Red grouper, we can catch an
13 undersized red grouper in pretty deep water. Even at 120 foot,
14 you can catch an undersized red grouper. Most of the time, lane
15 snapper follow, pretty strictly, that, the deeper you go, the
16 bigger the fish, and so, generally, if we're going to be catching
17 a fish that you would have to measure, it's going to be inside of
18 a hundred foot, if not inside fifty, or sixty, foot, and so I
19 pretty confident that an increase in that minimum size limit, from
20 eight to twelve inches, may create some regulatory discards, but
21 they would be shallow enough where barotrauma wouldn't have a dead
22 discard effect, in my opinion.

23
24 **CHAIRMAN FRAZER:** Ms. Boggs.

25
26 **MS. BOGGS:** I don't disagree with you, Dylan, but I don't want to
27 contradict what I just said, and be, you know, like I'm
28 hypocritical, and I agree that an eight-inch fish is a pretty small
29 fish, and, if a ten-inch is mature, then that's certainly something
30 that needs to be taken into consideration, but, of course, I'm
31 sure, when we have all this conversation, we're going to direct
32 staff to do something with this, and then all that information
33 would come back, and so I get what you're saying, 100 percent.

34
35 **CHAIRMAN FRAZER:** Mr. Geeslin.

36
37 **MR. GEESLIN:** Thank you, Mr. Chair. I've got a compliment and a
38 comment. Whoever put this slide show together, Tab B, Number 7(b),
39 excellent job. It's five slides long, and I would like to see a
40 lot more of that. This is a great presentation. It's easily
41 digestible, and, if I'm tracking along, we've got an ACL, a stock
42 ACL, from 2012 to 2020, that was at 300,000 pounds.

43
44 It more recently bumped up to a million pounds, and here's the
45 bigger problem, is we're thinking about all these management
46 actions, yet we're measuring all this in MRIP-FES, which we know
47 we have a problem with, and there is pilot studies out there with
48 supposed overestimates of 30 to 40 percent, and I just question

1 what we're doing here, what we're -- I know these charts indicate
2 we're overfishing, by just a little bit, but I would just question
3 any further management action on this species at this time.

4
5 **CHAIRMAN FRAZER:** Ms. Boggs.

6
7 **MS. BOGGS:** So this would go to the agency, I suppose, and I'm
8 sure it's on here, and I don't know where to look, but so, if you
9 -- Looking at Frank's slide, and I can't find it now, but, I mean,
10 right now, there's very little -- So, I mean, that's through June
11 10, and there is very little catch, but I'm sure that's just
12 through Wave 1, Wave 2, and that's the problem, is our data is so
13 lagging, and nothing against you all, and, I mean, we're trying to
14 fix it, and so I'm not complaining, but that's another issue, is,
15 right now, it's like, well, gee, but we're not really catching
16 that many, and so I'm curious though, and when do you see the peak
17 of the catch for this species?

18
19 **CHAIRMAN FRAZER:** Dylan.

20
21 **MR. HUBBARD:** We can this species all year-round, but it's a more
22 directed fishery in the fall, when other species are closed. In
23 January, February, and March, we catch our red grouper, regardless
24 of the rule, and we catch our red grouper, and mangrove snapper,
25 and we have a lot of other fish to go catch.

26
27 Then comes red snapper season, and we're all infatuated with those
28 fish, and we spend all summer out in deep water chasing those
29 things around, and then, in the fall, we have, historically, a
30 little bit of a gag season, and some amberjack to chase around,
31 and then, once all these other fish close, it's like what do we
32 sell a trip based on, and what do we go catch, and lane snapper is
33 a big mainstay of it, and so that's when I feel we really start to
34 advertise, and push lanes, and target lanes, more effectively.

35
36 Plus, in our area, we have hogfish, and hogfish are targeted with
37 light tackle, thirty or forty-pound fluorocarbon, and live shrimp,
38 and the main bycatch that we see with hogfish is lane snapper.

39
40 We'll take a headboat trip out there and bring hundreds of dozens
41 of shrimp, and everybody has got a spinner rod with light tackle,
42 and everybody is targeting hogfish, and those are the trips where
43 we're catching a hundred, or 200, lane snapper, and so that's
44 really -- Those hogfish times of year, from like October through
45 like March, is when we see the most lane snapper, I would say.

46
47 **CHAIRMAN FRAZER:** Susan.

1 **MS. BOGGS:** I'm sorry, and that question was more directed to the
2 agency of when you see the peak in the catch levels.

3
4 **CHAIRMAN FRAZER:** Ms. Levy.

5
6 **MS. LEVY:** So a couple of things. I'm actually glad that you
7 answered that question, because it kind of hits on something that
8 I'm going to say here, is, you know, the reason that this is coming
9 before you now is because, you know, we've exceeded the ACL many
10 years out of the period, and we've also exceeded the OFL, right,
11 and so the guidelines say that, if you exceed the ACL more than
12 once in a four-year period, you're supposed to reevaluate your
13 system of ACLs and AMs.

14
15 I'm not opposed to looking at bag limits, or whatever else you
16 think might be necessary to manage this fishery, but what I'm
17 asking you to look at carefully is how do we look at the system of
18 ACLs and AMs to try to avoid the ACL overages.

19
20 Right now, the only thing in place is a yearly in-season closure
21 to an ACL, and that doesn't seem to be working, and I'm wondering
22 if one of the reasons why maybe it's not working as well as it
23 should is because the harvest is targeted towards the end of the
24 year, right, and so what does that do to the projections?

25
26 I mean, I don't know, and NMFS can answer that, but I would also
27 ask you to, when you're looking at changing management measures,
28 like size levels and things, think about what that does to the
29 uncertainty in the projections, because, right now, the only thing
30 stopping the ACL from being exceeded, or should, is the projection.

31
32 One thing you might consider is an ACT, and maybe the agency should
33 be managing to a lower number, so we can actually constrain to the
34 ACL, and so I guess I would just ask you to think about more things
35 than just a bag limit change to kind of address this issue. Thanks.

36
37 **CHAIRMAN FRAZER:** Mr. Rindone, to that point?

38
39 **MR. RINDONE:** Thank you, Mr. Chair. So it would seem, to me, that
40 putting an ACT in place gets right back to the problem that the AP
41 identified, where you have a stock that is -- It appears to be
42 healthy, and it appears to be increasing, in terms of its length
43 composition, and, if you set the catch limit lower than that, you
44 don't do anything to change the problem of constantly chasing the
45 fact that you're going to have an overage.

46
47 However, Captain Hubbard said that late summer, and into the fall
48 and winter, is when the majority of the landings occur, and Ms.

1 Levy said that that could be an issue as far as the projections
2 are concerned, and so perhaps another alternative might be to look
3 at changing what we define as the fishing season for lane snapper,
4 to perhaps coincide with -- I don't know, and throw a dart, you
5 know, June 1, July 1, whatever, but to where like the bulk of the
6 harvest doesn't occur, at the end of the fishing season.

7
8 So then you all have your time when the bulk of the harvest does
9 occur, and hopefully that can result in a little bit greater
10 precision, on behalf of NMFS, for being able to project the fishing
11 season, because the most effort isn't occurring at the very end,
12 right before they need to announce some kind of a closure, and so
13 maybe that would create a better time situation for more accurate
14 projections. So changing the fishing year from the calendar year
15 to something else.

16
17 **CHAIRMAN FRAZER:** C.J.

18
19 **DR. SWEETMAN:** Interesting thought there, Ryan, and so I guess I
20 would be interested, along those lines, to see kind of what
21 landings are like by wave, over several years here, just to kind
22 of see what those patterns are like, because, even if Dylan
23 prosecutes that fishery later in the year, it might not be the
24 same way all up and down through Florida, and so I'm just throwing
25 that out there, just to kind of get a better idea as to kind of
26 what that thought process would look like there.

27
28 **CHAIRMAN FRAZER:** Mr. Strelcheck and then Ms. Boggs.

29
30 **MR. STRELCHECK:** Great discussion, and Frank was just sharing with
31 me the landings, and, you know, over a multiyear average, it's a
32 dome-shaped relationship, which you would expect the highest
33 landings in the summer waves, with lower landings in the winter,
34 spring, and fall.

35
36 With that said, you know, I tend to agree with Susan about imposing
37 a size limit, right, because that adds to your discards, but I
38 also think an eight-inch size limit for lane snapper is really
39 very small, and I've seen eight-inch snapper retained, and, to me,
40 it's not worth retaining.

41
42 The question I have for Dylan, right, is you talked about the
43 importance of lane snapper at the tail-end of the year, right, and
44 so the way our system is set up for accountability measures is we
45 will have to project, and close, if we expect the catch limit to
46 be met, right, and so, if we have to close, based on that system,
47 wouldn't your preference be to come up with a way to either -- To
48 close earlier in the year, and avoid the end-of-year closure, and

1 what would you have as a recommendation or ideas?
2

3 **MR. HUBBARD:** I mean, me personally, without chatting with
4 everybody, and being put on the spot, I mean, me personally, I
5 think the idea of why that conversation was happening, while Mara
6 was talking, and I had the same idea as Ryan, as addressing the
7 fishing year and changing it to something -- I like trying to match
8 other things, and that's why I brought up the idea of the state's
9 mangrove snapper thing, and so, if you matched the fishing year to
10 amberjack, that would make a lot of sense, just so that, if you
11 did have a closure, it's in the summer, when other fish are open,
12 and you're negating a lot of effort in the summer.
13

14 I'm not surprised to hear the landings are highest in the summer,
15 and it's not when we really see the most lane snapper, but just
16 there's more people fishing, right, and so more people on the water
17 are going to drive those landings up, but I think, from a charter
18 industry perspective, a federal for-hire industry perspective,
19 they're more important at the end of the year, but, to the private
20 recreational angler, they're probably more important in the middle
21 of the year, in the summer, and so having them close in the summer
22 is just going to disenfranchise those folks.
23

24 I think you're kind of in a rock and a hard place, right, and
25 there's no good time of year, because, in the fall and winter,
26 that's when the federal for-hire needs them, and I think everybody
27 else, recreationally, would probably want them to be open in the
28 summer, because, from a business perspective, trying to spread out
29 these seasons as much as we can is a good idea, because we always
30 have a fish to go catch, but, from a private recreational
31 perspective, that has to fill the boat with fuel, and buy all that
32 tackle, they like to stack seasons up, and so I think the
33 stakeholder contention comes into play, but, to Mara's point, and
34 to your point, Andy, the idea that the AP had was trying to get a
35 head of the ACL problems, and bumping into the ACL, and exceeding
36 the OFL, is -- We need to do something to slow fishing mortality.
37

38 We don't want to get crazy, by adjusting bag limits and everything,
39 because it is a healthy fishery, and so we felt like a bag limit
40 change might help avoid those overages.
41

42 **CHAIRMAN FRAZER:** Thanks, Dylan. Susan and then Kesley.
43

44 **MS. BOGGS:** So this is where Alabama and Florida go different
45 directions. This is not a Florida-centric fishery, and I'm
46 convinced that the fish are moving more up into the north, and I
47 don't want to see this train driven by the State of Florida. Love
48 you, Dylan, but I would disagree on the season.

1
2 My personal perspective, and here I go ahead, and January and
3 February, and everybody wants to cut off January and February.
4 There are people that fish in January and February. Maybe not in
5 your area, but we keep pushing these fisheries to the summer and
6 the fall, and then you get the argument in the fall of, well, I'm
7 hunting, and I'm doing this, and I don't want that, and, I mean,
8 we cannot come to a consensus on any species of fish, any species
9 of fish.

10
11 The ones that I feel sorry for right now are the vermilion snapper,
12 because they get their butts hammered all year long, but they're
13 a hardy fishery too, and I kind of think like the lane snapper,
14 but this becomes a problem again, with yet another species of fish,
15 you know, and Destin and Panama City Beach wants amberjack in May,
16 you know, and it just -- We've got to figure this problem out,
17 and, again, if we start setting seasons, and closures, and this
18 and that, and you've got the discard mortality, and, I mean, it
19 just -- Again, it's full circle, and I just hope that the council
20 is very careful with where they go with this.

21
22 I understand, Mara, that something needs to be done, and I
23 appreciate your comments, because you're correct, and maybe that's
24 something we need to look at, but just be very cautionary, because
25 cause and effect.

26
27 **CHAIRMAN FRAZER:** Dr. Banks.

28
29 **DR. BANKS:** I think I kind of follow a little bit of what Susan
30 was saying with discard mortality, because -- Correct me if I'm
31 wrong, but warmer waters in the summer, and higher discards, and
32 less survival, and so I think we need to not just look at
33 necessarily the fishery business side of it, but the biology of
34 the species as well, and so, discarding anything in the summer, we
35 increase dead discards.

36
37 **CHAIRMAN FRAZER:** Captain Walker.

38
39 **MR. WALKER:** So I think this talk of closures is premature. I
40 think there is plenty of room for adjustments here, and we're not
41 overfishing that far, and so I think a closure can be avoided
42 altogether, with some adjustments, and, at some point, I would
43 like to make a motion to request the staff to conduct -- To start
44 a document to evaluate size limit and bag limit of lane snapper,
45 to see where we could have the most impact on reducing the harvest,
46 in the least painful way, and avoid a closure altogether, would be
47 my choice.

48

1 **CHAIRMAN FRAZER:** Okay. Let's get that up on the board, Ed.
2
3 **MR. WALKER:** Let's see. Direct staff to begin a document to
4 evaluate size and bag limit -- Well, I had analysis of lane
5 snapper, but that might be redundant.
6
7 **MR. RINDONE:** We could just say minimum size and bag limits for
8 lane snapper.
9
10 **MR. WALKER: Minimum size and bag limits for lane snapper.** I would
11 also, as part of that, and it doesn't need to be in the motion,
12 but I would be interested in see what the average size of landed
13 lane snappers are, because I have a little bit of hesitation. If
14 a lot of people are bringing in eleven-inch lanes, and we set the
15 size limit at twelve inches, we might be cutting it more than we
16 meant to, and I don't know, but I would be interested in seeing
17 what the actual landings, average landings, size is on lane
18 snappers.
19
20 **MR. RINDONE:** So those data will certainly come out from the APAIS
21 data, and that will be evaluated for the minimum size limit.
22
23 **CHAIRMAN FRAZER:** Okay. It's seconded by C.J. Kesley.
24
25 **DR. BANKS:** Can we also, maybe with this, get a comparison to SRFS
26 data? Didn't we just have a big data discrepancy, and we were
27 able to check that with SRFS, and I would just be interested to
28 see if the trend was the same or a magnitude different.
29
30 **MR. RINDONE:** C.J., I don't think lane is in SRFS.
31
32 **DR. SWEETMAN:** Lane is not a SRFS species.
33
34 **CHAIRMAN FRAZER:** Ms. Boggs.
35
36 **MS. BOGGS:** So, to Mara's point, should we add to also -- Maybe it
37 will be a part of the document, and I don't think it is unless you
38 specify it, but to look at the ACLs and the AMs for the species?
39
40 **CHAIRMAN FRAZER:** Dr. Simmons.
41
42 **EXECUTIVE DIRECTOR SIMMONS:** Thank you, Mr. Chair, and so we just
43 increased the ACL, and I think it was by 60,000 pounds, and it
44 hasn't been implemented yet, at the beginning of this year, and we
45 worked on that abbreviated framework, but we could certainly take
46 a look at the accountability measures. I think they're in-season
47 right now, and if you want to consider post-season, if that's
48 something you want to look at.

1
2 **CHAIRMAN FRAZER:** Susan.
3
4 **MS. BOGGS:** So we haven't seen that increase yet, and is that
5 correct, and so are we a little premature in what we're doing?
6
7 **MR. RINDONE:** It's a minor increase, and it's still less than the
8 overage that we saw in 2023. It's only 60,000 pounds, and, Frank,
9 what was our total landings in 2023 again? About 1.1 million, is
10 what Tom is saying, and the OFL for -- The new OFL is going to be
11 1.088 million pounds.
12
13 **MR. HELIES:** Did you want total landings for 2023?
14
15 **MR. RINDONE:** Yes, please.
16
17 **MR. HELIES:** It's 1,141,921. The new OFL is 1.1116, and so we're
18 still 25,000 pounds --
19
20 **CHAIRMAN FRAZER:** Captain Hubbard.
21
22 **MR. HUBBARD:** So the one last thing that I wanted to mention,
23 before I sat down, was that was the other motion, and so the AP
24 also passed a motion about the interim analysis for lane snapper,
25 and asking the Science Center, or the council to ask the Science
26 Center, to do another one, because, every time those interim
27 analyses have occurred, the headboat indices has proven to increase
28 the catch level, and so, every time those happen, we see a little
29 bump in the catch level up, and so I think, between changing the
30 size limit, or at least evaluating the size limit, and asking for
31 more interim analyses, that happen more frequently, and that catch
32 level continues to rise, with the bag limit potentially slowing
33 down fishing mortality a little bit, and hopefully it gets to
34 Mara's point of ending the ACL, or OFL, overages. I will sit down
35 now, because I feel like the questions are done.
36
37 **CHAIRMAN FRAZER:** I want you to stand up there all day, Dylan.
38 Thanks. Mara.
39
40 **MS. LEVY:** So, regardless of how high the ACL goes, the whole thing
41 is that the only accountability measure here is a yearly in-season
42 projection of when the ACL is going to be met, which is not
43 accounting for any management uncertainty that we apparently are
44 experiencing, because the projections have not been able to
45 constrain harvest, not only to the ACL, but to the OFL, in the
46 last couple of years.
47
48 You all have an ACT/ACT Control Rule that you input certain

1 information, and it comes out with a suggested buffer to account
2 for management uncertainty. I mean, at the very least, I think
3 that should be a consideration here.

4
5 **CHAIRMAN FRAZER:** Ryan, to that point, and then Mr. Gill.

6
7 **MR. RINDONE:** Thank you, Mr. Chair, and I recognize what Ms. Levy
8 is saying. I think, before that though, we have another area of
9 uncertainty that is probably under-addressed, which is how we're
10 currently assessing the species, which will contribute to the
11 scientific uncertainty. At present, we're using the iTarget model
12 from the NOAA Data-Limited Toolkit, and, essentially, this is a
13 management procedure that looks at the headboat catch per unit
14 effort index and compares that to recent landings, and that's --
15 I'm oversimplifying, but that's what is used to adjust the catch.

16
17 We're in a situation with lane snapper where we have increasing
18 landings, and we probably -- I would be interested to see what
19 sort of length composition information we have, and it may be
20 possible for us to explore a scientific analysis of the stock that
21 is more robust than we have been doing in the past, and that would
22 be something that the council would need to negotiate with the
23 center, as far as being able to accomplish, but there seems to be
24 some scientific uncertainty that we're kind of glossing over, as
25 we chase after the management uncertainty, and accounting for both
26 appropriately is also part of what we're supposed to do.

27
28 **CHAIRMAN FRAZER:** Mr. Gill and then Dr. Walter.

29
30 **MR. GILL:** Thank you, Mr. Chairman, and so a number of thoughts
31 have been offered here during this discussion, which I think are
32 good, but the way I read the motion is it basically constrains the
33 look to two items, and so I would to suggest a friendly edit, to
34 add something on the order of "and other measures to stay within
35 the ACL", to allow that exploration.

36
37 For example, Ryan mentioned changing the fishing year, and we've
38 talked about the ACT, et cetera, but I don't think we should limit
39 it to just the things that are on the books, and we ought to
40 consider what appropriate measures are right to deal with this
41 fishery in its current state.

42
43 **CHAIRMAN FRAZER:** I mean, I think that's a good idea, Bob, and
44 simply because we're directed, right, to evaluate, you know, what
45 we need to do to kind of deal with the overfishing issue, and, in
46 fact, if you read the letter, right, the council should reevaluate
47 the system of ACLs and accountability measures. All right. Who
48 seconded that? C.J. So a friendly amendment. C.J., go ahead.

1
2 **DR. SWEETMAN:** So I'm just looking at council staff, and do you
3 think you've had enough direction, based on the conversation at
4 the table, for these other measures here? Okay.

5
6 **CHAIRMAN FRAZER:** Okay. Dr. Walter.

7
8 **DR. JOHN WALTER:** Thanks. I'm not on the committee, and I don't
9 really want to speak to the motion, because I think this is a
10 management issue, and that's going in the right direction, because,
11 really, what we're talking about is addressing overfishing, but I
12 did want to speak, because it was brought up about doing another
13 interim, and I think what we need to be careful of is when
14 situations like this happen and we say, oh, now we should do
15 another interim analysis.

16
17 The interim analyses, if we think of them as management procedures,
18 they're really something that should be scheduled in advance, and
19 we should do that not just because we think the stock is going up,
20 but we also really need to probably do that even when stocks are
21 going down, because it only works when you actually get that
22 feedback, and you adjust the catch limit accordingly, and so, in
23 this case, if we keep adjusting it because things are going up,
24 but we aren't equally adjusting it when things are going down, we
25 will not be meeting the requirements, and we will potentially wind
26 up overfishing without knowing it.

27
28 That's one of the challenges here, if we never adjust on the
29 downtrend, and so I think that's one of the things we need to be
30 cautious of, and I would say, from a scientific standpoint, we
31 need to be cautious of when we call for those interims. Ideally,
32 they would be something that we would schedule out, and we're
33 looking at kind of a program of assessments, punctuated by
34 interims, to be able to sketch that out to meet the key stocks
35 objectives, but, in this case, that's my one caveat, about simply
36 calling for an interim.

37
38 That being said, I think it's something that the Science Center
39 could do, in terms of looking at the indices and at least bringing
40 that information to this council, in this case, but it doesn't --
41 It should be separate from the management action to stay within
42 the ACL. Thanks.

43
44 **CHAIRMAN FRAZER:** Okay, and so I think, at this -- Mr. Anson.

45
46 **MR. ANSON:** If I can, sir, just a clarification from Ms. Levy.
47 The letter does not mention any timeframe that action needs to be
48 taken, and so I assume it is open, as long as there is some

1 indication, through, you know, documents being created and such,
2 to look at addressing accountability measures, that that kind of
3 fits the bill, so to speak, and we try to do that in a timely
4 manner, or as timely as possible, and does that meet the law?

5
6 **MS. LEVY:** I mean, yes. I mean, I think you should be making
7 progress on this issue.

8
9 **CHAIRMAN FRAZER:** Thank you. Mr. Strelcheck.

10
11 **MR. STRELCHECK:** I mean, we typically think of ending overfishing
12 when we get a stock assessment, but, obviously, we have the measure
13 of, when landings exceed the OFL, that we trigger the overfishing,
14 and, under MSA, it says to end overfishing immediately, but they
15 don't do a good job of explaining what that does that mean, in
16 terms of timing, right, and what I will say is that we will be in
17 a situation, like we've been in the last few years, where we're
18 going to have to monitor the catch and determine if we have to
19 have an end-of-season closure, given the overages, and we're going
20 to have to take into consideration, obviously, past landings and
21 trends and evaluate when we make that decision and, if it's
22 necessary, close the fishery. Hopefully that will be sufficient
23 to constrain harvest while the council is working on other actions.

24
25 **CHAIRMAN FRAZER:** Okay. I think we've had a lot of good discussion
26 here. Is there any further discussion on the motion? **Any**
27 **opposition to the motion? Seeing none, the motion carries.**

28
29 Again, I thought the discussion was really good, and I think, by
30 all accounts, this fishery is doing well, and, to Dakus' point a
31 little earlier, you know, I kind of wonder how you get in a
32 situation like this, right, but I think the intent of everybody
33 around the table is to try to get ahead of it, and the only way
34 you can get ahead of it is to collect some information, and
35 evaluate what your options are, and we're taking the appropriate
36 steps, and so hopefully we will be able to get ahead of it.

37
38 The next -- Is there any other discussion with regard to lane
39 snapper, before we move on? All right, and so the next item on
40 the agenda then would be a review of the Reef Fish AP Charter-for-
41 Hire Buffer and Fishing Season for Red Snapper and Other Business,
42 and that would be Tab B, Number 8, and so Mr. Rindone. Mr.
43 Strelcheck.

44
45 **MR. STRELCHECK:** Could I make a request to the committee to talk
46 about gag first? I don't think it will be very long, but I would
47 want the committee's approval.

48

1 **CHAIRMAN FRAZER:** Absolutely. Go ahead.

2
3 **2024 RECREATIONAL SEASON FOR GAG**

4
5 **MR. STRELCHECK:** So under Other Business was a discussion of the
6 gag recreational season. The reason I wanted to just move it up
7 is we're working on pushing out a Fishery Bulletin with an
8 announcement today. As you are aware, at the last meeting, we had
9 an overage last year, and we determined that overage based on the
10 State Reef Fish Survey, as well as other landings data, and the
11 annual catch target, which is what we need to manage to for the
12 2024 season, is small, 105,000 pounds and some change.

13
14 Based on projections conducted by National Marine Fisheries
15 Service, as well as some work done at the University of South
16 Florida, the season estimate will range from thirteen to seventeen
17 days, and so we selected a season of September 1 to September 15,
18 and so it close on the 16th, and so it will be a fifteen-day season
19 this year.

20
21 My hope is that we can constrain harvest, or be very close to that
22 catch target, and not go over the catch limit, and then we will
23 get the bump-up in quota, commensurate with the rebuilding plan,
24 next year, which would push the catch target upwards of 300,000
25 pounds for the recreational sector in 2025, and so we will share
26 a Fishery Bulletin shortly, and announce the season, and so any
27 questions?

28
29 **CHAIRMAN FRAZER:** Thanks, Andy, for the update. Any questions?
30 All right. I am not seeing. I understand why you wanted to get
31 that out a little bit early. All right, and so we will go ahead
32 now and move to the review of the Reef Fish AP Charter-for-Hire
33 Buffer and the Fishing Season for Red Snapper, and that is Agenda
34 Number VIII. Mr. Rindone, the action guide.

35
36 **REVIEW: REEF FISH AP CHARTER-FOR-HIRE BUFFER AND FISHING SEASON**
37 **FOR RED SNAPPER AND OTHER BUSINESS**

38
39 **MR. RINDONE:** All right. Also at the April meeting, you guys
40 directed us to start work on a document exploring reducing or
41 removing the buffer between the federal for-hire ACL and ACT for
42 red snapper, which is currently at 9 percent, and that was set
43 using the council's ACL/ACT Control Rule, which, in April, when I
44 looked at it again for a committee member, and used the most recent
45 data that were available at the time, the control rule showed that
46 the buffer could be revised down to 5 percent.

47
48 Concurrently, you guys also directed us to begin work on a document

1 exploring modifying the federal for-hire fishing season for red
2 snapper, and public testimony in April suggested that the for-hire
3 operators could benefit from modifications to the current
4 construct of the fishing season. Also in April, after the council
5 meeting, the Reef Fish AP met and provided recommendations on both
6 measures, which I'm going to present to you guys, along with some
7 input from Dylan along the way, and so you guys should consider
8 the information presented and provide recommendations, as
9 appropriate, and then there's some of the other business items
10 that are on there.

11
12 Some other business items that were also discussed by the AP that
13 we'll review, once we conclude the presentation part, and we'll
14 just use the AP summary report for that, and that includes
15 commercial electronic reporting and an item about Reef Fish
16 Amendment 53.

17
18 **CHAIRMAN FRAZER:** All right. Thank you. I guess we can proceed
19 with the presentation.

20
21 **MR. RINDONE:** Sure. If we scroll on down, I just mentioned the
22 two motions that you guys passed at the April council meeting, and
23 the AP talked about both of these. Pertaining to the fishing
24 season, the AP was interested in changes to the fishing season,
25 but thought that a regional approach for different fishing seasons
26 for red snapper for the for-hire component across the Gulf would
27 prove problematic, as changing the overlap of the fishing seasons
28 might affect effort in unpredictable ways, and the AP was worried
29 what that might do to fishing season duration projections.

30
31 Also, for-hire fishing occurs at different times in different parts
32 of the Gulf, and the AP discussed that the western Gulf for-hire
33 fishing doesn't really kick off in earnest until about June,
34 whereas, in the eastern Gulf, it can occur year-round, and a couple
35 of AP members also noted that there could be disenfranchisement of
36 private anglers by the for-hire component having earlier access to
37 red snapper, but the AP also did note that the private anglers had
38 earlier access than the for-hire component, as of right now anyway,
39 in four of the five Gulf states.

40
41 For the fishing seasons, the AP was unanimous in the following two
42 motions, to recommend that the council explore opening the for-
43 hire fishing season for red snapper on the Friday before Memorial
44 Day, and, Mr. Chair, I would let Dylan come up, perhaps, and talk
45 about any further rationale for these.

46
47 Then the other unanimous motion that they had was that they
48 recommended that the council explore setting a for-hire red snapper

1 season based on a fixed closure, to allow the possibility of a
2 second season opening in the fall, and so I will hold there for a
3 sec.

4
5 **CHAIRMAN FRAZER:** All right. Thank you, Dylan, for coming back
6 up. Do you want to discuss these two motions?

7
8 **MR. HUBBARD:** I will just try to stay standing the rest of the
9 day, like you asked. The Reef Fish AP did have a discussion over
10 this. The buffer decrease would be nice, but the season changing,
11 obviously, is going to create a little bit of uncertainty, and so
12 there wasn't a really strong sentiment either way, and the
13 conversation around the season change was not very strong either.
14 No one was standing up and demanding anything really clearly.

15
16 I think Susan captured the conversation really well earlier, as
17 far as setting seasons. It becomes very regional, and what's best
18 for my area -- Everybody has a differing opinion, and so it's a
19 little bit difficult to try to make everybody happy, and I know,
20 personally, and not in the Reef Fish AP, but, personally, other
21 discussions have occurred, like exploring, at the bar, when we
22 could potentially reopen red snapper, or change the red snapper
23 season to, and I've never been a part of a conversation where more
24 than one charter fisherman agreed, or recreational fisherman
25 agreed to, hey, this would be a good other idea.

26
27 Our approach has always been kind of, hey, if it's not broke, don't
28 fix it, but now I think the conversation has become more real, as
29 we see these seasons get longer, and extending into August, and a
30 lot of charter fishermen, federal for-hire fishermen, look at that
31 season and realize that, once we get into August, it becomes more
32 and more difficult to sell trips.

33
34 As kids go back to school, the season gets longer, and people lose
35 interest, and so the conversation was potentially starting it a
36 little earlier, and then there was a conversation that Brenda
37 brought up, and she's actually in the room as well, and she could
38 speak to it more as well, but she brought up the idea of trying to
39 avoid opening earlier than private recreational anglers, but the
40 conversation, back to that, was other states have different opening
41 dates.

42
43 I think Louisiana opened in like, what, January this year, and it
44 was super early, and Texas is year-round, and so it's very
45 difficult, from a Gulf perspective, to choose something that
46 everybody is going to be happy with, as far as an earlier date,
47 but it's very, very clear that the western Gulf doesn't like
48 earlier seasons, because of the wind, and I think all the BOEM

1 presentations make that pretty clear.

2
3 It's windy over there in Texas and Louisiana in the first half of
4 the year, and so those folks want to see a summer or fall season,
5 whereas, in Florida, peninsular Florida, and even into the
6 Panhandle of Florida, and even into some of Alabama, a lot of those
7 folks talk about potentially a fall season, but how early of a
8 fall season becomes a challenge, because the agency has the
9 difficult job of trying to ingest those summer landings, and then
10 turn around projections for a fall season length, and that would
11 be very tricky, because, for example, Destin talks about their
12 October rodeo. If you have a June and July season, is that data
13 going to come back fast enough to turn around the projections for
14 October? That's a very big challenge.

15
16 I think a November season would be more realistic, because that
17 data timing would be better, but then, by November, I'm hunting,
18 and I don't care about red snapper anymore, at least not in my
19 area, but in other areas, and so it becomes a very difficult
20 challenge, as I think Susan captured really well earlier.

21
22 To answer the question, the conversation at the Reef Fish AP was
23 a little bit all over the place, but the general consensus is what
24 is captured on the board. Some people talk about fishing it a
25 little earlier, a few days earlier, into Memorial Day, and then
26 the other consensus was, hey, August is not really necessary. Once
27 we start getting too far into August, we could potentially close
28 at a fixed date, and then try to have some fall component, as early
29 in the fall as possible, with data timing -- Which that data timing
30 would allow for, and those were the two consensus that was reached
31 at the Reef Fish AP.

32
33 **CHAIRMAN FRAZER:** All right. Thanks, Dylan. Don't go far, because
34 I know we're going to talk about the buffer next. Ryan.

35
36 **MR. RINDONE:** Just one point of clarification for Louisiana, and
37 it was April 15.

38
39 **MR. HUBBARD:** I was being facetious.

40
41 **MR. RINDONE:** We can continue on then. For the buffer, and that
42 guy is holding a good-looking fish, but, for the buffer, the Reef
43 Fish AP was generally supportive of reducing it, and they passed
44 a unanimous motion for this one as well, to recommend that the
45 council explore removal of, or significantly reduce, the buffer
46 for red snapper for the charter-for-hire fishery. I think Captain
47 Hubbard kind of touched on this so far.

1 Just some consideration for you guys, and so, when we're talking
2 about, oh, we're going to change the fishing season, well, we don't
3 have any recent relative for-hire effort before June 1. There's
4 nothing there. You just estimate that, and so we would have to
5 use some sort of proxy data, which, if I was going to predict, I
6 would say we would probably pull from the first week or two from
7 June, and use that in place of whatever we would expect to be
8 happening in May, and the only data we have for estimates beyond
9 August are from 2021, when the federal for-hire season was reopened
10 when the ACL hadn't been met.

11
12 We're not very data-rich, as far as changing the fishing season is
13 concerned, with being confident that, you know, if we change the
14 fishing season, our fishing season duration projections are going
15 to be as accurate as they have been recently, and they've been
16 great. They've been very accurately recently to constrain the
17 for-hire component to its ACT, and so we would have to expect some
18 additional uncertainty.

19
20 Regarding the buffer, the season projections, you know, like I
21 said, have regularly constrained for-hire red snapper catch at or
22 below the ACT, and the season is set to the ACT, and it has resulted
23 in no overages of the for-hire component's ACL.

24
25 The buffer here though may prove useful, if you guys are interested
26 in considering a change to the fishing season, because it might
27 help us to understand changes in fishing behavior, if the fishing
28 season changes, without running into a risk of an unpredicted
29 overage of the ACL. Changing the buffer in the fishing season
30 will likely increase the probability of exceeding the for-hire
31 ACL, and by what, you know, percentage, I don't know, off the top
32 of my head, but, whenever you're changing both of those things
33 together, especially when we have as little information as we do
34 to estimate daily effort, it's going to make things a little bit
35 more uncertain.

36
37 If we're looking at a draft action for the fishing season, and
38 this is based entirely on the AP's recommendations, or inspired by
39 them, and so no action would be that the for-hire red snapper
40 fishing season will open on June 1 and will close when the for-
41 hire ACT is projected to be met. Alternative 2 would modify the
42 for-hire red snapper fishing season to open on the Friday before
43 Memorial Day and close the fishing season when the ACT is projected
44 to be met.

45
46 Alternative 3 takes a swing at this split season idea, and it would
47 modify the for-hire red snapper fishing season to be comprised of
48 two split seasons. The first summer season would open on the

1 Friday before Memorial Day and close when some percentage of the
2 ACT is projected to be met, and the second fall season would open
3 on November 1 and would close when 100 percent of the ACT is
4 projected to be met, and there are options there, that you guys
5 can see, for some different percentages that might be considered.
6

7 Here is another one, to modify the for-hire fishing season to be
8 comprised of two split seasons. The first summer season would
9 open on the Friday before Memorial Day and close on July 31, and
10 the second fall season would open on November 1, and it would close
11 when the for-hire ACT is projected to be met, and so, personally,
12 I think this is a little more germane to the AP's discussions, and
13 what seemed like more in line with their preferences about being
14 most interested in having that core summer season in place and
15 then having the opportunity for something in the fall, if there
16 was fish left over, but that's just one interpretation.
17

18 Down in that table there, you can see what we think things would
19 look like, or, sorry, what things did look like for the 2020
20 through 2023 fishing seasons for the for-hire component for red
21 snapper, and the total number of days that fishing was open, and,
22 Frank, it's 102 days this year, right? Is that correct? Not 102,
23 but it's like ninety-eight, and it's more than it was last year.
24

25 Anyway, the general trend has been an increasing number of total
26 fishing days, as catch limits have increased with time, and the
27 precision with which the Southeast Regional Office has been able
28 to project the fishing season duration has improved. It's eighty-
29 eight. Thank you, Ms. Boggs. So eighty-eight is the total number
30 of days for 2024.
31

32 All the fishing season options would be based on landings data
33 from prior fishing years, and we still wouldn't really be able to
34 use in-season monitoring, and so that's kind of the consideration
35 when we're thinking about where the hard stops really need to be,
36 if we're going to be putting hard stops in place, and we also need
37 to address the lack of data before June 1 and the paltry data that
38 exists for after August, and, like I had mentioned, we could use
39 data from the first week of June, for some set time period, to
40 estimate the new May effort, and we could use the effort data from
41 the fall of 2021 reopening to estimate what we might think could
42 happen, you know, from November and beyond, but, you know, the
43 real experience will, obviously, be after implementation and we
44 can actually observe what that effort looks like. Mr. Chair, maybe
45 any thoughts on the fishing season, before we get into the buffer,
46 or do you want me to just burn through it?
47

48 **CHAIRMAN FRAZER:** My preference is that you just work through these

1 two.

2

3 **MR. RINDONE:** Okay, and so buffer. Currently, it's 9 percent, and
4 we used the ACL/ACT Control Rule to set that, once upon a time, in
5 2016, or 2018, something like that, and Alternative 2 would modify
6 the buffer between the for-hire component ACT and ACL, using the
7 control rule again, and using landings data from 2020 through 2023,
8 and this would result in a buffer of 5 percent, and Alternative 3
9 would remove the buffer entirely.

10

11 Right here, you can see the landings for the for-hire component
12 for red snapper against the ACL, and the proportional standard
13 error for each of those years, keeping in mind here that the ACT
14 to which the sector component is managed is 9 percent below the
15 ACL, and so 91 percent of the ACL constitutes 100 percent of the
16 ACT here, and so it's being properly constrained to the catch
17 limits to which it's being managed. Any questions?

18

19 **CHAIRMAN FRAZER:** All right, and so we've got two issues to
20 discuss, or ask questions, and one has to do with potential changes
21 in season, and the other one has to do with the buffer. Ms. Boggs.

22

23 **MS. BOGGS:** I have a list, and so the first one is a comment.
24 Talking about that there is no data to support estimates before
25 June 1, I mean, we have headboat data, and, I mean, there is data
26 out there, and so I would argue that, I suppose, because we use
27 headboat data in most everything else we do, because that's the
28 only data that we have.

29

30 **CHAIRMAN FRAZER:** Mr. Rindone.

31

32 **MR. RINDONE:** Thank you, Mr. Chair. I guess, to that, I would
33 clarify that there are no comprehensive for-hire component data,
34 and so, if all we have is headboat, that doesn't include any of
35 the other charter-for-hire vessels, and so it's not necessarily
36 representative of the entire for-hire fleet.

37

38 **MS. BOGGS:** But, there again, when we're doing other documents,
39 the only data we have is headboat, and that's the data that's
40 included in the document, and that's what we use for data, and so
41 I get what you're saying, but, to say that there's no data, and we
42 had this discussion yesterday, when we were clarifying between
43 charter-for-hire and headboat. It's all recreational fishing,
44 and, I mean, consistency, but, nonetheless, I will quit arguing
45 that point.

46

47 I do have a question for the agency. Andy, under the fishing
48 season, Alternative 3, basically doing a split season, I mean,

1 unless -- Unless we had a fixed data, as opposed to close when we
2 reach X percentage of the for-hire ACT, and I don't know how we do
3 that, because we looked at it last year, and we thought we were
4 going to be under, but we didn't get the numbers in time, and we
5 couldn't do anything to react, to reopen the season in the fall,
6 and so I don't see that this is really viable, because we're not
7 getting the data in time.

8
9 **MR. STRELCHECK:** So, in response to that, the split season is a
10 challenge, based on not only the timeliness of the data, but we've
11 been criticized, when we've reopened in the past, of not giving
12 sufficient notice, right, and so charter captains need to know
13 when the season is going to open, and be able to notify customers
14 that there is going to be trips, and be able to book the season,
15 right, and my recollection is that like two weeks was the minimum
16 amount of time to keep them informed, but certainly far more than
17 that would be better, from a customer base.

18
19 To comment, while I have the microphone, you know, if we get
20 landings into August, that means there's going to be forty-five
21 days, minimum, before we get those landings estimates, and so
22 that's mid-October. We do usually have a little processing time,
23 and so November 1, really, to me, is not even a feasible start
24 date for a fall season, and it would have to be pushed into mid to
25 late November, at the earliest, in order to reopen during the
26 season.

27
28 The other component to this, and what I've been hearing, you know,
29 complaints from the charter captains, is, the farther you go into
30 August, the less valuable the trips are, right, and so I know the
31 recommendation was for like a Friday before Memorial Day start, in
32 part to kind of line up with the state seasons, but, to me, maybe
33 we need to be thinking about moving the season back into May and
34 allowing for the season to expand, you know, earlier in the year,
35 rather than pushing it later in the year, into August, and then
36 figure out if there's also a split season component that would
37 want to be considered.

38
39 **MS. BOGGS:** Thank you for that, Andy, and you are correct, and
40 that is a challenge with the charter-for-hire fleet, is it's great
41 to get the additional days, but, if you don't have time to promote
42 that for your customers -- I guess it's a benefit to the fish, but
43 it's not a benefit to the charter fleet, and so thank you for that,
44 because I agree, and I asked you that for a reason.

45
46 The Memorial Day, I can't find it in here, but I thought that,
47 earlier, when I read this, one of the challenges, and I think Ryan
48 touched on it, was, well, the private recreational sector doesn't

1 want the charter fleet to open before they do. Well, you can just
2 throw that one out the door, because I think, other than Alabama,
3 everybody else opens it. I mean, Texas is open pretty much year-
4 round, and Louisiana is open earlier in the year, and I know
5 Florida comes behind everyone, but, that, to me, is not an
6 argument, because, with Amendment 50, it's all over the board.

7
8 I remember, when we had the Gulf Headboat Collaborative, everybody
9 complained, because we were fishing when everyone else couldn't,
10 and they were going to come burn our boats down, and they were
11 going to do all this, and that doesn't happen. I mean, so we've
12 got to find some flexibility.

13
14 I have spoken to seven captains, from south Texas to Tampa, and,
15 again, as Dylan stated, and including Dylan and his comments, there
16 is not a consensus anywhere in this, but what I think needs to
17 happen with this council is to find a way to provide flexibility.

18
19 If you open it, and I'm just throwing ideas, and I'm not saying -
20 - Because I don't want the charter fleet, as a whole, to come
21 bombard me when I get done with this, but, you know, one of the
22 suggestions was to open it -- We could do it at the first of a
23 wave, the January-February, or the March-April, and close it, and
24 then see what you have left, but, again, the timing of the data is
25 an issue.

26
27 One of the things, and I'm kind of talking out of turn with this,
28 but one of the things that I have noticed, and this has been an
29 issue since Amendment 50, and it seems to get worse every year, at
30 least in our port, is the number-one call I get is I want to go
31 fish on Friday, because I can't catch snapper Tuesday, Wednesday,
32 Thursday, and, no, that's not correct.

33
34 So the public is so confused with these fishing seasons, and we've
35 got to figure out a way to get better messaging out with the
36 states, with the federal government, and, I mean, I've done all
37 the advertising that I can do to try to explain it, and get some
38 kind of consistency, where these fleets have enough time to promote
39 their fishery, help people to understand it, but we've got a mess
40 on our hands with red snapper, and that's just where I feel with
41 it right now.

42
43 As far as moving the fishing season right now to before June 1,
44 and I know I'm the one that brought it up two meetings ago, but
45 I'm not there yet. I'm back to let's just keep it like it is,
46 because I think we're going to create more of a mess, and then, as
47 far as the buffer, I think we have to keep some kind of buffer. I
48 would be -- You know, I'm thinking 5 percent. I do think we can

1 lower it a little bit, but I would not go less than 5 percent.

2
3 **CHAIRMAN FRAZER:** Thank you, Ms. Boggs. Captain Hubbard.

4
5 **MR. HUBBARD:** Just to Andy's question earlier, and point about
6 notifying the charter-for-hire fleet, we always appreciate extra
7 days, and so, even if we don't have a day's notice, we'll take the
8 extra days, but, yes, some people get frustrated when we don't get
9 enough notice, and it is frustrating, when you have a season open
10 unexpectedly, and you're not able to fill the days, but extra days
11 are extra days, and so we'll take them no matter what, no matter
12 what notice we get, but I think trying to give as much notice as
13 possible is important.

14
15 That was what the discussion was around the AP table, is, if we
16 were going to explore a split season, it's really helpful to know
17 when that season is going to start, right, and so, if we have a
18 set season that is fixed, with enough left over that we're 90
19 percent confident that we're going to have a fixed some other
20 component, and know the open date, then you can tell guys that,
21 hey, this is the opening date, and we don't know how long it's
22 going to be open for, but we'll know that around this time.

23
24 That becomes easier to sell a trip, and so I think it would be
25 potentially possible, but I think pushing it late -- The start
26 date as late as November 15 kind of negates the fixed season
27 reality, because I think that's a little too late in the year, for
28 many people.

29
30 In my opinion, if you were to ask me personally, I think leave the
31 season alone for now, because we're, obviously, just around this
32 table, struggling with trying to get any semblance of agreement,
33 and I think you'll see that in the charter fleet as well, and so,
34 if we leave the season alone, reduce the buffer, and we're really
35 confident, and we're not uncertain at all, in our current season
36 structure, and so, if we just leave it alone, and reduce the
37 buffer, and happiness is for now.

38
39 **CHAIRMAN FRAZER:** Okay. Thanks, Dylan. To that point, Andy, and
40 then Dale Diaz has been hanging on the line here for a bit, and
41 so, Andy, go ahead. Dale, go ahead.

42
43 **MR. DALE DIAZ:** Thank you, Mr. Chair. I just wanted to compliment
44 Andy and his crew. I think they've done a good job with the ACT,
45 especially from 2021 through 2023, and, you know, 1 percent over,
46 or 2 percent under, that's pretty tight on what they're trying to
47 manage, and they've done a good job the last three years, and that
48 was why, at the last meeting, I wanted to bring this up, because,

1 when you look at it -- You know, over the last four years, the
2 charter-for-hire sector has been unable to harvest about 1.8
3 million pounds, if my numbers are correct.

4
5 I feel strongly that we can do something with the ACT, and I left
6 the last meeting, in my mind, thinking that we could just do away
7 with it altogether, but, in reading that AP report, and listening
8 to the conversation around the table, you know, I think the 5
9 percent is the right thing to do, and follow our ACT Control Rule,
10 and change this thing to 5 percent, is what I think is the right
11 thing to do.

12
13 Anyway, that's what I'm supporting, and I did want to make just
14 one comment on season structure, and I don't have strong feelings
15 on it. I did have one charter fisherman from Mississippi tell me
16 that him, and a couple other charter fishermen, would like to see
17 it open on Memorial Day weekend, but I do understand there's some
18 problems with that.

19
20 Lastly, I just wanted to mention that Dylan mentioned school, and
21 I know that comes up a lot when we talk about seasons. You know,
22 a friend of mine used to live next to me, and he told me that,
23 when school started, you know, charter trips pretty much
24 evaporated, and, in Mississippi, and I don't know how this is in
25 other states, but schools are slowly transitioning to year-round
26 school.

27
28 I don't know if that's going on a lot in the other states, if that
29 affects the charter business, but it's surely happening here, and,
30 you know, over time, I think that trend is going to continue, and
31 so, over time, that might affect, you know, when these charter
32 trips dry up, at least in certain locations of the Gulf. Thank
33 you, Mr. Chairman, for the time. I appreciate it.

34
35 **CHAIRMAN FRAZER:** Thank you, Mr. Diaz. I have Andy and then Susan
36 Boggs.

37
38 **MR. STRELCHECK:** First of all, I look forward to hiring Dylan under
39 contract to handle my customer service calls. No, but it was great
40 input, and I really do appreciate that, but, you know, even when
41 we're doing a good thing, we do get gripes about people not having
42 enough notice.

43
44 One of my thoughts here, and I realize that maybe it won't work
45 for the western Gulf, right, but we're getting to a point, with
46 the season, where it's going to push -- It has pushed into late
47 August, and it's potentially going to push out of late August and
48 into early September, which is a new wave, right, and so I'm

1 concerned about having a small, short opening, you know, where we
2 don't get a lot of data, and information, in that period, and,
3 thinking about it from the standpoint of, well, if we hit August
4 31, then we run the season backwards into May, right, and so,
5 essentially, we're not going to go any later than August 31, and
6 then we'll start adding days onto the season beginning before June
7 4, to extend the season, right, and that keeps it within the two
8 primary waves where landings are occurring.

9
10 Also, kind of to Dale's point, where we've actually done a very
11 good job of trying to estimate the season, and, given that we're
12 talking about reducing the buffer, I expect we could easily push
13 into September next year, if the council took action and reduced
14 the buffer in a quick period of time.

15
16 **CHAIRMAN FRAZER:** Thank you, Andy. Ms. Boggs and then Captain
17 Walker.

18
19 **MS. BOGGS:** So, Andy, that's why you get paid the big bucks,
20 because you have good ideas, and I like that idea. That makes a
21 lot of sense, instead of trying to figure out how to push it back,
22 and you would have a little more notice, if what I understand from
23 what you're saying.

24
25 This year, we would bump up -- I know we're only going to August
26 27, but, if we see we have 20 percent left, and I'm being generous
27 there, would it be that next year you could come back and say,
28 okay, we're going to bump it back until May 25, and I would like
29 to get some clarification before I go to my other comment.

30
31 **CHAIRMAN FRAZER:** Andy.

32
33 **MR. STRELCHECK:** Yes, and so, right now, just to be clear, I have
34 authority to reopen the fishery if we don't hit the catch target,
35 right, and we've been very, very close, and sometimes, with
36 refinements of landings, it's so close that it's hard to make a
37 decision to adjust, especially if it means one or two fishing days
38 at the end of the year.

39
40 The suggestion here would be we would get all the landings from
41 the prior year, evaluate, you know, how we performed. If we didn't
42 quite hit the mark, then we could adjust the season, and start it
43 a little bit earlier, right, and, with that said, you know, once
44 again, it's change, right, and so we've conditioned people, you
45 know, customers, to know the season is going start on June 1, and
46 I want to book my trip on June 1, and, if we start moving back
47 into May, that is a change, that they don't know exactly when the
48 start date will be from one year to the next.

1
2 **CHAIRMAN FRAZER:** Ms. Boggs, to that point, and then Captain
3 Walker.

4
5 **MS. BOGGS:** So, to that point, so like, this year, and I feel like
6 I'm being critical, Andy, and I'm not. You all have got a hard
7 job to do, and I understand that, and I'm going to preface this
8 with what my first comment was going to be, before I wanted to
9 respond to Andy, was one of the challenges with the charter fleet
10 is our data collection system.

11
12 I think, once we get a data collection system in place, this will
13 help us with some of that, and so, if I was being critical earlier,
14 I didn't mean it, but I had a thought that I was trying to get out
15 before I forgot earlier, and so I appreciate that, but, to that
16 point, so, this year, with the red snapper season -- I mean, we
17 really didn't get, other than a two-week notice again this year,
18 for evening a June opening, to know when we were going to end our
19 season.

20
21 In the past, we've actually gotten I want to say almost a month
22 notice, and so what are the challenges there, because, to your
23 point, is, yes, everybody is kind of trained to June 1, but I think
24 part of that burden, or not think, but I know that part of the
25 burden would be on the charter fleet, each individual business,
26 company, to educate their consumer, which we try hard to do, but
27 would we have some kind of notice, more than the two weeks, if we
28 know we close on August 31, and you've got until say April 1, or
29 March 1, to figure out what that season might look like.

30
31 **MR. STRELCHECK:** Yes, and, I mean, I will readily admit that we
32 were late in getting the announcement out this year, and I guess
33 partly the thought process is we knew that we were going to open
34 on June 1, right, and so we knew we were going to be open for
35 several months, and so it was less critical to get that back-end
36 out of the season out in time, but I know people wanted to know it
37 as soon as possible.

38
39 There are, obviously, some challenges, and delays, with kind of
40 post-processing of the final landings data for the year prior, but
41 nothing that, to me, would inhibit starting in May and getting an
42 announcement out in a sufficient time. You know, the alternative
43 would be just to move up the start date of the season, like Ryan
44 was suggesting, whether it's the Friday before Memorial Day, or
45 May 15, or something else, and then that allows it to then run
46 into August, but likely not extend beyond August.

47
48 **CHAIRMAN FRAZER:** Captain Walker.

1
2 **MR. WALKER:** Thank you, Mr. Chair. Andy, I like your suggestion,
3 and I've been running scenarios through my head, and texting
4 charter boat captains all over, and it's really hard to, as Dylan
5 said, get even more than two people to agree on it, but I think
6 moving it back into May is a good idea.

7
8 The AP did recommend moving it, so they could get Memorial Day,
9 and they said they have good potential business at that time,
10 better than they're going to have in August, apparently, and so I
11 think that's a good idea, and, you know, if we get a second season
12 later in the year, I personally would benefit from that quite a
13 bit as well. Even if we didn't know how many days, if we had a
14 start date, I could fill them on short notice. If we got, you
15 know, a couple of weeks' notice, I could fill those days and make
16 a little more money.

17
18 **CHAIRMAN FRAZER:** All right, and so we've had a fair amount of
19 discussion, and I'm going to try to make sure that we are on track
20 in order to move forward here, and so we talked about -- Certainly
21 I think there's -- My read of the room right now is that there's
22 certainly interest in reducing the buffer, right, and the question
23 is whether or not we want to move forward with a change in the
24 fishing season of some kind, and, if that's the case, somebody
25 needs to make a motion. Captain Walker.

26
27 **MR. WALKER:** So, if we're going to tinker with the season, reducing
28 the buffer might be a little risky, as was pointed out, and the
29 charter guys that I've spoken with -- They're like, sure, we'll
30 take less of a buffer, but, if we're going to risk going over,
31 because we took a couple of points off the buffer, then that's not
32 a big priority for me, as a charter boat captain. I would rather
33 adjust the season, and not have any risk, than eliminate the
34 buffer, and maybe trim it in half or something, but that's my take
35 on it.

36
37 **CHAIRMAN FRAZER:** Any other thoughts on -- Dr. Banks.

38
39 **DR. BANKS:** I think I follow with Ed and support that. Do one or
40 the other for now, and we can come back and do the other. I think
41 I personally might lean a little bit toward moving to Memorial
42 Day, but I will look to my other western Gulf colleagues, to see
43 if you would prefer a season change or a buffer change.

44
45 **CHAIRMAN FRAZER:** Chris.

46
47 **MR. SCHIEBLE:** Thank you, Mr. Chair. I'm in agreement with Captain
48 Walker, and Dr. Banks as well, and I think, from the Louisiana

1 standpoint, a Memorial Day weekend opening would probably be a
2 better matchup, especially because our state charter fleet is
3 already fishing at that point, under state management, and so it
4 would pair up the federal fleet to have a similar start date.

5
6 Also, you know, the landings fall off, when you look at our
7 landings from LA Creel, of the federal for-hire fleet, about that
8 time of year anyway. Once we get past around August, like what
9 Captain Hubbard said, we tend to have a fall-off, and so I think
10 there would be more opportunity for the federal for-hire fleet to
11 have an earlier start date, instead of extending the season later
12 in the year, but, also, I don't think we should modify the buffer
13 and the season at the same time, until we know how all this works.

14
15 Otherwise, I would recommend that we add an action to this to have
16 a payback provision, if we're going to modify both, just as an
17 assurance, and I don't think we need to do that. I think, if we
18 choose to do one or the other, we're probably okay.

19
20 **CHAIRMAN FRAZER:** Thanks, Chris. I was just going to suggest,
21 right, that it's getting close on time, and we've got a couple
22 other agenda items, but, I mean, what I'm hearing from this group,
23 right, is that there's some appetite for doing one of those, and
24 it's probably changing the season start date. We have an
25 opportunity to get some public comment, and maybe folks can mull
26 it over a little bit, and, at Full Council, we can decide our path
27 forward, if that's good with folks. All right. Then that's the
28 path that we will take. Let me step back and see where we are
29 here. All right, and so Other Business from the Reef Fish AP.

30
31 **MR. RINDONE:** Bernie, can you bring up the Reef Fish AP summary
32 report, please? It's Tab B, Number 6(b). We will start -- There
33 were lots of Other Business items. We already discussed the
34 twenty-fathom closure and the buffer and the fishing season, and
35 so we'll scoot on past all of that. We talked about lane snapper.

36
37 For commercial electronic reporting, council staff had told the AP
38 that the joint amendment with the South Atlantic was transmitted
39 to NMFS in February of last year, and SERO is working on all the
40 technical specifications for the vendors. Lessons learned from
41 the implementation of SEFHIER are being used to guide the
42 electronic data collection there.

43
44 An AP member had just asked if there would be an opportunity for
45 affected fishermen to pilot the new system, and SERO recalled
46 previous pilot studies and said that further pilot studies were
47 not expected.

1 Then there was one more item about discussion of Reef Fish
2 Amendment 53, which the AP discussed the recent federal court
3 ruling regarding Reef Fish Amendment 53 in which the court remanded
4 the rule back to NMFS for further clarification, and the AP
5 unanimously passed that motion, which reads that the Reef Fish AP
6 recommends that the council reconsider Amendment 53, due to
7 accuracy issues identified by NOAA with MRIP-FES and the need for
8 credible and consistent economic analysis for evaluating whether
9 a reallocation to the recreational sector would generate net
10 economic benefits. Mr. Chair, that is all from Other Business.

11
12 **CHAIRMAN FRAZER:** All right. Thank you, Mr. Rindone, and so I
13 look forward to Full Council, talking a little bit more about this
14 particular agenda item, but I think we'll move now to Agenda Item
15 Number IX, which is the Update and Next Steps on the Recreational
16 Initiative, and, Dr. Simmons, are you going to lead that?

17
18 **UPDATE AND NEXT STEPS ON RECREATIONAL INITIATIVE**
19

20 **EXECUTIVE DIRECTOR SIMMONS:** Yes. Thank you, Mr. Chair. We have
21 Dr. Willy Goldsmith and Mr. Andrew Loftus. They are private
22 consultants that we contracted with to help us work on the
23 recreational initiative. They're available online, and they're
24 going to give us a presentation and a status report on the work
25 we've conducted so far on the recreational initiative. We've met
26 twice with the steering committee, and one of those reports is on
27 the website, for your information, as background.

28
29 This presentation is going to include the proposed scope of
30 objectives for the working group meetings, the proposed makeup of
31 the working group, some anticipated deliverables and timeline for
32 the committee's consideration and feedback. You should ask any
33 questions you have and provide feedback, as needed.

34
35 They are going to touch on this, but, just to remind everybody, as
36 you're receiving this information, our plan is to advertise, after
37 we hear your feedback on the makeup of the working group, for that
38 working group, right after this council meeting, and then you will
39 populate the working group in closed session during the August
40 council meeting.

41
42 I just wanted to remind you as well that Captain Walker and Mr.
43 McDermott are on the steering committee, and I would be happy if
44 they chimed-in to provide any additional details, but perhaps have
45 Dr. Goldsmith go through the presentation first.

46
47 **CHAIRMAN FRAZER:** Okay. Thank you, Dr. Simmons. Dr. Goldsmith,
48 are you available?

1
2 **DR. WILLY GOLDSMITH:** Good afternoon. Can you hear me okay?
3
4 **CHAIRMAN FRAZER:** We sure can.
5
6 **DR. GOLDSMITH:** Excellent. All right. Good afternoon, everybody.
7 Thank you, Carrie, for the introduction. My name is Willy
8 Goldsmith, and I'm joined today virtually by my colleague, Andy
9 Loftus, and we're excited to be working with the council, as well
10 as with the Gulf's broader recreational community, to provide
11 guidance and facilitation concerning the development of this new
12 recreational initiative for reef fish over the next year or so.
13
14 As Carrie mentioned, today, we're just going to provide a brief
15 review of what this initiative intends to accomplish, who is going
16 to be involved, and provide a timeline, as well as outline some of
17 our next steps.
18
19 All right, and so, just as a brief review, and this is just a quick
20 recap of what this recreational initiative is, and it's an effort
21 to engage the recreational community in the Gulf, first to review
22 and evaluate past and current management strategies for reef fish,
23 and second really to look forward and think through potential
24 innovative management strategies that could be applied in the
25 future, and I've been listening to many of the issues that are
26 ongoing in the Gulf this afternoon, and I'm looking forward to
27 being a part of this conversation and helping to guide that
28 dialogue, moving forward.
29
30 We'll be using a handful of focal species that are of key interest
31 to the recreational Gulf reef fish community, both to examine some
32 past and ongoing challenges and also to evaluate some new
33 approaches, and I will chat a bit more about those focal species
34 in a few minutes. We kicked off this initiative about two months
35 ago now, and it will be running through next April.
36
37 Okay, and so, to direct this work, there's been a steering
38 committee assembled that's really going to work with myself, and
39 with Andy, as well as with council staff, to help direct this
40 process over the next year or so, and we'll be meeting at least
41 monthly, to plan key elements of this initiative, including working
42 group meetings, review outcomes of those meetings, and discuss
43 next steps, as we move along in the process. As Carrie mentioned,
44 Ed Walker and Michael McDermott, both Gulf Council members, are on
45 the steering committee, as is Carrie Simmons, Andy Strelcheck with
46 the Southeast Regional Office, Dave Donaldson with the Gulf States
47 Marine Fisheries Commission, and Russ Dunn, Rec Fisheries Policy
48 Advisor for NOAA Fisheries.

1
2 Okay, and I believe you all have seen these previously, but just
3 a brief review, and I'm going to read through all of these, but
4 these are the seven items that the recreational initiative intends
5 to address over the next year. They can kind of be grouped into
6 various buckets, and Objective 1, or Item Number 1, is really about
7 thinking through goals and objectives for fisheries management of
8 Gulf reef species.

9
10 2, 3, and 4 are really about understanding where we are, and how
11 we got here, reviewing the status of reef fish species, as well as
12 management measures, and then Items 5 and 7 are focused on looking
13 ahead and thinking through potential innovative and new management
14 strategies, in Item 7, one of which might be this idea of
15 evaluating and considering harvest control rules, which you can
16 see there as Item Number 5.

17
18 Then, lastly, Number 6 there is looking at addressing variability
19 and uncertainty in recreational catch estimates, and that's sort
20 of an undercurrent that will, I think, be discussed throughout the
21 process of working through these other six items here as well.

22
23 Okay, and I mentioned earlier that one of our tasks initially,
24 working with the steering committee, was to think through some
25 focal species of key interest to the recreational community, both,
26 again, to examine some past and ongoing challenges, but also to
27 use as case studies, or model species, to think through potential
28 new approaches, and so here are those five species. We have gag
29 grouper, greater amberjack, gray triggerfish, red snapper, and red
30 grouper.

31
32 I do want to emphasize that, while these are the species that we're
33 going to be focusing on, for the purposes of this initiative, the
34 outcome, or the intention of this effort, is really to address
35 management challenges for reef fishes more broadly, and so, in
36 selecting these species, the hope is that the challenge, and
37 potentially approaches that we identify, or seek to explore for
38 these species, could hopefully be extended to some of the other
39 species, and the challenges that are being encountered there, and
40 so, even if one of these species isn't the top priority for you
41 individually, it certainly should -- This effort will certainly
42 have implications beyond these five.

43
44 At the core of this effort, and something that we're right on the
45 cusp of putting together right now, is the assembly of a
46 recreational initiative working group, and this working group is
47 going to be composed of recreational fishing community members in
48 the Gulf who have both experience and a vested interest in Gulf

1 recreational fisheries for reef fish and who are really interested
2 in thinking through proactive and solutions-oriented approaches
3 for long-term management outcomes.

4
5 This group is going to be meeting three times, next fall and
6 winter, and we'll be walking through the proposed content of those
7 meetings in a few slides, but, in the meantime, I just want to
8 mention that, in addition to reviewing current and historical
9 management successes and challenges, this group will also be really
10 looking ahead toward future approaches, and our vision is for this
11 group to be consensus-based as well, and so coming together to
12 consider, and hopefully commit to, exploring new approaches.

13
14 The working group is going to include twelve members, with at least
15 two from each of the Gulf states, and it will include
16 representation from private anglers, for-hire operators,
17 supporting marine industries for recreational fisheries, including
18 tackle shops and manufacturers, boat builders, marinas, fishing
19 media companies, et cetera, and we'll also include advocates, such
20 as trade associations and nonprofits.

21
22 As Carrie mentioned, the application process is imminent, and that
23 will be opening, I believe, very soon, I believe next week, and
24 the selection process will occur at the council meeting, during
25 closed session of the council, in August.

26
27 We've mentioned the steering committee, which is sort of driving
28 the effort from an organizational perspective, as well as the
29 working group, which is really at the core of the content and
30 decision-making throughout this process.

31
32 There is also a third group that is going to be a part of this
33 initiative, which we're calling the recreational initiative
34 technical working group, and we're calling it the technical group
35 for short, just to prevent any confusion, and the role of this
36 group is really going to be providing background information to
37 working group members, as well as presenting at meetings, regarding
38 some of the key items in this initiative, as you can imagine,
39 providing some technical background, to make sure everybody is on
40 the same page and has all the information that they need to make
41 informed decisions that we want to go with this initiative.

42
43 This group is currently being assembled. We envision that it will
44 likely constitute a combination of council staff, as well as staff
45 from the NOAA Fisheries Southeast Regional Office and Southeast
46 Fisheries Science Center, as well as select other folks, and we do
47 want to emphasize that the purpose of this group is not to provide
48 any specific recommendations to the steering committee, or to the

1 working group, but really just to provide that context and
2 background, to ensure that folks have the information that they
3 need.

4
5 Okay, and so here is a timeline and our proposed workplan for the
6 next ten months or so, and so we're all the way on the left-hand
7 side of the screen here. Over the next month-and-a-half, the
8 council will be receiving, and then selecting, working group
9 members for participation in the recreational initiative, and, as
10 of now, our three working group meeting dates are, first, in
11 October, in Tampa, and the second is in December, in New Orleans,
12 although it is possible that that meeting may end up being in
13 January, and then our third meeting will again be at the council
14 headquarters in Tampa.

15
16 In between each of those meetings, Andy and I will be providing
17 updates to the council on progress to-date, and then, in April,
18 we'll be presenting a final report to the council. As I mentioned
19 earlier, the steering committee will be convening monthly, to
20 continue planning and putting together the agendas for these
21 meetings, as well as reviewing outcomes from previous meetings.

22
23 The working group meetings themselves we anticipate being one-and-
24 a-half to two days, and our vision is for these meetings to be in-
25 person, just thinking that a lot more value will be achieved
26 through having folks convening together to really discuss these
27 thorny and challenging issues that often have a lot of baggage and
28 context to discuss as well.

29
30 Then, lastly, we will, this summer, begin discussing the
31 development of a stakeholder engagement strategy to accompany this
32 entire effort, and more on the content of the working group
33 meetings will be in the coming slides.

34
35 In terms of the working group meetings themselves, there will be
36 three of them, and we have developed a handful of core tenets, to
37 really help orient folks, and to make sure that everybody is on
38 the same page, on the working group, as we go through each of the
39 three meetings.

40
41 First off, the focus of these meetings is really going to be on
42 collecting information and soliciting input from working group
43 members. We're very sensitive to not having council staff, or
44 other experts, kind of speaking to, or talking at, these members,
45 and that's certainly something we're sensitive to with the
46 technical group as well, and we really helping working group
47 members get their thoughts to the table and come to consensus on
48 some of these challenges.

1
2 Working group members are being encouraged to consider innovative
3 and creative solutions, thinking outside the box, really thinking
4 about what the goals could be for recreational fisheries management
5 in the Gulf, and potentially exploring, you know, out-of-the-box
6 opportunities to achieve those goals. Again, we would like the
7 working group to really be forward-thinking here, and so we know
8 there have been challenges in the past, but the hope of this entire
9 initiative is really to be proactive and understand the past, and
10 the context of what can be learned from it, and how we might be
11 able to avoid those pitfalls and hopefully find a better future,
12 as far as management goes.

13
14 The final tenet here really has to do with the fact that the
15 fisheries landscape is dynamic, and we're not working with a static
16 environment. We have efficiency increasing in the recreational
17 community, through advancing technology, and we're seeing
18 increases in participation as well, and so the hope is that,
19 whatever solutions or approaches are identified, it can be
20 resilient and adaptive to this dynamic setting.

21
22 All right, and so we're now just going to run through our proposed
23 agenda, or just talking points, for each of the three working group
24 meetings. The first meeting, as I mentioned, is going to be in
25 October, in Tampa, and the goal of this meeting is really to get
26 everything on the table from working group members, in terms of
27 discussing goals and objectives broadly for recreational fisheries
28 management for reef species in the Gulf of Mexico.

29
30 This is a chance for the working group to really provide their
31 past experiences, their concerns with reef fish management, and
32 perspectives on what success might look like. It's possible that
33 different folks will have different ideas of what successful
34 management looks like, and we would like to hopefully get those
35 views into alignment and come up with a unified path forward, in
36 terms of goals and objectives.

37
38 As far as background materials that the technical group would be
39 tasked with preparing, our vision for this meeting is that those
40 would be fairly minimal, as the goal here is really to hear
41 directly from the working group, and engage them, with their
42 expertise and experience to-date, and, after all of that
43 information has been communicated, we can then provide some more
44 background material to think through specifics.

45
46 Our second working group meeting is going to be in New Orleans,
47 possibly in December, or also possibly in January of 2025, and the
48 purpose of this meeting is going to be ensuring that the working

1 group has a shared collective understanding of the stock status
2 and management measures in history for each of the five focal
3 species, and this is not intended, as I mentioned earlier, to be
4 a lecture.

5
6 This is really just providing some context as to how management
7 measures have evolved in the past, how those management measures
8 were made, and also where stock status currently rests for each of
9 these species, and so, in terms of recreational initiative items,
10 this meeting will be covering Item 2, a review of the status of
11 these focal species, as well as Items 3 and 4, which are a review
12 of recreational management measures as well as assessment of the
13 performance and efficacy of recreational accountability measures.

14
15 All this being said, we are prepared to be nimble, and so, if there
16 are certain items that come up during Meeting Number 1, in
17 discussing goals and objectives, that are of great interest to the
18 working group, there is certainly potential to adapt this agenda
19 and propose discussion, for the purposes of this second meeting.

20
21 In terms of background materials for this meeting to be prepared
22 by the technical group, this one is going to be a bit more
23 substantial, and, again, just with the goal of getting everybody
24 on the working group on the same page, and so we expect that the
25 technical group would provide some background on stock status and
26 management history for each of the five focal species, hopefully
27 provide some background on legal requirements that the council
28 must adhere to, and has adhered to in the past, to provide some
29 additional background as to how various decisions were made or how
30 various actions were taken.

31
32 Then beginning the conversation around recreational data, the
33 sources of data, and some of those sources of uncertainty, which
34 relates back to that Item Number 6 around potential ways to address
35 recreational data uncertainty and variability.

36
37 This is just an example of the kind of material that the technical
38 group might prepare, and this is just showing a history of
39 recreational management for gag grouper. On the left Y-axis here,
40 you see landings in pounds, which are those blue bars, and on the
41 right Y-axis is the days of season length, which are that orange
42 line, with some key harvest restrictions that were implemented
43 with those black dots, and this might be a simplified way of
44 demonstrating, over time, the types of changes that were made, and
45 we'll continue to work with the technical group, and with others,
46 to prepare these types of materials.

47
48 The final working group meeting, which is going to take place next

1 February, is really going to be around exploring potential new
2 management strategies for reef species in the Gulf of Mexico, again
3 using those five focal species as examples, or case studies, to
4 illustrate some potential approaches.

5
6 Some of the potential new strategies that the working group might
7 discuss include Item Number 5, which is the evaluation and
8 consideration of harvest control rules, and then, more broadly,
9 thinking through potential approaches for addressing variability,
10 and uncertainty, in recreational catch estimates.

11
12 In addition, recognizing that we're dealing with different life
13 histories, different fishery characteristics, there will also
14 hopefully be some discussion around whether certain approaches are
15 better suited to individual species, or species complexes, than
16 others, given the discussion from the previous meeting, the
17 previous working group meeting, around stock and management
18 histories for each of the focal species.

19
20 When it comes to background materials that we anticipate being
21 prepared by the technical group, here are some examples that we're
22 anticipating. First off, just a primer on what harvest control
23 rules are, and how they've been applied, or considered to be
24 applied, to recreational fisheries elsewhere, and also insight and
25 expertise from the technical group on potential measures to address
26 that variability and uncertainty in catch data, and catch
27 estimates, and so, again, the technical group will not be providing
28 recommendations, but will be providing kind of the suite of
29 possibilities, and the advantages and potential challenges of
30 those approaches, some of which are outlined here in this second
31 bullet.

32
33 Then, lastly, we would like to bring in some perspectives from
34 other regions, and other fisheries, who have also been wrestling
35 with challenges of recreational management and data collection,
36 and so potential examples include other regional councils,
37 interstate fishery management commissions or states, as well as
38 some of the folks who led and participated in the 2021 National
39 Academies study regarding alternative approaches to recreational
40 data collection and management.

41
42 Just to briefly outline our next steps, as we showed in the
43 timeline earlier, we'll be selecting -- Or, excuse me, the council
44 will be selecting the working group members at the August meeting,
45 after an application period that's open for about a month, and the
46 council staff, and others, will be working to assemble that
47 technical group.

48

1 The steering committee will continue to meet monthly, to prepare
2 the agendas and collation of background materials for those working
3 group meetings, and that's basically what is said in the last
4 bullet there as well, hopefully putting some meat on the bones and
5 making sure that we're in good shape to kick off our first meeting
6 in October. I think that's all we have today, and certainly Andy
7 and I are happy to take any questions, and thank you all for the
8 opportunity to present today.

9
10 **CHAIRMAN FRAZER:** Thank you, Dr. Goldsmith, for the presentation.
11 It was excellent. I will open up the floor to questions. Ms.
12 Boggs.

13
14 **MS. BOGGS:** Carrie, can you remind me -- When we discussed this,
15 and you all were -- When you all had your meetings, and you were
16 setting up the working group meetings, because like the third
17 meeting, talking about the different management strategies, if you
18 will, and how long are these meetings slated to be for with your
19 working group, because, I mean, I don't see how a lot of these
20 things you can do in like a day, and I'm just curious if you all
21 have considered that.

22
23 **CHAIRMAN FRAZER:** Go ahead.

24
25 **EXECUTIVE DIRECTOR SIMMONS:** Thank you, Mr. Chair, and so I will
26 start. I think Emily and I tried to lay out the process originally,
27 when we pitched to the council, and we suggested a day-and-a-half
28 to two days, and the steering committee would meet in conjunction
29 with the working group, but the working group would do most of the
30 work, and we would just be there to see what's happening. I think
31 there is some flexibility in that, if we need it, because we're
32 meeting two times in our office, but we would need to know that
33 fairly soon.

34
35 I think the concern, in talking with the consultants, is taking
36 too much time away from people's businesses, and trying to be
37 cognizant of that, or their personal life, and I think that's where
38 we landed, but, Willy, if you have a better explanation of that.

39
40 **DR. GOLDSMITH:** I think that's right, and I will let Andy jump in
41 as well, if he has any additional insight. Right now, certainly
42 the timing will become more specific, as we flesh out the agendas,
43 but the vision, right now, is for one-and-a-half to two-day
44 meetings, and we certainly agree that, in particular, that last
45 meeting will probably be the longest, just given kind of the number
46 of issues to wrestle with there.

47
48 That being said, I think we are sensitive to folks' time, and I

1 believe we did have the flexibility to consider meetings to be as
2 long as three days, but, just given that sensitivity, and trying
3 to focus the effort as much as possible, we feel comfortable that
4 two days should be sufficient to walk through some of that, and,
5 obviously, you know, that agenda is also subject to change, as we
6 hear from the working group on what their priorities are.

7
8 There's obviously a lot on the table here, but all of that is
9 subject to change as we have these initial meetings with the
10 working group and understand goals and objectives, and potential
11 best tools to get there, but I will pause there, and, Andy, I'm
12 not sure if you have any other follow-up on that.

13
14 **MR. ANDY LOFTUS:** No, and I would agree with that. I mean, you're
15 absolutely right that a day-and-a-half to two days is very
16 difficult to compress a lot of information into it, but I guess
17 that's a challenge, or an opportunity, for the technical group,
18 and for us, to make the information consumable by people, without
19 getting into the detail, and so we think it's workable, and we'll
20 see how the first meeting or two goes.

21
22 **CHAIRMAN FRAZER:** All right. Are there any other questions?
23 Dakus.

24
25 **MR. GEESLIN:** So I'm looking on the slide, and applications go
26 live directly after this meeting, and the council will approve
27 those, I'm guessing as a closed session, similar to what we had
28 yesterday, which I look forward to, there in August, and is that
29 correct? Okay.

30
31 **CHAIRMAN FRAZER:** Dr. Simmons.

32
33 **EXECUTIVE DIRECTOR SIMMONS:** Thank you, Mr. Chair, and so that is
34 our plan, if you don't have any modifications, or changes, that
35 you want us to consider in the application, and we spent quite a
36 bit of time working on that, our staff and the consultants, and so
37 we think that's going to be a solid application for the council to
38 have a lot of good information about that selection, and I'm sure
39 it's going to go much smoother than yesterday went.

40
41 **CHAIRMAN FRAZER:** I am confident that it will go smoother. All
42 right. I have just one quick question, and so the five focal
43 species are almost aligned with the five key species, and I
44 recognize that we identified those focal species before we
45 identified the key species, and is there any interest in completely
46 aligning the two? Is there value in doing that? Ed.

47
48 **DR. GOLDSMITH:** (Dr. Goldsmith's comment is not audible on the

1 recording.)

2

3 **CHAIRMAN FRAZER:** I'm sorry, Dr. Goldsmith. I didn't get that.

4

5 **DR. GOLDSMITH:** I'm sorry. I'm not sure if I understand the
6 question, and it might have just been a language issue in the
7 presentation around the focal species versus key species.

8

9 **CHAIRMAN FRAZER:** No, and I'm actually directing this question to
10 Dr. Simmons.

11

12 **DR. GOLDSMITH:** My apologies. I'm sorry. My apologies.

13

14 **CHAIRMAN FRAZER:** No problem. You can't see me. Ed.

15

16 **MR. WALKER:** I don't remember exactly what ours were, versus these,
17 and what's the difference?

18

19 **UNIDENTIFIED:** It's mangrove versus gray triggerfish.

20

21 **MR. WALKER:** So, in our steering committee, we kicked it around a
22 little bit, and we had significant discussion actually, and thought
23 these were, I think, maybe the most Gulf-wide, and I'm not sure
24 exactly why, but we put some thought into it, and there was some
25 thought behind this.

26

27 I will also say that -- Who knows how many applicants we'll get
28 for this, but the council, all of us here, are going to be selecting
29 these people for this recreational initiative, and, long before I
30 was on the council, in APs and stuff, I know the council has, at
31 least once, tried to organize a recreational advisory panel, which
32 this isn't exactly, but it's similar, and, from where I was
33 sitting, they were mostly disappointing, and, you know, some people
34 didn't show up, and it really didn't pan out, and I think that's
35 a shame.

36

37 I think the recreational community is the biggest community we
38 have, and I think, you know, we owe it to them to really put some
39 right people on here, that are going to show up and put some effort
40 into this, because they've been underrepresented in a lot of things
41 here, and so this is an opportunity, I think, to me, to really get
42 the recreational viewpoint out there more.

43

44 **CHAIRMAN FRAZER:** Dr. Walter.

45

46 **DR. WALTER:** Thanks, and I do want to commend the steering
47 committee for all the thoughtful work that went into this, and
48 it's, I think, quite exciting to see this. I know that our center

1 remains committed to lending our support on the technical working
2 group, if we get asked, and I think we have a number of -- A couple
3 of different like areas of expertise that could really help here.
4

5 There is one thing that I wanted to point out, in the sense of --
6 It gets to the recreational community, in terms of a lot of the
7 evaluation of any harvest control rules, or any management action,
8 would have to be evaluated against whether it's achieving the
9 objectives, and I think that's where we've probably not quite got
10 our finger really in the pulse of defining what the objectives of
11 the recreational fishing community are.
12

13 I think that's something that we've been talking about with regard
14 to optimum yield, and it's something that one of the fisheries
15 ecosystem ideas, which was to try to flesh out what optimum yield
16 might be, according to the recreational fishery, and I think that
17 might be an area that would be ripe for evaluation, in terms of
18 what are the objectives, of which then we would measure any of
19 these management strategies -- Management strategies against
20 whether they are achieving those objectives, whether that's
21 opportunity, whether that's quality of opportunity, catch per unit
22 effort, and I think that's something that maybe could be part of
23 this in some way, and I just wanted to put out there, and, Willy,
24 it's good to hear that you're part of this project, and so thanks,
25 and perhaps there's some synergy with one of those FEI projects.
26 Thanks.
27

28 **CHAIRMAN FRAZER:** All right. Thank you, Dr. Walter. Are there
29 any more? Dr. Simmons.
30

31 **EXECUTIVE DIRECTOR SIMMONS:** Thank you, Mr. Chair. I guess, just
32 to your question earlier, it's completely up to the committee if
33 they want to make a change in the focal species, compared to the
34 key stocks. We did already send a letter to the Science Center
35 for our key stocks, and so I would prefer that we don't rehash
36 that right now, but if you want to, I guess, switch out -- If
37 you're suggesting gray triggerfish for gray snapper, I think that's
38 up for suggestion.
39

40 **CHAIRMAN FRAZER:** We can certainly come back in Full Council and
41 get a little bit of comment. I know you're attached to gray
42 trigger, and so I don't want to -- Anyway, I'm not wed one way to
43 another, and what I was trying to do is to create some synergies,
44 right, and not necessarily have wasted effort. Andy.
45

46 **MR. STRELCHECK:** Yes, but, to that point, and I don't remember all
47 the species we talked about, but I think gray snapper was one we
48 talked about, and discussed, but took off the list, because the

1 regulatory regime was not resulting in a lot of restrictions at
2 this point, right, and so gray triggerfish, on the other hand,
3 struggled to rebuild, and there are short seasons, lots of
4 regulations, and could we do something different that maybe helps
5 the situation.

6
7 **CHAIRMAN FRAZER:** Thanks, Andy. Again, like I said, I'm not wed
8 to it, and I was just throwing it out there. All right. We're
9 close to our time, and so --

10
11 **DR. GOLDSMITH:** I just had a very quick response to John Walter's
12 comment and the discussion on the key species, if I could.

13
14 **CHAIRMAN FRAZER:** Go ahead, Willy.

15
16 **DR. GOLDSMITH:** I just wanted to say I think the point about
17 optimum yield and that one is a good one, and, you know, looking
18 at these five species, and I think another -- Just rehashing one
19 of the reasons for the --

20
21 During the steering committee conversations, thinking about, you
22 know, not only the management histories of these species, but also,
23 you know, kind of the motivations, and preferences, of the anglers
24 who are participating in fisheries for these species, and so there
25 might be a cross-section here in thinking through optimum yield,
26 or what have you, for each of these, and so there might be an
27 opportunity to think through differential ways of extending that
28 for different kinds of groups of reef fish species.

29
30 Just, you know, in terms of having one definition, versus having
31 a more -- You can modify it based on the characteristics of that
32 fishery, and so that's something that we'll certainly be keeping
33 in mind during those conversations with the working group. Thanks.

34
35 **CHAIRMAN FRAZER:** All right. Thank you, Dr. Goldsmith. Are there
36 any other questions? I am not seeing any, and so, if it's all
37 right, we have one remaining Other Business item, and I think it's
38 short. Andy, do you want to talk a little bit about greater
39 amberjack?

40
41 **OTHER BUSINESS**
42 **GREATER AMBERJACK FISHING SEASON**

43
44 **MR. STRELCHECK:** This will only take about a half-an-hour.

45
46 **CHAIRMAN FRAZER:** Denied.

47
48 **MR. STRELCHECK:** As you well know, we have been working on an

1 amberjack regulatory action to change, or modify, the season, and,
2 unfortunately, that got delayed, as we sent it off for review and
3 clearance up in Headquarters, and through the Department of
4 Commerce, and it took longer for us to push that proposed rule out
5 for public comment.

6
7 We are working on responding to the proposed rule right now, and
8 we expect that we will finalize the rule sometime in July, but
9 that means that it won't be effective by the time that August 1
10 rolls around, which is the start date of, you know, the current
11 season, as it stands, for amberjack.

12
13 We are looking into whether or not there's any mechanism for us to
14 avoid an August 1 start date, and open the season based on the new
15 rulemaking, but, at this point, there is the potential that we
16 will need to open August 1, and project the season based on an
17 August 1 start date, and so I don't have an answer right now, other
18 than I just wanted to give you a heads-up that that's kind of the
19 reason for the situation, and we are looking into whether there is
20 options available to us to start it on September 1, which is the
21 council's intent, or if we're going to have to project the season
22 from August 1 until a closure is estimated to occur. Questions?

23
24 **CHAIRMAN FRAZER:** Dr. Sweetman.

25
26 **DR. SWEETMAN:** What about the commercial side?

27
28 **MR. STRELCHECK:** So we're closing June 30, and so that one --
29 Recall that we had an interim rule, and that interim rule expired,
30 and so we had to change the trip limit to 250 pounds, rather than
31 the seven-fish limit, but that one will close, based on a
32 projection of the quota being met.

33
34 **CHAIRMAN FRAZER:** Ms. Boggs.

35
36 **MS. BOGGS:** Thank you for the information, Andy, and so I know a
37 lot of the questions are going to be now that when do you think
38 you might be able to notify, because the fact that we have red
39 snapper season into August -- I have already had other captains,
40 back in May, say are we going to get the season in August, and I
41 said, no, September, and so they either have already lost those
42 trips, which they may be potentially able to gain back, and I'm
43 not trying to -- Well, I am putting you on the spot, and I'm sorry,
44 but what can you provide in that respect?

45
46 **CHAIRMAN FRAZER:** Go ahead, Andy.

47
48 **MR. STRELCHECK:** I mean, we need to, obviously, kind of have an

1 internal huddle, and, you know, review the requirements, the
2 regulations, but my hope would be to make this announcement
3 sometime the first, you know, week or so of July, and so as soon
4 as possible.

5
6 **CHAIRMAN FRAZER:** All right. Any other questions? Dr. Simmons.

7
8 **EXECUTIVE DIRECTOR SIMMONS:** Thank you, Mr. Chair, and so, I mean,
9 we've kind of talked a little bit about this internally, just this
10 morning, but I just -- It's pretty disappointing, and I would like
11 to work with you all to try to understand better, you know, why
12 there's this delay. I think we all worked really hard, on both
13 sides, to try to get this in place, and so I would like to try to
14 understand better, you know, what the hangups were, especially as
15 we move through this regulatory streamlining process, and so
16 thanks.

17
18 **CHAIRMAN FRAZER:** All right. I am not seeing any further
19 questions. Mr. Chairman, I'm done.

20
21 (Whereupon, the meeting recessed on June 25, 2024.)

22
23 - - -