

GULF OF MEXICO FISHERY MANAGEMENT COUNCIL

224TH MEETING

FULL COUNCIL SESSION

The Battle House Hotel

Mobile, Alabama

FEBRUARY 3-4, 2010

February 3, 2010

VOTING MEMBERS

Bob Shipp.....Alabama
Roy Crabtree.....NMFS, SERO, St. Petersburg, Florida
Robert Gill.....Florida
Myron Fischer (designee for Randy Pausina).....Louisiana
John Greene, Jr.....Alabama
Joe Hendrix.....Texas
Tom McIlwain.....Mississippi
Damon McKnight.....Louisiana
Vernon Minton.....Alabama
Julie Morris.....Florida
Harlon Pearce.....Louisiana
William Perret (designee for William Walker).....Mississippi
Michael Ray.....Texas
Robin Riechers (designee for Larry McKinney).....Texas
Ed Sapp.....Florida
William Teehan (designee for Ken Haddad).....Florida
Kay Williams.....Mississippi

NON-VOTING MEMBERS

Larry Simpson.....GSMFC
Carmen DeGeorge.....USCG

STAFF

Steven Atran.....Population Dynamics Statistician
Steve Bortone.....Executive Director
Karen Burns.....Ecosystems Management Specialist
Assane Diagne.....Economist
John Froeschke.....Fishery Biologist
Karen Hoak.....Secretary
Trish Kennedy.....Administrative Assistant
Shepherd Grimes.....NOAA General Counsel
Richard Leard.....Deputy Executive Director
Phyllis Miranda.....Secretary
Charlene Ponce.....Public Information Officer
Cathy Readinger.....Administrative Officer
Carrie Simmons.....Fishery Biologist
Amanda Thomas.....Court Reporter

OTHER PARTICIPANTS

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Pam Anderson.....Panama City Beach, FL
Matt Andrews.....Panama City, FL
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Tom Becker.....Biloxi, MS
Philip Blackburn.....Fort Walton Beach, FL
Ken Blackman.....Destin, FL
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Jim Clements.....Carrabelle, FL
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Scott Robson.....Destin, FL
Michael Salley.....Pensacola, FL
John Schmidt.....Palm Harbor, FL
Bob Spaeth.....Madeira Beach, FL
Tom Steber.....Orange Beach, AL
Gerald Struck.....Pensacola, FL
Don Sudduth.....Orange Beach, AL
Michael Sullivan.....Panama City, FL
Steve Szedlmayer.....Fairhope, AL
Joe Tate.....Navarre, FL
T.J. Tate.....St. Augustine, FL
Mike Thierry.....Dauphin Island, AL
Bill Tucker.....Dunedin, FL
Robert Turpin.....Pensacola, FL
Russell Underwood.....Lynn Haven, FL
Robert VanDeWall.....Gulf Breeze, FL
David Walker.....Andalusia, AL
William Walker.....MS DMR
Greg Ward.....Orange Beach, AL
Donald Waters.....Pensacola, FL
Wayne Werner.....Alachua, FL
Johnny Williams.....Alvin, TX
Kelly Windes.....Destin, FL
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Jim Zurbrick.....Steinhatchee, FL

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The Full Council of the Gulf of Mexico Fishery Management Council convened in the Midnight Ballroom of the Battle House Hotel, Mobile, Alabama, Wednesday afternoon, February 3, 2010, and was called to order at 1:00 p.m. by Chairman Bob Shipp.

[EXCERPT FROM FULL COUNCIL MINUTES]

CHAIRMAN SHIPP: Kudos to the recorders. Anyone else have any corrections? With that, does anyone object to the adoption of the minutes? The minutes are approved. The next item on the agenda is Catch Shares Task Force Presentation and that's Tab N. Monica Medina was scheduled to give this and I think she's caught up in Washington and as I understand it, Roy Crabtree will give her presentation.

CATCH SHARES TASK FORCE PRESENTATION

DR. CRABTREE: Thanks, Bob, and thanks for giving us time on the agenda. Let me extend Monica's regrets to you that she was unable to be with you today, but we did want to talk a little bit about the draft NOAA catch share policy.

Last May, the NOAA Administrator, Dr. Jane Lubchenco, announced the creation of a task force to produce a draft NOAA policy on the consideration and use of catch share programs to manage fisheries and we released a draft of the policy on December 10th for 120 days of public review and comment.

If you go to the National Marine Fisheries Service website, down at the left on the webpage, you'll see a fish that says "Catch Shares" and you can click on that and find the report. Today, I wanted just to talk a little bit about the policy to you and this is one of the opportunities for you to provide some input to the agency on that report.

I want to begin by giving you some context of what catch share approaches to management are all about and why NOAA is interested in encouraging their widespread consideration and a brief explanation of the policy development process and a walkthrough of the main content of the draft policy.

Rebuilding our fisheries and sustaining the jobs and livelihoods they support is a top priority at NOAA. We want to achieve long-term ecological and economic sustainability of the nation's fishery resources and the fishing communities they support. Everyone at this meeting realizes this is a huge challenge, given the circumstances we face today.

We have made progress in rebuilding many fisheries under the Magnuson-Stevens Act, but nationwide, we still have more than 20 percent of our

fish stocks that are not rebuilt and an even larger proportion of our fisheries that are not meeting our full economic potential.

This draft policy provides a foundation for facilitating widespread consideration of catch share management, a tool that can help us realize the full economic and biological benefits of rebuilt fisheries. Catch shares are a tool to help achieve sustainable use of the ocean and while they are not a panacea and not appropriate for every fishery, they are currently in use by six councils in fourteen different fisheries, of which some are obviously occurring in the Gulf of Mexico.

As our primary partners in fishery management, the councils were a critical part of the development of the draft policy and Bob Gill on the Gulf Council was a member of the task force, as was George Geiger from the South Atlantic Council. I think that the task force benefited greatly from the active participation of the eight council members who served on the task force.

Without their insights and experiences about catch shares, the draft policy would not be as thorough and complete as it is and we will need the council's continued participation, understanding, and hard work. The policy is intended to provide you the flexibility and support for considering catch shares, as authorized under the Magnuson Act.

Experience shows us that fisheries managed with catch share programs often perform better than fisheries managed with traditional tools. Even after the first years after implementation, catch share fisheries are usually stable and increase their productivity and economic benefits to coastal communities. The outcomes of catch shares can help restore the health of ecosystems and get fisheries on a path to profitability and sustainability.

There are pros and cons to catch shares and no strategy is perfect. However, we are encouraging councils to consider catch shares as an option and suggest that they carefully evaluate the pros and cons of catch share alternatives relative to other choices and adopt the program that has the highest likelihood of meeting the council's objectives and the National Standards of the Magnuson-Stevens Act.

This draft policy is not a mandate. It does not set numerical targets for catch share programs, but it does encourage and support the evaluation of catch share programs as authorized under the Magnuson-Stevens Act.

Although this is a national policy, the emphasis remains on local design and implementation through the council process. Every fishery is different and affected by a range of economic, biological, and societal factors and we believe the councils are the bodies best able to make the decisions about implementation of these programs in their regions.

One strength of catch shares is that they allow fishery managers a great deal of flexibility to design programs that meet specific goals.

NOAA's draft policy recommends that councils pay attention to the following: identify specific management goals for each catch share program, for example, eliminating overfishing, ending a race for fish or a derby fishery, reducing bycatch, creating socioeconomic stability for fishermen and fishing communities. The more specific the goals, the more precisely the catch share design can be structured to attain them.

After careful analysis and engagement with the fishing community and the larger community, choose whether and when and to whom to allow transfers of catch shares to ensure the long-term success of the program.

Specifying transferability is a delicate balancing act, as transferable catch shares promote flexibility for fishermen to plan and conduct their businesses, while placing conditions on transfers, such as conditions on size of vessel for share transfers, can help address competing goals to maintain the status quo. This requires a thorough council deliberation.

Use catch share design options to promote sustainable fishing communities, including good jobs, preservation of wharfs, processing facilities, fuel and ice suppliers, and other coastal businesses. There are many recently added provisions in the Magnuson-Stevens Act to sustain fishing communities and small owner-operator fleets via catch shares, but to date, they have been underutilized.

Evaluate catch share designs that would provide set-asides to allow new generations of fishermen or small businesses to enter the fishery. Besides set-asides and proper design of initial allocation and transfer criteria, loan programs and permit banks can help assure continued fishery access in traditional ports.

Thoughtfully consider a royalty system to support science, research, and management objectives as fisheries become profitable under a catch share program. The responsibility to decide whether to collect a rental payment for private use of a public resource is given to the councils.

Periodically review all catch share and other fishery programs to gauge whether they are meeting the goals and objectives. Getting feedback on management plan performance and being adaptive makes good sense and it's also required by the law for limited access privilege programs.

NOAA believes that considering catch share programs throughout the nation can help transform fisheries and ensure they are a prosperous and sustainable part of our oceans and coasts for present and future generations. We sincerely want your feedback on whether the draft policy as written will get us there and if not, what do we need to do to change the policy to improve it?

That concludes my remarks and I would invite Bob or George, who served on the task force, if they have anything they would like to add to this and then we would certainly welcome your discussion and your input and I think if you wanted to send written comments in on the policy to NOAA that that would be appropriate and something else that you probably ought to

consider.

MR. GEIGER: As some may or may not know, when this task force was originally conceived and the idea was brought forward, the council participation was not part of it and the council chairs raised a real stink about that and it was very, very quickly rectified and members of the council were included in that task force.

I appreciate Ms. Medina's recognition of the council participation and the contributions that council members made during the process, because I believe the majority of the comments, and, Bob, correct me if I'm wrong, came from council members on those conference calls and the written comments that were provided via the email site that we had to respond to.

Again, credit has to be given to NOAA and NOAA Fisheries for the inclusiveness of that conference and the fact that I believe everybody's comments were incorporated into that policy. I think they did a really fantastic job being open and inclusive and taking the comments from all the participants and getting them in that policy. I think kudos go to NOAA and NOAA Fisheries for that particular task force.

MR. GILL: To follow on what George just said, the draft policy has undergone many revisions and it has undergone significant change from the first draft to the current one and I believe, as does George, that that was in part due to the task force comments that were numerous and long conference calls, but it has resulted in a starkly different document than the first one they started with.

It was an iterative and adaptive process and I think resulted in a better document as a result and so you have it before you and I would urge folks to make comments on it and within the public comment period, which I believe ends on the 10th of April, and to do so at will.

CHAIRMAN SHIPP: Thank you, Bob. I know that several weeks ago I was in Washington and heard Ms. Medina's presentation and she was very open to questions. I don't know if Roy feels as comfortable as she would, since she helped develop it, but, Roy, I'm sure you would be willing to take questions if anyone has any.

DR. CRABTREE: I certainly would, Bob.

CHAIRMAN SHIPP: Do any of the council members have any questions?

MR. SAPP: I don't have any questions, but I do have a couple of comments. First, thanks to Dr. Crabtree for the report and especially thanks to Bob and George for representing us on that task force. I'm probably like a lot of you out there that were real scared what we were going to see when we got a final version of this and I think we were all fearful that what we were going to have was a mandate that we had to implement catch shares in some way, shape, or form.

What's evolved is something that's a whole lot more council friendly.

Basically, they've given us some suggestions for some management alternatives and want us to take a look at them. As I go through this -- I realize it's just a draft and we don't have a final version yet, but there's one thing that sticks out to me, because it's something that our council is going to have to consider as we go forward, and that's this whole issue of collection of royalties.

As I read this directly out of here, it requires the councils consider the collection of royalty payments for the initial or any subsequent distribution of LAPPs. If you think about it, we've got two LAPPs that we're talking about that we haven't gotten very far yet and that's with king mackerel and that's with other reef fish and we're also coming up on the end of the first five years with our red snapper LAPP.

As we talk about all three of those different LAPP fisheries, we're going to at least have discussions about this whole idea of collection of royalties and so we're put on notice and I also had the opportunity to serve on -- I don't know what we were called, a review board or some kind of participatory group. I actually was in on a couple of those conference calls and I want to restate the same thing that George stated and that is that they appeared to be very receptive to all the comments that we made and so I thank them for that.

CHAIRMAN SHIPP: Thank you, Ed, and I would like to add another comment. In Washington, Ms. Medina made it very clear that the ultimate decisions reside with the councils and that this is not in the statute and it's not in Magnuson. It's just a strong push on the administration's part to move down this road that they think would be beneficial, but in the final analysis, it's a council decision. Anyone else have any comments or questions regarding catch shares? Hearing none, we'll move on to the next agenda item and that's Dr. Bill Walker, a Report of the Gulf of Mexico Alliance Activities. It's Tab P.