

Ad Hoc Red Snapper / Grouper-Tilefish IFQ AP Meeting Summary

Gulf Council Office

Tampa, FL

April 21, 2026

The meeting of the Gulf of America (Gulf) Fishery Management Council's (Council) **Ad Hoc Red Snapper / Grouper-Tilefish IFQ** Advisory Panel (AP) was convened at 8:30 AM EST on April 21, 2026. The meeting agenda was approved, with the addition of a request for Commercial Catch-per-unit-effort data (CPUE) from the IFQ landings data, a discussion of the new USDA Office of Seafood, the Executive Order (EO) 14276, and a mandatory reporting program under Other Business. The meeting summary from March 18, 2025, was approved as written.

Reef Fish Amendment 63: Commercial Red Grouper Quota Pool

Council Staff presented on Reef Fish Amendment 63 which would establish a three-year pilot program to set aside a portion of the red grouper commercial quota and distribute it to eligible participants in the grouper/tilefish individual fishing quota (IFQ) program. The presentation included options for set aside amounts, eligibility criteria to receive annual allocation from the pool, and methods for distributing quota pool annual allocations. The AP discussed the alternatives presented.

Action 1 establishes a commercial quota pool for Gulf Red Grouper, with alternatives and options listing the amount of annual quota (pounds of allocation) available in the quota pool that will be set aside for distribution. The preferred alternative below was selected during the April 2026 Council meeting:

Preferred Alternative 3: Establish a commercial quota pool for Gulf red grouper beginning in 2027. If the commercial quota (ACT) is at or below 4.28 million pounds gutted weight, the quota pool is set at zero percent of the commercial quota (zero pounds). If the commercial quota is above 4.28 million pounds gutted weight, the quota pool would hold:

Preferred Option 3b: 20% of the commercial red grouper quota increase above 2.79 mp gw

Staff clarified that the majority of the commercial quota will be distributed based on share ownership, while the quota pool sets aside 408,000 lbs in the first year, if the Preferred Alternative is selected. Staff illustrated that quota utilization rates following quota increases in the past have been low.

Staff presented Action 2 and the Council's preferred alternative selected at its April 2026 meeting.

Preferred Alternative 2: To receive annual allocation from the quota pool, IFQ account holders must possess a valid or renewable federal commercial reef fish permit and have minimum red grouper landings during a two-year reference period of at least:

Preferred Option 2(b): 500 lbs

An AP Member expressed that it is unclear who this amendment could help and how, as red grouper annual allocation prices are currently low as a result of the quota increase that will go into effect when Reef Fish Amendment 62 is effective. Some AP members discussed that the catch rate for red grouper is declining and further contributing to a reduced demand for annual allocation. Staff and AP Members discussed the value of having eligibility be decided based on forward-looking reference periods rather than historic landings. Based on these discussions, there was concern that this quota pool will provide the most benefit to large shareholders with the highest landings. Further, as data are only available at the account level, the Council may not fully account for the complexity of business arrangements in this fishery. There was a discussion on how to represent interrelated accounts, which has been a challenge since IFQ programs became available to public participation. There was interest in exploring how to disentangle related accounts, however, this was deemed as too time intensive for the administration of a three-year program.

Staff presented the preferred alternatives selected by Council for Action 3 (Distribution of Quota Pool among Eligible IFQ Accounts) and estimates for the number of accounts (based on a 2023-2024 reference period) that are expected to gain and lose allocation based on the preferred alternatives.

Preferred 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: **(ii)** proportionally based on red grouper landings

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

Following the presentation, the AP discussed Amendment 63 starting with the purpose and need. One AP Member did not see how this amendment would enhance economic profitability or reduce discards. Staff responded that the pilot program could result in an increase in the quota utilization rate and the opportunity to access free allocation could foster quota purchases for species that would have been discarded otherwise. Advisory Panel members expressed concern regarding fairness for those who had bought into the fishery. John Sanchez (Council Member) attended this meeting on behalf of the Council. While acknowledging the stated preferences of the Council, he expressed a personal perspective that he does not support this document, that, if enacted, could put undue pressure on the fishery and devalue the IFQ program while having few positive results for new fishermen. Ed Walker (Council Member) also attended the meeting and shared that in his personal perspective that the cost saved by the quota pool program may be miniscule given that the lease price for red grouper is currently very low and would not be expected to increase unless the CPUE increases.

Following discussion by AP Members, staff discussed metrics of evaluation which could include changes in the composition of those who harvest red grouper, in price, and in quota utilization. Alisha Gray (SERO) expressed other possible metrics to measure this pilot program including the number of trips, unique users, transfers, and transfer size. As this pilot program will be implemented in a quota rich environment, it is challenging to measure. Some AP members expressed concerns about the health of the stock, based on their on-the-water experience. Many AP members contested the potential effectiveness of this amendment because there are other concurrent developments affecting the Grouper-Tilefish IFQ program such as a substantial red grouper quota increase, and the ongoing development of Amendment 59A which could end public participation in the IFQ program. AP members also challenged the efficacy of this Amendment in helping smaller-scale fishermen. The AP continued to discuss the need for the amendment, some members expressing the sentiment that the Council has not been responsive to the needs of the commercial fishery and has raised the quota in a way that does not correspond with the current health of the stock, with negative social and biological consequences. Staff clarified that increases in the red grouper quota were an issue with Amendment 62, not Amendment 63. An AP member expressed that a valuable metric would be the number of participants (non-shareholding) who buy shares. However, another member stated that such a small amount of allocation to be awarded by this Amendment are not likely to affect business strategies. One member emphasized that all this will do is set a precedent for future developments in the IFQ program.

Following this discussion, the AP made a series of motions.

Motion: To request the Council cease work on Reef Fish Amendment 63: Commercial Red Grouper Quota Pool until Reef Fish Amendment 59A: IFQ Permit Requirements is finalized.

Motion withdrawn.

Motion: In Action 1, to select Alternative 1 as the preferred.

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 individual fishing quota (IFQ) share ownership percentages.

Motion carried 4 to 3 with 2 abstentions.

After hearing discussion and rationale for support for some of the concepts in Amendment 63 but the need to address the permit requirements as well as other requirements in Amendments 59A, the AP decided to reconsider the previous motion.

Motion: To reconsider the previous motion:

Motion: In Action 1, to select Alternative 1 as the preferred.

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 individual fishing quota (IFQ) share ownership percentages.

Motion withdrawn.

Motion: To request the Council cease work on Reef Fish Amendment 63: Commercial Red Grouper Quota Pool until Reef Fish Amendment 59A: IFQ Permit Requirements is finalized.

Motion carried with no opposition.

Reef Fish Amendment 59A: IFQ Permit Requirements

Following a request by the Council (January 2026) that quota banks be considered in the discussion of permit requirements, two presentations on operating quota banks were shared with the AP. The first presentation was from Ben Martens of the Maine Coast Fisherman's

Association (MCFA) and second one from Ashford Rosenberg of the Gulf of America Reef Fish Shareholder's Alliance (Shareholder's Alliance).

Ben Martens (MCFA) presented on the Fisheries Trust of Maine, where his organization bought permits from Maine fishermen leaving the fishery to be held in trust by the MCFA. MCFA sets the price of quota available at a discount for members of their cooperative sector and is able to keep permits and quota within the community and support newer generations of Maine fishermen. The relationship between permits and quota was discussed. In New England, there is a permit requirement to buy allocation, but there are no activity requirements. The Groundfish Sector Program in New England differs from the IFQ Program in the Gulf, in that 95% of the Groundfish fishery is not limited access. Mr. Martens discussed that one of the aims of their quota pool program was to support a fleet operating at a smaller scale in Maine and prevent permits and quota from leaving the state to Boston or New Bedford—which has a concentration of larger scale fishermen.

Ashford Rosenberg of the Shareholder's Alliance a 501(c)(3) non-profit, presented on their Quota Bank, an industry-designed solution that, similar to other quota banks operating throughout the US (Maine, Massachusetts, California, and Alaska) holds quota to be distributed as allocation to fishermen, in order to protect access for a next generation of fishermen. Shareholders Alliance board members initially posted 1% of their shareholdings for the Quota Bank, and other members of the industry donate as well. The price of allocation held in the quota bank is based on market value but can be adjusted downward. Participation in the quota bank allows participants to access smaller chunks of allocation, as well as to meet other shareowners. Ms. Rosenberg (Shareholders Alliance) illustrated that as a 501(c)(3), they are required to meet state and federal requirements, be IRS approved, have ongoing oversight, and be governed by a board.

Following these presentations, Staff discussed actions and alternatives in Amendment 59A. In Action 1, the Council's preferred alternative is as follows.

Preferred Alternative 3: In addition to the US citizenship or permanent residency requirement, all applicants are required to possess a valid or renewable commercial reef fish permit to obtain and maintain an IFQ shareholder account.

Members of the AP discussed Action 2, which does not have a preferred alternative. Previously, there was discussion at the January 2026 Council meeting to allow dealers to participate. The AP discussed the difference between dealer and shareholder accounts and expressed interest in exploring ways to look at linked accounts and trace the connection between a shareholder's and dealer account if they belong to the same individual or entity.

One AP member asked if dealer permits can be recreated as limited access and suggested requiring dealers to land a certain amount of shares they own. Staff responded that the permit and activity requirements were previously in the same amendment but were split by the Council. There was a discussion that many dealers already own a Reef Fish permit, though they might not be under the same name. AP members mentioned that there were both challenges with carving out an exemption for dealers as well as requiring dealers to have Reef Fish permits. Another AP member asked if this dealer discussion was more appropriate for 59B. Staff responded that following 59A, if someone doesn't own reef fish permit or if their reef fish permit is not in the same name as their account, then they would be cut out of the program. Although many participants in the IFQ program have a master account and smaller accounts to feed allocation to, Amendment 59A as currently written would not allow this business model to continue.

The AP discussed if the method used to calculate share caps could be used to determine permit ownership. SERO and staff responded that this would not be an appropriate approach, as the share cap is a numerical value, while permit ownership is a binary (yes or no). An AP member questioned if two individuals owned a corporation whether both would be considered owners of a permit. Staff responded that they would not. One AP member mentioned a previous discussion about grandfathering, and it was indicated that the Council did not recommend it. Staff reiterated that the name of the shareholder account and the permit needs to match. The AP was concerned with how this can be modified to account for diverse business practices. Following this discussion, the AP made a series of motions.

Motion: In Action 1 to support the Council's Preferred Alternative 3.

Action 1 – Requirements to Open and Maintain Shareholder accounts

Preferred Alternative 3. In addition to the US citizenship or permanent residency requirement, all applicants are required to possess a valid or renewable commercial reef fish permit to obtain and maintain an IFQ shareholder account.

Motion carried 5 to 1 with 3 abstentions.

Motion: In Action 4 to support the Council's preferred Alternatives 2 and 3 and preferred Options 2a and 3a.

Action 4 –Divestment from Non-compliant Shareholder Accounts

Preferred Alternative 2. NMFS will reclaim shares from shareholder accounts that are not compliant with requirements set in Actions 1, 2, 3, or 4:

Preferred Option 2a: 1 year following the effective date of the final rule implementing these requirements.

Preferred Alternative 3: After implementation of this amendment, if a shareholder account is no longer in compliance with the requirements set in Actions 1, 2, 3, or 4, the owner(s) of the shareholder account must divest of their shares, or the shares will be reclaimed by NMFS:

Preferred Option 3a: 1 year following the non-compliant status.

Motion carried with no opposition.

This motion was agreed upon after it was reiterated that the grace period would constitute two years.

Mr. Sanchez expressed concern about forcing participants to exit the fishery, when some quota, like Red Grouper, have been set at an artificially high limit. An AP Member responded that even if shareowners sell now, it's too late, and they will not receive a high price. Another AP Member reframed this as not requiring shareholders to sell, but rather, to become compliant by buying a permit.

Following this discussion and related to the presentations on quota banks, an AP Member made a motion. They provided the rationale of this motion as due to the need, efficacy, and timeliness of non-profits serving fishing communities.

Motion: The AP recommends that changes to participation requirements in Reef Fish Amendment 59A not be applicable to 501(c)(3) non-profits that serve commercial fishermen and fishing communities.

Motion carried with no opposition.

Public Comment:

Kary Dane: He is supportive of 59A. He has been fishing for four years and has struggled to find shares. He emphasized Sandy's comments about the vital role of Shareholders Alliance for fishermen.

Trenton Knepp: His parents had longline boats and he currently does commercial day trips and would be considered a small-scale participant. He stated that he wants to see young guys succeed in the fishery. He gave the comparison that in Maine, lobstermen are required to be on boats, while in the Gulf IFQ fisheries, people can participate without owning a boat. He questions, if you aren't harvesting fish are you really a part of the industry, and emphasized that these people are taking advantage of the working man.

Rachal Hisler: She is from a commercial fishing family based in Double Bayou, TX. She wants to make sure that the AP and Council are considering the unintended consequences on fishing families. If people are required to have permits, they could have a permit, but would need a boat. If there was a participation requirement, this could take fish from her boat and put it on someone else's. She thanked everyone for their work to get fishermen under the USDA umbrella.

Sandy Adams: She is a commercial fisherman from Freeport, TX. She thanked everyone and expressed her support for the Shareholders Alliance and their quota bank. If not for them, it would have been extremely hard to have come into the fishery as successful as she had. Shareholders Alliance had provided education, opportunities, and introduced her to people. The Quota Bank is not just about leasing pounds but also helping fishermen have their voices heard and make a difference in the industry. She emphasized that she wanted to make sure that their Quota Bank was protected, as it has an important role in the industry.

Other Business:

Red Grouper Landings and Commercial CPUE

An AP member requested that NMFS develop commercial CPUE indices on all reef fish related to the IFQ program. He stated that CPUE is the best indicator of stock health. When there is more CPUE there is less fish, and visa-versa. He requests CPUE in stock assessments, specifying that this CPUE be from commercial fishing, and not fishery independent efforts. A Member of the AP stated that effort is available from logbooks. The AP is interested in CPUE for all species, however, due to staff and timing limitations, requested it specifically for red grouper.

Motion: To request the Council ask NMFS/SEFSC for commercial CPUE for red grouper.

Motion carried with no opposition.

USDA Office of Seafood

Buddy Guindon (AP Member) informed the AP about the creation of the USDA Office of Seafood and emphasized that fishermen now have representation within the USDA. He stated that once in place, the Office of Seafood could help finance fishermen, provide opportunities for disaster relief, and finance new infrastructure.

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Motion: To recommend the Council initiate documents addressing these items:

- Sea Turtle Gear (for-hire and commercial)
- Hook Limitation Past 50 Fathoms
- Crew Limitation on Dual-Permitted Boats

Motion carried with no opposition.

Members of the AP requested that Council revisit the requirement for sea turtle gear on commercial vessels, as these were never used. For the discussion of the hook limitation, it was emphasized that the Eastern Gulf bottom longline fishery should have the same ability as the Western Gulf to fish in 50 fathoms and deeper waters. As commercial effort for deep water species is decreasing, there are no longer the same concerns related to sea turtle protection and overcapacity as when the hook limitation was implemented. A removal of the hook limitation would allow the commercial industry to increase their landings. An AP member explained that the dually permitted crew limitation was a relic of the derby-fishing days, and that it no longer serves a purpose.

Pilot Mandatory Reporting Program (recreational)

Motion: To support the mandatory pilot program for Permit and Reporting for deep water grouper for the recreational sector.

Motion carried with no opposition.

The meeting was adjourned at 3:30 pm eastern time on April 21, 2026.

AP Members Present

David Walker, Chair

Kenneth Beverin

Ron Chicola

Keith “Buddy” Guindon

Costa Kouzounis

Brian Lewis

Randy Sobieraj

Amy Wirtz

Jim Zurbrick

Council Representative

John Sanchez