

Snapper Grouper Amendment 20B (Wreckfish)  
October 2011

### **Action 1. Transfer Eligibility Requirements**

**Alternative 1.** No action. Maintain current transfer eligibility requirement under the existing Wreckfish ITQ program which stipulate that ITQ shares can be transferred to anyone but that coupons can only be transferred to persons with quota share and a commercial wreckfish permit. Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** ITQ shares or annual pounds can be transferred to commercial snapper grouper permit holders. Eligible individuals must be persons who are U.S. citizens or permanent resident aliens.

**Alternative 3.** ITQ shares or annual pounds can only be transferred to commercial snapper grouper permit holders during the first five years of the redesigned ITQ program and all U.S. citizens and permanent resident aliens thereafter. Eligible individuals must be persons who are U.S. citizens or permanent resident aliens.

### **Action 2. Caps on ITQ Annual Pounds Ownership**

**Alternative 1.** No action. Maintain the current regulations on coupon (annual pounds) ownership which do not identify any ownership caps. Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** Set the annual pounds cap equal to the corresponding share cap as defined in Action 15 times the annual quota. For any single fishing year, no person shall possess annual pounds in an amount that exceeds the annual pounds cap. However, persons grandfathered in at the time of share cap reapportionment or under the no action alternative under Action 4 will also be grandfathered in for more than the annual pounds cap. Anyone receiving annual pounds in excess of the annual pounds ownership cap would not be able to purchase additional annual pounds. Anyone receiving annual pounds that were less than the annual pounds ownership cap could purchase additional annual pounds up to the amount of the annual pounds ownership cap.

**Alternative 3.** Set the annual pounds cap equal to:

**Option a)** The share cap (specified in 20A) plus 1 percent times the annual quota.

**Option b)** The share cap (specified in 20A) plus 5 percent times the annual quota.

**Option c)** The share cap (specified in 20A) plus 10 percent times the annual quota.

### **Action 3. Adjustments in Annual Allocations of Commercial TACs**

**Alternative 1.** No action. Maintain the process used under the current Wreckfish ITQ which annually allocates adjustments in the commercial quota proportionately among eligible ITQ shareholders (e.g., those eligible at the time of the adjustment) based on the percentage of the commercial quota each holds at the time of the adjustment.

Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** Allocate adjustments in the commercial quota through an auction system. All Wreckfish ITQ shareholders are allowed to place bids.

#### **Action 4. Use it or Lose it Policy for ITQ Shares**

**Alternative 1.** No action. Do not specify a minimum landings requirement for retaining ITQ shares. The current Wreckfish ITQ program has no minimum landings requirement. Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** ITQ shares that remain inactive for three years will be revoked and redistributed proportionately among the remaining shareholders. “Inactive” is defined as less than 30 percent of the aggregate annual average utilization of allotted ITQ shares over a three year moving average period.

**Alternative 3.** ITQ shares that remain inactive for three years will be revoked and redistributed proportionately among the remaining shareholders. “Inactive” is defined as less than 50 percent of the aggregate annual average utilization of allotted ITQ shares over a three year moving average period.

**Alternative 4.** If needed, set a control date if needed whereby fishermen would need landings to qualify. Preferred by a majority of wreckfish shareholders who attended wreckfish shareholders meeting held March 2010.

#### **Action 5. Cost Recovery Plan**

**Alternative 1.** No action. No ITQ cost recovery plan will be implemented. The current Wreckfish ITQ program does not have a cost recovery plan. Preferred by some of the wreckfish shareholders who attended wreckfish shareholders meeting held March 2010.

**Alternative 2.** Implement an ITQ cost recovery plan. All ITQ cost recovery fees shall be the responsibility of the recognized IFQ shareholder. The cost recovery plan will have the following conditions:

**Option a)** ITQ cost recovery fees will be calculated at the time of sale of fish to the registered ITQ dealer based on (i) the actual ex-vessel value of the wreckfish landings or (ii) the standard ex-vessel price of the wreckfish landings as calculated by NMFS.

**Option b)** The fee collection and submission shall be the responsibility of (i) the ITQ shareholder or (ii) the ITQ dealer. Preferred by a majority of wreckfish shareholders who attended wreckfish shareholders meeting held March 2010.

**Option c)** The collected fees would be submitted to NMFS (i) quarterly or (ii) monthly.

### **Action 6. Guaranteed Loan Program**

**Alternative 1.** No action. Do not establish an ITQ loan program.

Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** Set aside 15% of cost recovery fees to establish a guaranteed loan program.

**Alternative 3.** Set aside 25% of cost recovery fees to establish a guaranteed loan program.

### **Action 7. Approved Landing Sites**

**Alternative 1.** No action. Do not establish approved landing sites for the Wreckfish ITQ program. The current Wreckfish ITQ program does not specify approved landing sites.

Preferred by a majority of wreckfish shareholders who attended wreckfish shareholders meeting held March 2010.

**Alternative 2.** Establish approved landing sites for the Wreckfish ITQ program. All ITQ participants must land at one of these sites to participate in the ITQ program.

Preferred by some wreckfish shareholders who attended wreckfish shareholders meeting held March 2010.

**Option a)** Approved landing sites will be selected by fishermen but must be approved by NMFS Office of Law Enforcement (OLE) prior to use.

**Option b)** Approved landings sites will be selected by the Council and NMFS, based on industry recommendations and resource availability.

### **Action 8. Annual Pounds Overage**

**Alternative 1.** No action. Do not allow fishermen under the current or redesigned Wreckfish ITQ to exceed their annual pounds.

Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** A person on board a vessel with the shareholder's only remaining wreckfish allocation may exceed, by up to 5 percent, the shareholder's annual pounds remaining on the last fishing trip of the year.

**Alternative 3.** A person on board a vessel with the shareholder's only remaining wreckfish allocation may exceed, by up to 10 percent, the shareholder's annual pounds remaining on the last fishing trip of the year.

#### **Action 9. Collection of Royalties from Resource Use**

**Alternative 1.** No action. Do not collect royalties from shareholders for use of the wreckfish fishery. Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** Hold an annual auction of portions of the TAC to fishermen with a federal commercial snapper grouper permit. Place funds collected through the auction into an account where the funds help pay for wreckfish fishery management.

**Alternative 3.** Redefine wreckfish shares so that they expire every 5 years with a start date upon implementation of this amendment. The Council will determine if the share owner is re-issued the shares for another 5 years after the time has expired. An auction will be used to determine the next owner. Auction participants must own a federal commercial snapper grouper permit. Place funds collected through the auction into an account where the funds help pay for wreckfish fishery management.

**Alternative 4.** Redefine wreckfish shares so that they expire every 5 years with a start date upon implementation of this amendment. The Council will determine if the share owner is re-issued the shares for another 10 years after the time has expired. An auction will be used to determine the next owner. Auction participants must own a federal commercial snapper grouper permit. Place funds collected through the auction into an account where the funds help pay for wreckfish fishery management.

**Alternative 5.** Assess a tax on shareholders equal to an estimation of "super profits" (profits that exceed "normal profit") made in the fishery.

#### **Action 10. New Entrants Program**

**Alternative 1.** No action. Do not create provisions that assist new entrants in entering the fishery. There is no such provision in the current Wreckfish ITQ program. Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** Set aside 2% of the wreckfish TAC each year to be auctioned off to snapper grouper commercial permit holders that do not possess wreckfish shares.

**Alternative 3.** Set aside 5% of the wreckfish TAC each year to be auctioned off to snapper grouper commercial permit holders that do not possess wreckfish shares.

**Alternative 4.** Set aside 10% of the wreckfish TAC each year to be auctioned off to snapper grouper commercial permit holders that do not possess wreckfish shares.

### **Action 11. Incidental Catch Provisions**

**Alternative 1.** No action. Do not establish incidental catch provisions for wreckfish landings for commercial snapper grouper permit holders that do not possess annual pounds. Under the current wreckfish ITQ, no one may possess wreckfish without wreckfish shares, coupons, a commercial wreckfish permit, and a commercial snapper grouper permit.

Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** Establish an incidental catch allowance of 50 pounds of wreckfish per trip for commercial snapper grouper permit holders who do not possess annual pounds.

**Alternative 3.** Establish an incidental catch allowance of 100 pounds of wreckfish per trip for commercial snapper grouper permit holders who do not possess annual pounds.

### **Action 12. VMS Requirement**

**Alternative 1.** No action. Do not require commercial wreckfish vessels to be equipped with VMS. Preferred by wreckfish shareholders who attended wreckfish shareholders meeting held March 2010 (unanimous).

**Alternative 2.** Require all fishing vessels engaged in harvesting wreckfish under the ITQ program to be equipped with VMS. The purchase, installation, and maintenance of VMS equipment must conform to the protocol established by NMFS in the Federal Register.

**Option a)** the purchase, installation, and maintenance of the VMS equipment and communications costs will be paid for or arranged by the owner of the ITQ shares.

**Option b)** the purchase, installation, and maintenance of the VMS equipment and communications costs will be paid for or arranged by NMFS.

**Option c)** the purchase, installation, and maintenance of the VMS equipment and communications costs will be paid for jointly by the owner of the ITQ shares and NMFS.

**Option d)** the purchase, installation, and maintenance of the VMS equipment will be paid for by NMFS. Communications costs will be paid for or arranged by the owner of the ITQ shares.