

Establishment of a Red Grouper Commercial Quota Pool Under the Gulf Grouper/Tilefish Individual Fishing Quota (IFQ) Program

Reef Fish Amendment 63



Biloxi, MS
November 2025

Council Motion

During its August 2025 Council meeting in San Antonio, TX, the Council approved the following motion:

Motion: To direct staff to develop a new Reef Fish amendment that establishes a pilot program for setting aside a portion of the red grouper commercial quota. The amendment should consider, but not be limited to, alternative set-aside amounts, criteria for qualifying for set-aside allocation, restrictions on transferability, and methods for distributing set aside allocation. The Council's goal is to take final action in April 2026, with a target pilot program start date of early 2027.

Motion carried with no opposition and 1 absent.

Purpose and Need Statement

The purpose of this action is to establish a three-year pilot commercial red grouper IFQ quota pool and distribute the resulting annual allocation to eligible participants in the Grouper/Tilefish individual fishing quota (IFQ) program.

The need for action is to enhance economic profitability and reduce discards by improving access to red grouper annual allocation by fishermen engaged in the commercial harvest of red grouper and provide new opportunities for obtaining red grouper annual allocation.

Action 1: Commercial Quota Pool for Gulf Red Grouper

Alternative 1: No Action. Do not establish a commercial quota pool for red grouper. The entirety of the commercial red grouper quota would continue to be allocated based on current IFQ share ownership percentages.

Alternative 2: Establish a commercial quota pool for Gulf red grouper beginning in 2027. If the commercial quota (ACT) is below 2.79 million pound gutted weight*, the quota pool is set at zero percent of the commercial quota (zero pounds). If the commercial quota is at or above 2.79 million pound gutted weight, the quota pool would hold:

Option 2a: 10% of the red grouper commercial quota

Option 2b: 15% of the red grouper commercial quota

Option 2c: 20% of the red grouper commercial quota

* Commercial red grouper quota (ACT) **before** the 2025 Emergency Rule: 2.79 mp gw

Action 1: Commercial Quota Pool for Gulf Red Grouper

Alternative 3: Establish a commercial quota pool for Gulf red grouper beginning in 2027. If the commercial quota (ACT) is below 4.29 million pound gutted weight*, the quota pool is set at zero percent of the commercial quota (zero pounds). If the commercial quota is at or above 4.29 million pound gutted weight, the quota pool would hold:

Option 2a: 10% of the red grouper commercial quota

Option 2b: 15% of the red grouper commercial quota

Option 2c: 20% of the red grouper commercial quota

* 2026 Commercial red grouper quota (ACT) in Preferred Alternative 2 in **Reef Fish Amendment 62**: 4.29 mp gw

Commercial Red Grouper Quota in the Quota Pool

Quota Pool Year	Red Grouper Commercial Quota*	Red Grouper Quota in the Quota Pool		
		10%	15%	20%
2027	4,830,000	483,000	724,500	966,000
2028	5,360,000	536,000	804,000	1,072,000
2029	5,360,000	536,000	804,000	1,072,000

To address potential appeals, 10% of the quota in the pool is initially withheld. Any quota remaining after appeals would be distributed among qualifying participants.

Quota Pool Year	Quota Pool Amounts Distributed before Appeals		
	10%	15%	20%
2027	434,700	652,050	869,400
2028	482,400	723,600	964,800
2029	482,400	723,600	964,800

*2027-29 quotas based on preferred alternative in Amendment 62

Action 2: Distribution of Quota Pool among Eligible Participants

Alternative 1: No Action. Do not distribute quota pool allocation to qualifying participants.

Alternative 2: Distribute **60%** of the Quota Pool quota among fishermen with a valid or renewable commercial reef fish permit and red grouper landings within the reference period, but with **no red grouper shares**. Distribute **40%** of the Quota Pool quota among commercial shareholders with a valid or renewable commercial reef fish permit, **red grouper shares**, and red grouper landings within the reference period. 10% of the Quota Pool will initially be set aside for appeals.

Option 2(a): Quota would be distributed to qualifying participants with **no red grouper shares**:

- (i) equally
- (ii) proportionally based on red grouper landings

Option 2(b): Quota would be distributed to qualifying participants **with red grouper shares**:

- (i) equally
- (ii) proportionally based on red grouper landings

continued

Action 2: Distribution of Quota Pool among Eligible Participants

Alternative 3: Distribute **50%** of the Quota Pool quota among fishermen with a valid or renewable commercial reef fish permit and red grouper landings within the reference period, but with **no red grouper shares**. Distribute **50%** of the Quota Pool quota among commercial shareholders with a valid or renewable commercial reef fish permit, **red grouper shares**, and red grouper landings within the reference period. 10% of the Quota Pool will initially be set aside for appeals.

Option 3(a): Quota would be distributed to qualifying participants with **no red grouper shares**:

- (i) equally
- (ii) proportionally based on red grouper landings

Option 3(b): Quota would be distributed to qualifying participants **with red grouper shares**:

- (i) equally
- (ii) proportionally based on red grouper landings

Red Grouper Quota (annual allocation) distributed from the Quota pool is **Non-Transferable**

Reference Periods for Red Grouper Landings

Quota Pool Fishing Year	Reference Period
2027	Jan 1, 2025-Dec 31, 2026
2028	Jan 1, 2026-Dec 31, 2027
2029	Jan 1, 2027-Dec 31, 2028

Appeals

Persons may appeal eligibility pertaining to permit status and landings history by submitting a written petition of appeal to the NOAA Fisheries' National Appeals Office. Hardships are not appealable. Procedures for appeal are described at:

<https://www.federalregister.gov/documents/2014/02/06/2014-02565/national-appeals-office-rules-of-procedure>