#### SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL

## **ALLOCATION COMMITTEE MEETING**

## Southern Wesleyan University North Charleston, SC

July 8-9, 2008

#### **SUMMARY MINUTES**

## **Allocation Committee Members:**

Dr. Brian Cheuvront, Chair
George Geiger
Rita Merritt
Tom Swatzel
John Wallace
Robert Boyles

#### **Council Members:**

Mac Currin

### **Council Staff:**

Robert Mahood Gregg Waugh
Kim Iverson Rick DeVictor
Dr. Andi Stephens Kate Quigley
Julie O'Dell

## **Observers/Participants:**

Dick Brame Eileen Dougherty
Michelle Owen Monica Smit-Brunello

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The Allocation Committee of the South Atlantic Fishery Management Council convened in Classroom 6 of Southern Wesleyan University, North Charleston, South Carolina, Tuesday Morning, July 8, 2008, and was called to order at 8:43 o'clock a.m. by Chairman Brian Cheuvront.

Mr. Cheuvront: Okay, I'd like to call the Allocation Committee Meeting to order, please. Let's go ahead and go around the table and do a voice ID so that whoever is transcribing this know who everybody is. We'll start with Monica, please.

Ms. Smit-Brunello: Monica Smit-Brunello, NOAA General Counsel.

Mr. Swatzel: Tom Swatzel, council.

Ms. Merritt: Rita Merritt, council.

Mr. Boyles: Robert Boyles, council.

Mr. Cheuvront: Brian Cheuvront, council.

Ms. Quigley: Kate Quigley, council staff.

Mr. Geiger: George Geiger, council.

Mr. Wallace: John Wallace, council.

Mr. Currin: Mac Currin, council.

Mr. Waugh: Gregg Waugh, council staff.

Mr. Cheuvront: I'd like to welcome everybody and thank you for being here this morning. What I would like to do, before we get going through things on the agenda, is just sort of reiterate why we're here. Our main purpose, what we'd like to go away with by tomorrow is some allocation alternatives for the Snapper Grouper Committee to discuss for Amendment 17. I see that as our most important thing to get accomplished today and tomorrow.

The goal here is not for us to argue the merits of each one. That's for the Snapper Grouper Committee to make decisions, but what we'd like to do is to review what we've got, make additions to the potential alternatives and come up with a reasoning behind why we would like to do that, and we can just forward this list onto the Snapper Grouper Committee. The thing that I worry about is that we could get into arguing too much the merits of the different alternatives, and that's just going to bog us down.

I think if we can come up with plausible reasoning behind why we want to suggest a potential alternative, that's fine, let's get it on the table, and we'll let the Snapper Grouper Committee decide whether they want to take it off the table or how they want to deal with it. I think that's

probably the more appropriate thing to do at this point. That said we've got an agenda here. I think Kate has got some modifications to the agenda.

Ms. Quigley: Thank you, Brian. Agenda Item 4, the Science Center representative, we had thought about having someone come down and talk to us about some recreational data issues. The original issue was if you remember from the council meeting, there is a standard error associated with the recreational data that we received. The concern was that if you separate out the headboat data from the other data, then the standard error for the remaining recreational data would increase.

Someone from the Science Center was asked to please come and talk about that and shows us how much it would increase. Well, it turns out that the standard error has been separated out for the different sectors of the recreational industry, anyway, so it's really a non-issue, so we don't need to have someone come and talk to us about. It's already been separated out, so we're just deleting that agenda item from the agenda.

Also, we're going to have Monica talk to us about MSA requirements for allocation. We'll do that right after I go over the briefing book materials.

Mr. Geiger: We're still discussing the agenda; correct?

Mr. Cheuvront: Yes, we are.

Mr. Geiger: One of the things that's a little bothering to me about the agenda and what we're planning to do here today is we kind of at the end of the last committee meeting we had here in this room was we talked about – at least I tried to get us to talk about what we expect or what we want the fisheries to look like and how we're going to look at the management of these fisheries into the future.

I don't know, unfortunately, I guess we're either passing that by and we're going to continue to look at past history which is by de facto the way we're going to do it, but I still maintain and I'm going to go on the record and say that the methodology that we're using to manage fisheries in my opinion is wrong. We're looking in the past. We're using data that's dated and old to manage fisheries. We're trying to manage people and fisheries and we're losing in both regard.

I think until we come to terms with what we expect these fisheries to look like or what we think we need them to look like at some point in the future – I don't know whether it's 15 years, 20 years, 50 years, even it's possible, but I don't believe the discussion that we held at the last meeting, in my mind, wrapped that up and came to a final conclusion, at least in my mind. I still think that's a topic that I believe this committee needs to address. I don't know how you can allocate or think you're going to allocate when you don't even know what you want a fishery to look like 20 years hence.

Mr. Waugh: Just to clarify from a staff perspective, it was our understanding that, George, you're exactly correct, the last time this committee met here, this committee outlined a certain approach. When this was presented at the June meeting, it was discussed and a significant

change in the course of direction was approved by the council, and so from a staff perspective it's our interpretation of what actions the council took in June were to say rather than a broader look at ways to do allocation, we're basically directing that alternatives be developed looking at catch history for use in Amendment 17.

That's why we as staff have structured this material that you have before you. Now, certainly, the council is free to reconsider that position, but that's the directive we got from the council and that's why the materials and agenda are structured the way they are.

Mr. Geiger: I beg to disagree, Gregg. In my dotage I may have missed something, but I don't remember the council directing us to use catch history as a basis for determining allocation. If that's the case, then there is no reason to have this committee. I mean, the Snapper Grouper Committee, the Mackerel Committee, any committee can then determine what the allocation is going to be based on using catch history.

The purpose of this committee, as it was originally configured at least as I originally conceived it to be configured, was to come up with a procedure for using something other than catch history or possibly other things in addition to catch history to determine how we're going to determine how we're going to manage fisheries to get some end result looking to the future. I don't know; I don't recall that being the end result of our council meeting in June. I may be wrong.

Ms. Smit-Brunello: Well, this is in part to reiterate I agree with what George said in the sense that – and I don't have the minutes, but I don't recollect that the council directed this committee to use catch history either. I think that was brought up as one way that has normally been used to do allocations, but I don't remember the specific charge let's use catch history.

I remember when Dr. Crabtree brought this up, you know, maybe this would be a little more clear or muffier when we get into the National Standard Guideline discussion. If you're not going to use catch history, then what you have to do is whatever you use you have to discuss it according to the guidelines of the Magnuson Act and then develop a rationale and record for why you're going in that direction. I don't recall specifically catch history as being the charge to the committee.

Mr. Boyles: Thank you, Mr. Chairman. This may not be the appropriate in kind of mentally preparing for the discussions over the day and a half, I guess my expectation has been that there will be some magic formula that we grapple through and wade through and argue and discuss, and at the end of the day come out with a prescription for allocation into the future.

I guess I was thinking that we've flooded – I've been flooded and I imagine everybody has been flooded with e-mails on comments about how to allocate and what we should look at, and I'm sensitive to the concerns about the backward projections, looking over our shoulders to manage into the future. You know, for lack of a better point of departure from my discussion, I've been thinking of maybe there is a way, that there is some mathematical algorithm that we apply – excuse me that we recommend that the individual committees or the Snapper Grouper Committee in this case apply towards allocating resources into the future.

To get to George's point, I was thinking if we make these allocation decisions without any regard to catch history, I think we do so at our own peril. I was kind of thinking that at the end of the day we come up with some kind of algorithm that says the allocation will be looking equally at the past as well as to what we want the fishery to look like in the future.

Mathematically speaking I see this formula being some kind of function of looking at history and that being only part of the equation, but the future being some agreed-upon formula, I suppose, that says this is what the fishery can sustain and this is how we're going to allocate into the future.

Mr. Cheuvront: Thank you, Robert. Kate has projected up here the motions that were passed – these are Full Council, correct – from the Allocation Committee at our June meeting. Gregg, would you like to go over some of that?

Mr. Waugh: Well, just that if we have misinterpreted the direction from the council, then we need to have that clarified. Our read of this is that we're no longer developing a Comprehensive Allocation Amendment. Motion Number 3, they rescinded the motion that this committee approved where we were talking about the council using its judgment based on fairness and equity, considering a number of factors, including but not limited to social and economic values and models when available, landings data, and the council's view of what fisheries should look like into the future.

If you take that away, our understanding – and we may have made a mistake, but our understanding then what you're left with is landings data; and so if that's wrong, we need to have that clarified.

Mr. Geiger: And the quotes there, Gregg that was taken specifically from – I just don't remember the end part. I remember us getting into a discussion about the fact that the national standards already make provisions for us to utilize everything that was contained in our original discussion of what we would like to consider and what we believe we would think should be considered for determining allocations.

Because it was already contained in the national standards, there was no reason to have it specifically identified as individual items. I did not interpret what we were doing in Motion 3 as passing along the fact that we would not look to see – or try not to ascertain what our fisheries would look like in the future and just use catch history. If that's the case, that certainly is the motion and I probably voted in favor of it, and that was a mistake.

Again, as I started this, I would just register my concern in using catch histories we're looking over our shoulder, and I still believe that to properly manage fisheries we should be looking to the future in an effort to determine what they need to look like in the future and come to some agreement as to how we're going to get those fisheries to that point as we move forward as opposed to looking over our shoulder.

Mr. Boyles: As I seem to recall the – I mean, it was late in the day, and I don't mind telling you I was bitterly disappointed with the last committee meeting. As I seem to recall the reason for

that motion – and I believe at the committee meeting I made the motion – what that did was really kind of take us back to the national standards.

As I seem to remember the way I was processing this was that original motion in italics, as I seem to recall the discussion – and, Monica you may correct me, but that was in essence we were just simply restating a different form of the national standards. I think that's kind of why – as I seem to remember, we thought that's the department of Redundancy Department, and let's rescind this and go back to Magnuson.

Mr. Cheuvront: That was the way I kind of remembered it as well; that the argument was that we were told – I think it was by Roy and maybe Monica was involved in that – that we're stating what was already in MSA and we didn't need to do that. I distinctly remember that discussion.

Ms. Smit-Brunello: Well, that's my recollection as well. Now, it may be that you end up with landings data because I'm not sure what else you're going to use, but I agree with Robert as well.

Mr. Waugh: So the interpretation is that this committee can continue on the direction pre-June. When the committee had their committee meeting in June, the Regional Administrator expressed strong concerns about going forward with anything but landings data, and that's part of our understanding of the discussions there was that we would use landings data.

If the interpretation is now that we can broaden it and go with what language is in the Magnuson Act and it encompasses all of this material; that you all can sit here and look to the future, as George is suggesting, you're still going to run into the Regional Administrator's objections, and I would just hate to see us spend this whole meeting like we did the last time we were here coming up with a bunch of stuff that gets derailed the next council meeting. We don't have the luxury of that time. We need these alternatives for these ten species. My advice would be if you're intending to go down this road, let's also come up with some alternatives based on landings data in case that's all that gets through the next council meeting.

Mr. Geiger: To that point, Gregg, quite frankly, Roy is a council member and he can recommend, but I believe we as council members need to decide what we want to do and provide that information to the Regional Administrator for approval. If they decide that they can't approve it, that's up to them, but we need to do what I believe we think we need to do.

As much as Robert was disappointed, I was angry because, quite frankly, at the last meeting we held here I specifically requested that the minutes and the proceedings from this meeting be forwarded to the Regional Office before the council meeting so that Dr. Crabtree could see what we were doing and understood what we were doing so we didn't have what happened at the council meeting happen, which is why I made such a major point of having Monica at this meeting and this meeting not occur unless she was here. When I addressed that point to Roy Crabtree, he told me that he was busy, he was on the road, he didn't have a chance to read the briefing materials completely prior to the council meeting.

That leads me to believe that this information was not forwarded to the Regional Office for their purview prior to the council meeting. In talking to you, I understand that was done and for some

reason it never got discussed or it just didn't happen, and we were surprised at the council meeting, once again to Robert's disappointment and to my anger.

Ms. Smit-Brunello: Well, I understand that, but we would have had to discuss those types of things on the record when the committee met, anyway.

Mr. Geiger: Certainly, and I agree with you, Monica, but there is a courtesy here involved, and the thing that could have happened was the discussion could have occurred before the council meeting so it didn't turn into a hammer-and-tongs type battle at the council meeting if those things could have been discussed prior and everybody could have come in with an understanding that discussion was going to occur and it could have been done much differently, I believe.

Ms. Smit-Brunello: Well, if there is blame, there is blame for me, too, because I felt badly that I didn't bring it up beforehand. Some of it was a workload issue; some of it was just how we progressed during the meeting. I think to focus back here, maybe this will be made a little more clear when we start going through this process and after I discuss the National Standard Guidelines, which is an attachment that you all received.

We can talk about that and what you should consider – that you have to consider, really, according to the Magnuson Act. I do agree with Gregg, though, you'll probably want some landings data alternatives potentially, but you don't have to decide that right now specifically. I think we ought to get into – my suggestion is we get into it and discuss it and see if any of this kind of falls out a little more clearly.

Mr. Geiger: And I also agree that we should have landings data because when we're developing alternatives we need the suite of alternatives which should encompass everything. I don't have any problem with doing that. When I started this soliloquy, it was opposition to the fact there we're going to use landings data only to move forward in determining allocation.

Mr. Cheuvront: Okay, I would like to then suggest at this point let's table this discussion until we get to the discussion of MSA with Monica and continue on with the agenda discussion. John, you have something?

Mr. Wallace: I really want to address the part of what George is saying which is managing into the future. Is that the reason for the Allocation Committee; isn't that the reason for the Snapper Grouper Committee? I mean, they're supposed to be managing for the future and not the Allocation Committee. Wouldn't it be redundant for us to do it in both committees?

Mr. Cheuvront: I'm not sure that would be redundant considering that we've been asked to come up some allocation alternatives, so we're going to need to be able to discuss some of those issues in developing some of these alternatives. I think the decisions about which alternatives are going to be recommended and which may end up in an appendix or something will depend on the outcome of the discussion of the Snapper Grouper Committee.

All we're here to do is offer suggestions, so I think it would be hard for us to avoid considering some of these issues if what we've been charged to do is come up with allocation alternatives,

because the only thing that we could come up literally would be landings-based allocation alternatives when in fact we probably should discuss some other things as well.

Mr. Wallace: To that, that's kind of what I was getting at is we are a committee under the Snapper Grouper Committee basically in this case because we're going to make recommendations to the Snapper Committee on how to allocate some of their species. We can make recommendations and we can put the recommendations in there that will conserve the species, but it's really their charge to manage it to those recommendations.

Mr. Cheuvront: That is correct. Okay, any changes to the agenda, other items? All right, any objection to the agenda as it now stands with the changes that we've discussed; that is, we deleting Item Number 4 and we're adding in its place – Monica is going to talk about the MSA and conservation and all of that. Seeing no objection, the agenda is approved. Kate, would you like to walk us through the next couple of things?

Ms. Quigley: The next agenda item, we've got approval of meeting minutes. As you know, we don't yet have those available. We'll make them available to you as soon as we do receive them. We can skip that agenda item for right now and approve those when we have them available at the next meeting.

Overview of briefing book materials, I just want to let you know Julie has extra disks if any of you need them. I'll just go over some of the briefing book materials. Attachment 1 is Amendment 17 Species Table, so these are the Amendment 17 species for which the Allocation Committee has been tasked with coming up with allocation alternatives. Attachment 2, history of management; this is something you've probably seen in the Amendment 16 draft already.

Attachment 3 is the actual data. You've been provided with ALS data as well as logbook data. The logbook data, as you know, is from the commercial fishermen. The ALS data is commercial but also includes recreational sale. Attachment 4, you've got the history of allocations in the southeast. This is something that staff put together that is a narrative that goes through the different types of allocations that have been made in the past in the various amendments in the southeast. Those amendments are included in that Attachment 4A folder.

Attachment 5, you've got Amendment 15B, the supplemental DEIS, having to do with recreational bag limit sales. Then Attachment 6, you've got the final report from April of this year, from your meeting in April. This report outlines the data needs that the committee and Jim Waters thought would be necessary in order to do some sort of economic analysis as was done in the Gulf with red grouper.

Brian is going to go over, tomorrow probably, that list and provide you with some feedback from Jim Waters on any updates to that list. He's going to run that by you and see if that's something the Allocation Committee wants to approve. Then Attachment 7, we have the documents that Monica will be referring to.

Mr. Cheuvront: Thank you, Kate. I think that kind of leads us right into the new Agenda 4, which is Monica, so I'd like to hand that off to her to talk about MSA and conservation. Thank you, Monica.

Ms. Smit-Brunello: You have what I sent out in front of you so I won't read it all, but sometimes it helps me to go over and read aloud certain portions of these, and we can speak about them a little more. On Page 1 I listed the primary national standards that could have some special relevance to allocation decisions. At the bottom of that is a mandatory provision of the Magnuson Act for what is required in a fishery management plan, and I guess I'll go to that last.

I would like to start talking about National Standard 4. The nice thing about the guidelines is they lay out the national standard in the beginning, so if you go to Page 2 it's a little more clear. National Standard 4 – and I'll back up and say please interrupt me with questions if you have any throughout this.

National Standard 4 states, "Conservation and management measures shall not discriminate between residents of different states. If it becomes necessary to allocate or assign privileges among various U.S. Fishermen, such allocation shall be fair and equitable to all such fishermen reasonably calculated to promote conservation, carried in out such manner that no particular individual, corporation or other entity acquires an excessive share of such privileges."

Mr. Waugh: Is fair and equitable defined anywhere?

Ms. Smit-Brunello: In the Magnuson Act I don't believe it is. I'll double check for you, but it's used throughout. Congress used it quite liberally throughout the document. Robert.

Mr. Boyles: Has that been adjudicated anywhere; is there any case law where any courts, district courts have given us an example or a ruling on what constitutes "fair and equitable"?

Ms. Smit-Brunello: Well, I'm sure there have been. The problem is usually those are confined to the facts of that particular case. I can dig some out for you and pass them around if you want. The judge probably even touched a little bit on this in perhaps the 13C case in terms of fairness and equity, but I can pull those out for you.

Mr. Boyles: My sense of things is so much of what we will talk about and do not only as a committee but as a council will hinge on what kind of judicial precedent of what is fair and what is equitable, and I think that gets to the point about judgment; you know, have we been deliberate in our discussions about this and can it be found to be fair and equitable and can that hold up in court.

Ms. Smit-Brunello: I agree and part of National Standard 4 is to discuss a little bit of what is fair and equitable in the sense that you've got to look at certain factors and discuss them and take into account when you make these decisions. I will note that when I was reading the purposes of the Magnuson Act, again, Purpose Number 5 is to establish regional fishery management councils to exercise sound judgment in the stewardship of fishery resources. You all exercise

your sound judgment all the time when you make these kinds of actions and in the course of it you pull in fairness and equity. That's all part and parcel of the big picture. George.

Mr. Geiger: And I guess the question I have here, Monica, are these listed in any order of precedence? Does one trump another? Forgive me, but I'm going to use an example here that will probably be offensive to some, but I'm going to do it anyway. If you talk about fair and equitable to all fishermen and then reasonably calculated to promote conservation, if we take certain fisheries that may be predominated by commercial landings, and those fisheries now are in a situation where they're overfished, in some case overfishing also, and we've had to take significant reductions, and over 90 percent of the landings are contributed to one sector, if the case were made that sector contributed to the overfishing problem and you leave the large allocation that currently exists to that one sector, could I make an argument that is not reasonable calculated to promote conservation when it has been shown, based on past landings, that sector has caught over 90 percent of that fishery and it's currently being overfishing and undergoing overfishing? The argument could be made that it would be calculated to promote conservation if you reduced the allocation to that fishery that's already caught over 90 percent or has historically caught over 90 percent of those landings in an effort to promote conservation.

Ms. Smit-Brunello: I'll answer your first question first, which was are they ranked, if you will, in a certain priority factor. I'll tell that I don't think they are except when I read the rest of the guidance for National Standard 4 you'll see that they make statements inherent in an allocation is the advantaging of one group to the detriment of another. That's kind of what you were talking about with the second part of your question.

It depends on the record you build and your rationale for the decision you're making, and that's what is going to be looked at as judged against the national standards of the Magnuson Act. What does trump I think everything pretty much is National Standard 2, which I didn't put up here which I should have, which is conservation and management measures shall be based on the best scientific information available; and then National Standard 1, "Conservation management measures shall prevent overfishing while achieving on a continuing basis the optimum yield from each fishery."

So you kind of look at that together and then get into the other national standard. I'm not sure I answered your last question particular, but maybe when we get into some of this discussion that will be a little more clear. Again, it all depends on the record you can build and the reason as to why you were taking those types of actions.

Mr. Geiger: And you bring up an interesting point when you talk about managing to optimum yield; you know can you achieve optimum yield by having 90 percent of a fishery landed by one sector versus another? That's an interesting question that I think I'd like to hear some discussion on as well, because if you're looking at maximizing optimum yield it would seem that a more measured or even distribution of those fisheries across sectors would better provide that. I don't know; that's just a thought. I'd probably have to see some analysis that would prove that.

Mr. Waugh: George, one thing that's going to work against your premise, whether it's in a fishery that's predominately commercial or in a fishery that's predominately recreational, what

we're finding happening as we get more current stock assessments, our understanding of the productivity of that stock is changing dramatically, such that the prior assessments we got through our assessment process through the National Marine Fisheries Service, through our SSC, was giving us indications that those stocks were highly productive, and so we set catch regulations based on our understanding of the at that time.

To now come fast forward where currently our stock assessments are saying the analyses in stock assessment that were done previously, while they were the best at that time, severely overestimated the productivity of the stock, such that you now have a much smaller pie to allocate. So, to then go back and whether you're talking about making some adjustments to a commercial group that had a higher harvest or a recreational group that had a higher harvest, it's going to be hard to justify that when in essence the root cause of the problem was bad data and bad assessments.

Mr. Wallace: Gregg kind of hit on what I was going to say, but, also, it's still going to the part that we are managing to optimum yield, and it's not a matter of allocation. You know, just reallocating this portion of these stocks is not going to solve the problem if you don't decrease the ACLs. That's what the council or the Snapper Grouper Committee is subject to do is reducing the ACL to promote conservation; not reallocating it to other – just reallocating the same number is not going to do you any good.

Mr. Geiger: Thank you, John that helps. Back to Gregg's point where we've severely underestimated the productivity of stocks in the past which is –

Mr. Waugh: Overestimated.

Mr. Geiger: Well, what I wrote here, I can't read my own writing, I said – okay, you're correct, we've overestimated the productivity of stocks in the past, which is why my argument goes towards why we should be managing and looking to the future because of the overestimation of the productivity and we now have a better understanding that they are not as productive as they have been in the past, how are we going to manage stocks into the future to ensure that there is some sustainability there.

To John's point, the reason this committee exists, John, is to do that, is to help with the understanding that annual catch limits that are going to be set by the Snapper Grouper Committee are in the fact the tool that's going to prevent us or hopefully prevent us from getting into a situation of overfishing in the future.

To do that, we have to identify to the committee and to the rest of the council how allocations will play in that role towards managing our stocks to the future. So if you've got a stock that in the past has been overstated in terms of its productivity and is not as productive, how could we continue then to allow a specific type of fishing to continue for a stock that's not as productive as it has been estimated to be in the past?

Mr. Wallace: To that is we can do it because they are reducing the ACL, and this is a predominately commercial fishery that is 90 percent – historically has been 90 percent

commercial fishing; and it doesn't matter if it's 90 percent of a million pounds or 90 percent of one pound, if they set the allocation down to – I mean, if they set the ACL down to one pound, then nine-tenths of that pound has historically went to the commercial fisherman.

It doesn't matter if you reallocate it to 50/50; he is going to get a half a pound and the another one is to get half a pound. It's still they're charged to conserve the fishery through the ACL not through the allocation based on sectors.

Mr. Cheuvront: I think what we do need to do is let's – we're getting into some of this argument when we haven't gotten the full discussion yet from Monica. I think we're getting a little bit deep in the weeds, so let's finish with what Monica has and then come back to these discussions. Ms. Smit-Brunello: So then you start into the guidance and the guidelines. Allocation and fishing privileges, "A fishery management plan may contain management measures that allocate fishing privileges if such measures are necessary or helpful in furthering legitimate objectives or in achieving OY, optimum yield," and then you have to conform with the other guidance which is:

Number 1: "Definition; an allocation or assignment of fishing privileges is a direct and deliberate distribution of the opportunity to participate in a fishery among identifiable, discrete user groups or individual. Any management measure or lack of management has incidental allocative effects, but only those measures that result in direct distributions of fishing privileges will be judged against the allocation requirements of National Standard 4."

"Adoption of an FMP that merely perpetuates existing fishing practices may result in an allocation if those practices directly distribute the opportunity to participate in the fishery. Allocations of fishing privileges include, for example, per vessel catch limits, quotas by vessel class and gear type, different quotas or fishing seasons for recreational and commercial fishermen, assignment of ocean areas to different gear users and limitations of permits to a number of vessels or fishermen."

Analysis of allocation: "Each FMP should contain a description and analysis of the allocations existing in the fishery and of those made in the FMP. The effects of eliminating an existing allocation system should be examined. Allocations schemes considered but rejected by the council should be included in the discussion. The analysis should relate the recommended allocations to the FMPs objectives and OY specification and discuss the factors listed in the next paragraph."

Then we get into factors in making allocations: "An allocation of fishing privileges must be fair and equitable, must be reasonably calculated to promote conservation and must avoid excessive shares."

Fairness and equity: "An allocation of fishing privileges should be rationally connected to the achievement of OY or with the furtherance of a legitimate FMP objective. Inherent in an allocation is the advantaging of one group to the detriment of another. The motive for making a particular allocation should be justified in terms of the objectives of the FMP. Otherwise, the disadvantaged user groups or individuals would suffer without cause."

"For instance, an FMP objective to preserve the economic status quo cannot be achieved by excluding a group of long-time participants in the fishery. On the other hand, there is a rational connection between an objective of harvesting shrimp at their maximum size and closing a nursery area to trawling." That's just one example that they put in the guidelines.

Next, "An allocation of fishing privileges may impose a hardship on one group if it is outweighed by the total benefits received by another group or groups. An allocation need not preserve the status quo in the fishery to qualify as fair and equitable if a restructuring of fishing privileges would maximum overall benefits. The council should make an initial estimate of the relative benefits and hardships imposed by the allocation and compare its consequences with those of alternative allocation schemes including the status quo."

Then there is promotion of conservation; "Numerous methods of allocating fishing privileges are considered conservation and management measures under Section 303 of the Magnuson Act. An allocation scheme may promote conservation by encouraging a rational more easily managed use of the resource or it may promote conservation in the sense of wide use by optimizing the yield in terms of size, value, market mix, price or economic or social benefit of the product.

"To the extent that rebuilding plans or other conservation and management measures that reduce the overall harvest are necessary, any harvest restriction or recovery benefits must be allocated fairly and equitably among the commercial, recreational and charter fishing sectors of the fishery."

There is also a charge "to avoid excessive shares so that an allocation scheme must be designed to deter any person or other entity from acquiring an excessive share of fishing privileges." Then other factors to consider: "In designing the allocation scheme, a council should consider other factors relevant to the FMP objective. Examples are economic and social consequences of the scheme, food production, consumer interest, dependence on the fishery by present participants in coastal communities, efficiency of various types of gear used in the fishery, transferability of effort to and impact on other fisheries, opportunity for new participants to enter the fishery, and enhancement of opportunities for recreational fishing."

That's the guidance for National Standard 4, and during our discussions the next two days we can come back to that however you would like to. I would like to touch on a couple of other national standards, probably a little less completely than I did this one. The next one is National Standard 5, which is "conservation and management measures shall, where practicable, consider efficiency in the utilization of a fishery resource except that no such measure shall have economic allocation as its sole purpose.

"The term 'utilization' encompasses harvesting, processing, marketing and non-consumptive uses of the resource since management decisions affect all sectors of the fishery. In considering efficient utilization of fishery resources, this standard highlights one way that a fishery can contribute to the nation's benefit with the least cost to society. Given a set of objectives for the fishery, an FMP should contain management measures that result in as efficient a fishery as is practicable or desirable."

I'm still under National Standard 5: "Management measures may be proposed that allocated fish among different user groups of individuals or establish a system of property rights. Alternative measures examined in searching for an efficient outcome will result in different distributions of gains and burdens among identifiable user groups. An FMP should demonstrate that management measures aimed at efficiency do not simply redistribute gains and burdens without an increase in efficiency." Then that national standard also goes on to discuss limited access types of systems that you have already in the Snapper Grouper Fishery. Yes, Robert.

Mr. Boyles: A question for clarification; at the last meeting Roy made much of – you know, we were talking about ACLs, allowable catch limits, and I'm struck by the definition of the word "utilization" that does include specifically non-consumptive uses. I'm just wondering if we've got a syntax issue with ACL – what I'm hearing is we can, in fact, allocate conservation, in effect; is that correct?

Ms. Smit-Brunello: Much along the lines of what we discussed at the last committee meeting, I think that there are various ways for the council, if they so choose, to take into account the conservation — as you were saying, not taking every fish in the ocean, I guess. When the Magnuson Act discusses allocations they discuss sector groups, they define specifically three sector groups when they talk about fishery participants.

I think, though, I would not name a conservation sector group because that really doesn't comport with what the Magnuson Act says you ought to be doing. But what you could do, and I think what Dr. Crabtree suggested as well, is that you take that conservation amount, if you will, into where you're setting optimum yield for the fishery and take care of it that way.

Mr. Cheuvront: And I guess my understanding always has been is that these stock assessments and all the numbers that we're drilling down to, that tells you how many fish you can catch. It doesn't mean you have to catch all of them. As a council we have always been able to set – we can't go above that amount, but we can choose to go lower; and if there is a difference in between there, in my mind that's what I have always thought of as the conservation.

Now, the tact that we took previously was to give that amount a name and called it a conservation allocation. I mean, whatever we call it, nobody has taken that right away from us. We're just not going to call it a conservation allocation now, but we can still, in essence, achieve the same goal by not saying we're going to catch every last fish that stock assessment says that we can catch.

Ms. Smit-Brunello: Well, you know, really what you're talking about is taking a more precautionary approach to how you set optimum yield, and then very soon we'll have to deal with ACLs and all those sorts of things. So, when you decide to take into account more precautionary features, you discuss why you're doing that and we establish a record as to why.

Mr. Currin: Brian, thank you, and just for the record I'm not a regular member of your committee. As you know, Duane was unable to be here and Chairman Geiger asked me to attend as Duane's proxy. I don't know all the background and all of the discussions other than what

I've been able to gather from your minutes. But, to me every fish that's left in the water after any kind of allocation is made is a conservation allocation.

If you want to be more precautionary and not allocate all of OY or the estimate of OY, then more of those fish are put into the SSB as that's going to remain in the water as a conservation reserve, basically. I mean, I agree, I don't think we have to give it a name in order to accomplish the goal of conserving more fish for the future.

Mr. Geiger: And you're right, Mac, we don't have to give it a name. The problem is that if we go with a precautionary approach by council then we're going to be deliberating these things specifically in each of the committees, and you may get a precautionary approach or you may not.

However, if the committee recommends to the council that we have a specific set-aside, then that becomes de facto – you then have to determine your ACLs based on that set-aside being taken out of what you have to work with. It's almost like a guarantee. That's the only difference that I can see.

Ms. Smit-Brunello: Well, just recall, too, that you have a number of overfished species and overfishing. The more precautionary you are, if the fishery is overfished the sooner that fishery will rebuild as well.

Mr. Geiger: And again, Mac, just for your benefit because you weren't here, at the end of that last meeting I kind of went on and clarified, when we were talking about conservation, when I originally had thought about a conservation set-aside, it was not in terms of taking from the spawning stock biomass of fish and having a specific conservation category in terms of an allocation.

My argument was that to eliminate the fact that wind up with winners and losers – in economic terms, I'm sorry, winners and losers resulting from allocation shifts, that any allocation shifts that would be recommended and made by this council, those allocations would not go to another sector to make that sector a winner, per se. That allocation shift in terms of poundage would be put into a conservation set-aside to help recover the stock, so the winner does not get a perception that they're going to get an increased bag limit or they're going to get an increased trip limit.

Mr. Currin: To that point, George, I understand what you're saying, but we don't have that first estimate yet for many of these species. We don't have a baseline from which to judge who is a winner and who is a loser on any species except those for which we have already established allocations so far; albeit interim allocation. The first step then is let's get these interim allocations done, I think, and then we've got a baseline from which any changes based upon recommendations of the committee and the council could be made to consider the approach that you've suggested.

Mr. Geiger: Well, in terms of winners and losers, it was just in terms of percentage allocation shifts from one sector to another. You know if the recreational sector gains 10 percentage points,

they're perceived as winners and the commercial sector would be perceived as losers. I can tell you that within the community there are people who believe that if you get a 10 percent allocation shift one way or the other, that's going to affect their ability to prosecute their sector's share of the fish.

There is a perception that if you win 10 percent you should get some type of a 10 percent bump up in either trip limits or bag limits or whatever. My point was just to take that 10 percent and put it in a conservation set-aside so there are no winners or losers. The winners really are the fish

Mr. Currin: I understand.

Mr. Waugh: In terms of the ACL, annual catch limit, that's not landed catch or let me say that's a point that will be debated because certainly the proposed rule states that includes any discard mortality. So when you get the recommendations that will be coming from the SSC, we'll make sure that they are clear in whether their recommendation for the overfishing level includes discards or not.

As I read the Magnuson Act, when it says "annual catch limits", that's the total mortality. I think that was congress' intent to get a numeric estimate of the pounds or numbers of fish that could be killed; and if we stayed below that, then we would agree ahead of time we weren't overfishing, so we'll come back to that. But, in terms of the guidance you're going through, Monica, this is pre-reauthorized Magnuson Act, and we will get additional guidance on allocating, because, to me, before the council had an option to allocate.

You didn't have to allocate, but now with the annual catch limits and the need to limit each sector, you have to allocate. So, to me, all of this rationale is interesting but its all pre-reauthorized Act. We're operating under a new set of rules now that certainly we need to be cognizant of what Monica is going through, but a lot of the rationale and need for allocations has changed with the Reauthorized Act. Now, we'll be getting new guidance eventually.

Ms. Smit-Brunello: I'm not sure except for National Standard 1, and that's what you've seen, the ACLs and all that. That's the only new guidance I've seen. I'm sure the Fisheries Service in Silver Spring is developing other guidance. I'm not privy to that so I can't really give you any other information except that this is the guidance that we have before us now, and this is the guidance on which I'm going to advise you to follow. I understand what Gregg is saying.

Mr. Waugh: But, Monica, you would agree that – well, actually, would you agree that now, based on the Reauthorized Act, the council has to develop allocations; whereas, before it was optional?

Ms. Smit-Brunello: I agree before it was optional, and it appears to be a little more set in stone now. I'm almost done; I promise. The last section of the national standard guidance for five talks about economic allocation: "This standard prohibits only those measures that distribute fishery resources among fishermen on the basic of economic factors alone and that have economic allocation as their only purpose.

"Where conservation and management measures are recommended that would change the economic structure of the industry or the economic conditions under which the industry operates, the need for such measures must be justified in light of the biological, ecological and social objectives of the FMP as well as the economic objectives."

Then National Standard 8 states, "Conservation and management measures shall, consistent with the conservation requirements of the Magnuson-Stevens Act, including the prevention of overfishing and rebuilding of overfished stocks, take into account the importance of fishery resources to fishing communities in order to; one, provide for the sustained participation of such communities; and, two, to the extent practicable, minimize adverse economic impacts on such communities."

The analysis that's suggested for that guideline, I'll just touch on one part it: "FMPs must examine the social and economic importance of fisheries to communities potentially affected by management measures. For example, severe reductions of harvest for conservation purposes may decrease employment opportunities for fishermen and processing plant workers thereby adversely affecting their families and communities.

"Similarly, a management measure that results in the allocation of fishery resources among competing sectors of a fishery may benefit some communities at the expense of others." That's where I'll leave it for now. Of course, you're going to have abide by all the national standards, but those seem to be the three that are most relevant to allocations.

Mr. Cheuvront: We're going to give a minute here because he was actually, while all this discussion was going on, having a little sidebar discussion going about a potential way to look at this in a graphical, easy mathematical sense.

Ms. Smit-Brunello: While Robert is writing, I think I said I was going to go back to Section 303A14 of the Magnuson Act which states, "To the extent that rebuilding plans or other conservation and management measures which reduce the overall harvest in a fishery are necessary, allocate, taking into consideration the economic impact of the harvest restrictions or recovery benefits on the participants in each sector any harvest restrictions or recovery benefits fairly and equitable among the commercial, recreational and charter fishing sectors in the fishery." That's what we were discussion at the last committee meeting as well.

Mr. Cheuvront: I guess in hearing Monica read all this and some of the discussion, I haven't heard anything that will stop us from achieving our goal of wanting to use the council's best judgment in consideration of fairness and equity to achieve what we want the fishery to look like in the future. What I took away from some of the things that Monica had said is that we need to build a record of logic as to how we got to those decisions that we made. That makes sense to me because at some point we could be called upon to defend those decisions. That kind of leads into what Robert is putting up here now, and I'm going to let him explain it since this is his baby.

Ms. Smit-Brunello: While Robert is writing, too, I think that the Gulf Council now may have an Allocation Committee or at least they're I think looking at a comprehensive type of amendment to maybe develop along the lines of what George said and what some of the committee members

I think or council members thought you were doing before, which is having comprehensive approach to how you're going to allocate across fisheries.

I talked to Shepard Grimes in our office who advises that council, and he said they're struggling. It's very difficult and they're having a tough time, just as this committee is, coming up with an approach that will work across the board.

Mr. Cheuvront: Well, that's a good lead in for Robert because he has actually tried to come up with a way to display for us in a visual sense I think the issues that confront us, what perhaps maybe this committee should be considering, what the Snapper Grouper Committee should be considering and the relevant parts of it. So if that's an adequate lead in, take it away, Robert.

Mr. Boyles: Thanks, Brian. This is my very, very paltry effort to get my hands around what we may be asked to do, what maybe our task is an Allocation Committee versus what perhaps may be the purview of the Snapper Grouper Committee. This gets back to John's comments earlier. Just bear with me; these are all just my chicken scratch. The notation is mind and it's probably incorrect, but it's the best I can remember from linear algebra. If you take according to what I've done here, C is basically catch history, and it is represented by – Mac.

Mr. Currin: Excuse me for interrupting, and I appreciate your effort and I think it has a lot of value, but we're still not to the point where we have defined what a catch history is yet. We haven't defined a time series over which we're going to average catch history.

Mr. Boyles: Bear with me. The idea here is if you look at the notation here you've got three different sectors. "C" is the commercial sector; "H" is the for-hire sector; and "R" is the recreational sector. You sum those together and you have – the total of what has been caught in the past is represented by the sum of those three parts. In my notation "F" I call future for lack of a better phrase, so just bear with me.

But the idea here is that you give – you look at the history of the catch in each particular sector. And let's look at the first equation; the "A" is allocation. "A" through "C" in the first line is we basically look at – the allocation would be some function of looking at – half of it looking backwards with catch history and half of it looking forward with whatever vision for the future of the fishery we have.

Mac, once we do define what catch history is – now whether that's how long a time series, that's perhaps something that this committee would look at. The idea of this representation is that we can discuss perhaps whether giving equal weight to the past and the future as represented by the 0.5 is appropriate or not and perhaps the discussion of this committee is also what is catch history? Do we look at the last ten years; do we look at the last fifty years; just what constitutes that data set.

So, perhaps I suggest that maybe the role for this committee is to discuss do we want to give equal weight to the past and to the future? That's the first question. The second question is what constitutes catch history; how do we define catch history; and that be the purview of this

committee. What becomes the purview in this case of the Snapper Grouper Committee is defining little "f"; what is the vision of the future, how do we allocate it?

So what follows there is allocation for – "H" is again half of the catch history that could be attributed to the for-hire sector plus some allocation based on a desired future condition. The idea here is to simply get us all on the same page with what this committee may decide to do in terms of making recommendations for allocation versus what the Snapper Grouper Committee might do.

I would submit that if we don't argue over – for the purposes of discussion that we give equal weight to the past and to the future and we come up with some definitions of how we define catch history. Then the real discussion and where the real, real hard part comes is defining in that equation what "F" of "C", "F" of "F", "H" and "F" are – just for purposes of discussion.

Ms. Quigley: For those of you that aren't mathematical or don't like to look at equations, Robert, you can correct me if I'm wrong, but this is kind of one way to discuss what are the goals and objectives of going about this exercise of allocating, what are the goals? So what this equation says to me is catch history is somewhere in the goals; looking at some future vision is somewhere in the goals; and assigning 0.5 and 0.5 says they're valuable.

Of course, that can change; you can go ahead and do different numbers. This is one way of listing out what are the goals and objectives of allocating and what weight should they be given. Then here is a list of definitions; this is what we mean by catch history, this is what we mean for a vision of the future. So for those people who aren't good with equations, I think this is what it's saying; what Robert is trying to say.

Mr. Boyles: You said it much better than I could, Kate.

Mr. Wallace: Can you put some example numbers in this? Let's go ahead and let's run the scenario with a sample number. Let's go with red snapper that we've got in here and put a – well, we've got to do it and let's see what it looks like.

Mr. Boyles: John, Kate said it right, we can discuss whether equal weight, looking to the past and looking to the future, is appropriate or not. I'm imagining we do have – you know, just get to Mac's point and we can look at X catch history; and we can ask ourselves is this something that the Allocation Committee will decide or this something that the catch history will be determined by the Snapper Grouper Committee.

The point here is to get us all on the same page and go forth to get us down the road. I claim no pride of ownership here. There are a thousand different iterations, a million different iterations here, and I picked half and half just for the points of discussion. Let's say you populate that – I suspect you could populate that model, if you will, that algorithm with everything but what constitutes little "f".

I suspect we do have catch data from the commercial and the recreational and the for-hire sector. I think the real difficult part, quite frankly, for the Snapper Grouper Committee is going to be

how do you relate Fs of C, Fs of H and Fs or R with the requirements in setting ACLs? I mean, I think that's going to be the real difficult part.

Mr. Wallace: I'm trying to put the sequence in place. Now, the ACL is going to be set by the Council and not by the Allocation Committee. Without knowing the ACL, how are these formulas going to work? I mean, unless we put an assumption in there of ACL is going to be this, then what I'm afraid of happening is the council will come in and put a very conservative ACL in place that is going to skew all of these points.

Then are we being overly redundant with these conservation measures based on what the council comes up with; so without us putting in place the ACL to go along with the mathematical part of it, then, you know, how precautionary are we becoming? We may look at it and say, okay, this is very precautionary, this is very conservative, and the Snapper Grouper Committee and the Council comes in says, well, let's throw in another – let's take away another hundred thousand pounds, and it just skews the whole thing.

Mr. Waugh: For numbers to work with, we have the overfishing level recommendations from the SSC, and that gives the council a ceiling. The council then has to set the ACL at or below that level and then has to set the annual catch target at or below the ACL level, and it's that annual catch target that would be the allocation formula would apply to. I mean, to work up some examples, we could start with those overfishing level recommendations from the SSC and just use those.

I would suggest not using red snapper because I think their recommendation was 24,000 pounds or 40-something. I mean, by the time you get to an ACT that takes care of discard mortality, there is going to be no directed harvest. I would pick something else, but that would give you a number to work through.

Mr. Wallace: So, basically, what I'm understanding is in this formula "F" will be equal to the ACT?

Mr. Cheuvront: I think what Gregg has suggested is that we go ahead and use the ACL, knowing that ACT can be no higher than ACL. It could be lower, but that is the council's prerogative to decide what to set ACT at. So, without any other logical reason for not choosing ACL – I mean, for setting an ACT lower than ACL, I think in some cases we're going to find ACT is going to be equal to ACL.

Mr. Wallace: And, again, I'm not sure; have we set ACL? I know the science has set the allowable biological catch, the ABC, but I thought the council was supposed to set the ACL or the committee was supposed to set the ACL. Has that been set yet? Okay, I haven't seen that number, so we could start with the ABC, which is the number that science has given us, and maybe determine through this formula the ACL.

Mr. Cheuvront: That's a potential way to get there, sure; and if the council decides to have an ACL/ACT lower than what has been recommended by the SSC, in essence we're doing it to put those extra fish into conservation. George.

Mr. Geiger: Robert, I have a question. This is a cool idea, but – and correct me I'm wrong here – what I see this doing basically is using catch history to de facto set the percentage of allocations in sectors, but we wind up with a vision for the future and a set-aside in terms of conservation. So it really doesn't do anything in actuality to determine what the percentages are between sectors. What it does is it creates a vision for the future and a set-aside.

Mr. Cheuvront: I had thought about, too, George, and it's set up right now is we show that in the commercial; for example, the AsubC, we have everything set at 50 percent, and we have those percentages set the same all the way across for each of the different sectors, but it doesn't necessarily have to be the same, and it doesn't have to be 50/50. It could be different by sector.

Mr. Geiger: And I understand that but the question then comes the 0.5 CC is a combination of CsubC, CsubH, CsubR, but what are those values?

Mr. Boyles: George, I think the idea here is – and I probably didn't express it the right way – the idea here is A – the end of the formula is an allocation rate, the percentage. You can do it in pounds. The idea here is – and I apologize, it's a bunch of stuff to process – the idea here is you give equal weight to catch history as you – the take-home message from this, the way I read it, you give equal weight to catch history and to some vision for the future as determined by the Snapper Grouper Committee.

You know, if you look at the formula, 1minusCsubC minus Cs of R that tells you that everything adds up to one. If you add CsubC, CsubH and CsubH, that a hundred percent. I mean, that's all of the catch. The idea here is to come up with an allocation ratio for each of those three sectors that obviously can't sum the greater than one. You can't away more of the pie than there is available.

Kate and I were having a sidebar. You could probably do this in terms of actual pounds rather than in ratios. I mean, it really kind of depends on how we want to proceed. The idea here is – and, again, there is no pride of authorship here – the idea here is simply do we wish to give equal weight to the past as well as some vision of the future. I really think that's kind of a take-home message here, and we want to give that 40 percent or 60 percent in terms of –

Mr. Geiger: So, then, in fact, when you work down here towards the bottom when it says – it the bottom you give the examples so we are in fact coming up with a de facto – potentially a change in percentage?

Mr. Boyles: If you look at the bottom what I did was if the commercial sector took 80 percent of the catch, if you look at the bottom, the for-hire sector took 15 percent of catch and the recreational sector took the remained, if you populate that, then you have a future allocation – you give the commercial sector 40 percent of the catch on based on catch history plus some portion of the catch as determined by some desired future condition; the same thing for the for-hire; the same thing for the recreational side.

So, in essence, according to this algorithm, this model, you give each sector half of their allocations based on catch history and then the real discussion becomes what becomes those

question marks, what is the vision of the future? And this gets to John's point, I don't know you crosswalk that ACLs and everything else. It was all I could do to get us to this point.

Mr. Cheuvront: I think that was a good example of a way of showing that we're not going to ignore catch history. It's going to be part of the equation of what the allocation is going to be, but it's only part of the equation. Like we said, we can change those weights as long as within each of those groupings it still adds up to one.

Just to change the subject for a second, Bob gave me the meeting minutes from full council for the allocation committee, and that's what you see. I believe everybody's copy is highlighted on the first page, Page 58, and that's where our committee started. This shows the motions and things and how it occurred at full council, and I wanted to make sure was aware of that's what this document is. Okay, John, you wanted to say something.

Mr. Wallace: Yes, just something that Mac and was talking and I'm trying to wrap – I'm a high school graduate and the algebra I took was a little – this is a little bit above it. The combination of A/C and A/R will be equal to the ABC, basically? Okay, and the F will be difference between the ABC either the ACL or the ACT, because that is your vision of – Mac is saying he don't think so, but, you know, that is what it's going to define – the vision of the future is the conservation between ABC and ACL or ACT, whichever one you want to go to.

I mean, that is your difference; that is your vision. I mean, and whether we determine – you know, we can put this in as a recommendation of the – you know, this is our vision of the future and we think it should fit this pattern, but that would be definition that the Snapper Grouper Committee should go by in order to create ACT. Let's say, okay, just round off numbers, let's say just on that you would have the hundred thousand pound ABC.

If we want to go on a 50/50 ratio, let's just go with that one formula, you would have 50,000 pounds that would go to the commercial and 50,000 pounds that would go to the F factor, the conservation. Well, that's going to put your ACT at 50,000 pounds and your conservation measure is the other 50,000 pounds based on this formula, which is – which should in effect be your ACT. The F should equal ACT. Do you all under where I'm going?

Mr. Boyles: John, bear with me. I've kind of moved away from the discussion about conservation as a separate specific allocation.

Ms. Quigley: Okay, one thing to remember – I don't know, Robert, if you agree with me or not, what he has brought is a theoretical model so a new way of perhaps thinking about things, and it could be used as an applied model possibly. If you plug numbers in there for catch history and for – you know, if you had an exact number that you wanted to be caught in the future, but there is also a theoretical component, so I would say don't read too much into it what Robert has put up right now on the board.

What he is suggesting is you don't have to have just catch history to determine allocation and you don't have to have just a future vision or how about combining these two things and providing some sort of weight to those things? What he has proposed implicitly by putting up

the 0.5 is how about half and half, so that's what he is proposing. Beyond that you'd really have to sit down and think with a group of people about how to actually apply this in equation form and plug numbers in, but I think that's what he is proposing is this is a way we can talk about is combining these two goals.

Mr. Cheuvront: Kate, thank you. Again, you're helping to clarify what it is that we're trying to show between the numbers-oriented people and the more conceptual, but I think it really does serve a good model for us in helping us to try to figure out, okay, what are the concepts that we need to consider in trying to figure out how to make an allocation and understanding that theoretically these numbers are pretty fluid.

For example, on catch history, well, somebody has got to decide which part of the catch history are we going to look at and what are the factors that affect catch history. Regulatory actions in the past, that affects catch history and it doesn't matter whether it's commercial or recreational, but if we put some kind of a limitation on the commercial side but not on the recreational side, that's going to give a false impression of what could have been caught. We have to consider those sorts of things in catch history.

When we get to the future, we have decided, well, we can go species by species or whatever it is, but determine what that is going to be. And dividing it up 50/50 or some other percentage that just tells us how much weight do we want to give to catch history versus how we want to see the future, and that's also a sliding factor. It doesn't necessarily have to remain the same for every species that we're considering.

But I think as Robert has really well pointed out is we have three things to considering, and somehow we can use – if we decide by species each of these three components, we can use a potential algorithm like this to help us understand or come up with those figures that we think are going to give us the number for those allocations. Monica.

Ms. Smit-Brunello: Just a question; we can our minds around landings data – or catch history, I guess, once you decide what years to use and all that. I mean, that's quantifiable for the most part, and you can look at it. In terms of future vision, because for our purposes you're saying let's put equal weight, do you have – just for me to start thinking about, do you have an idea of what you're going to use for future vision; or, maybe we don't want to go down that road right now.

Mr. Boyles: I didn't specifically, Monica, because what I did hear I think in earlier discussion and what the council said is that really – and this is keying on something John brought up the last time was that really is the Snapper Grouper Committee's discussion. This is not – and Kate says it so much better than I do, all this does is say we give equal weight to the past as to the future.

I don't want to lead us down the primrose path again, or try to, but I think what this does is if we were to adopt this and if the council were to adopt this; the message coming out of this is we give equal weight to catch history as we give to some desired future condition. What that does, I believe, is that I would submit – I'm not an attorney, but I would submit that we could go, if it were challenged, when it's challenged, we could say, yes, we've talked about history, we've

talked about catch history, we've talked about what has gone on in the fishery, we've accounted for that, but we're also looking down the road, we've looked over the weather rail and we're looking down the road as well.

That's all this does. It's nothing more than that. I think it becomes the prerogative of the Snapper Grouper Committee – and, Mac, I don't mean to punt to you guys, but I think it becomes the Snapper Grouper Committee's purview is that how do we want the future of the future to look.

Mr. Cheuvront: Just to throw in a couple of cents worth here, the beauty of this model is that it could applied to any or all of our fisheries. This could be a comprehensive way to consider allocations.

Mr. Currin: Robert, you clarified one of the questions I had right off the bat, and that was that your expectation would be that the Snapper Grouper Committee would determine values of this Fsub whatever, Fs of X for each of those three fisheries. Given the time constraints the Snapper Grouper Committee is under, I would predict and my advice to the committee would be to, at this point, use nothing but landings and consider it as an interim allocation, and we're going to move forward with that because that's all we have time to do.

I think it's a good model. I'm not quite sure how we'd wrap our hands around estimates of FsubX or Fs of C, H and R. In response to Monica's question, I would have one suggestion to consider as an approach to that. I'm not going to take it and have the Snapper Grouper Committee argue it at this point, but it would perhaps be looking at the most recent three to five years in the fishery as an indicator of a trend in that fishery.

That would be one suggestion that might be looked at or at least one part of what Fs or C, H, and R might contain. That could be modified by vision of the council or any sort of economic data, if those ever become available, which is one of stumbling blocks I think for this committee and the council now. But, the bottom line is my advice to the Snapper Grouper Committee is, if this is going to be this committee's recommendation to the Snapper Grouper Committee, is to look at a range of alternatives based on some period of years of landings history because that's all we have time to do and meet our deadline for 17, I believe.

Mr. Boyles: And, Mac, to that point - and I'm being a little fictitious about punting here - I think one alternative that we might consider is that we give equal weight to catch history over the last twenty years. Let's call that the first part of the equation. The second part of the equation, kind of the future condition, is the committee could say let's look at the last three years and that being some of indication of the way things are normalizing or some specific allocation that seems to be working now.

You know, that formula may go maybe the allocation in the previous twenty years with 80/15/5 and maybe the last three years has been closer to 60/30/10 or 60/20/20, something like that, and then all it is a matter of simply plug it in and saying this is how we're allocating. So, again, I'm sensitive – you are right the time is of the essence and I don't mean to do this – I don't mean to suggest this as a way of punting, but what I think this does is this potentially allows us as a

council to say we're looking at the past, we're thinking about the future, and the various alternatives then become choosing your time series for catch histories and maybe a shorter time series to represent the latest condition of the fishery for the FsubC or Fs of X. Do you follow what I saying?

Mr. Geiger: Thank you, Mr. Chairman, and I agree entirely with Mac; and recall back when we formed the committee that this is a marathon. This is not sprint to accomplish anything in terms of Amendment16, 17 or 18. This is the long-term vision as to how this council will establish allocations in the future; and we said that all allocations, as we move forward, will be interim allocations.

I believe Mac is entirely right that we need to move forward with interim allocations utilizing catch history, do our business and stay on track with the amendment process. I don't mean to rain on this parade, but we need to discuss this in more detail because, Kate, if you would go back to that original one I asked you not to lose, please. In looking over the weather rail, as Robert referred to it, there is a lot of distance between wind and water in terms of catch history and FV.

And all the detail that Monica went through, the excruciating detail in regard to the national standards what we need to consider in establishing allocation, I think at some point you can use this or expand this formula, but the hard work is going to be using the national standards to determine what the individual allocations by sector are and then being able to plug them into this formula to come out with some concept using conservation or whatever the future value is going to be determined.

But I still believe the hard work is going to be apply all the detail from the national standards in determining what the actual allocations are going to be for each of our fisheries. Because, all this formula does – and correct me if I'm wrong again – it takes existing percentage of allocation and utilizing catch history and some vision of the future and comes out with what that number is going to be, but it in no way changes a percentage allocation among sectors.

Mr. Cheuvront: It can change the allocation among sectors. It certainly would do that based on the factor that you have for the future, whatever you use to calculate F, and the percentage weight that you put between catch history and how much weight you want to put on the future.

Mr. Geiger: But all that does is reduce each sector's allocation. It doesn't reallocate.

Mr. Cheuvront: Well, it can reallocate. It can still reallocate. Mathematically it can still work out to do a reallocation; and, particularly by the more weight that you give to the future, that will do more reallocation. That's the part that would give more reallocation.

Mr. Geiger: But if it's applied equally to both sectors, wouldn't it just change each sector accordingly? So you came up with a total –

Mr. Cheuvront: Not necessarily because the example that Robert gave was, for example, if we used a 20-year time series for a catch history and let's say that the allocation breakdown – and

then this by naturally occurring because there was no formal allocation done – say, 80 percent commercial, 5 percent headboat and 15 percent recreational, but we went with the past three years and we saw a change in that trend; for example, it's now only 60 percent commercial and it's 10 percent headboat and 30 percent recreational, what that would do is it would allow half of what determines how many fish the different groups get is going to be determined by that change that has occurred over time.

Mr. Geiger: But that's still just using catch history to make that determination or changes –

Mr. Cheuvront: But it is; it's using catch history, but it's using two separate time series. It's using the current trend as opposed to a long-term trend, so what happened a long, long time ago, we acknowledge that occurred because that's what we've always been doing in the past is just determining what that long-term time series is and allocate that's what it's going to be. That ignores the future, but the future can be based on what we see happening recently, but we can even still tweak that even more.

We could determine that, you know, this is a trend. If you look over the last couple of years, we see that, well, it may be 60 percent commercial now or 50 commercial or whatever, so it went from 60 percent – excuse me, 80 percent, 70 percent, 60 percent commercial, well, we see this trend that's going on. Let's start that commercial level at 50 percent and put more into the future allocation for recreational, headboat, whatever, or vice versa, however you want to work it out.

So what that does is that gives some additional fish to what we predict the future is going to be, but not everything into the future because nobody can predict the future. So we've got a foot in each camp. We're relying on what we saw happened in the past and what we think might happen in the future, and this is a hybrid way of pulling those two things together to help us come up with what a potential allocation could be.

I mean, Monica, can correct me, but I think that would be a defensible way for the council to take into account what MSA tells us we have to do, plus using our best sound judgment, and we can use even landings history if that's the way we went. We can use anything else we wanted to for the future, but we could have a way of defending that and show that we used some kind of a logical sense to help us decide what those future allocations should be. I think it's doing both things. That, to me, is the beauty of that.

Ms. Smit-Brunello: I had the same question George did, but I think I understand it much better now from your discussion. So, this could change percentages of allocations among various sectors based on two things; one, which catch history series you use, which years; and then, two, and maybe even more so potentially is what you're going to use for the future for that sector of the fishery, and that could shuffle out the numbers differently.

Mr. Boyles: Not to beat a dead horse, but let's say the commercial catch history shows in a species that the commercial fishery is taking 60 percent of the fishery; and the Snapper Grouper Committee, through their discussions and deliberations, said, you know, in the future – the last five years; let's use the time series example, that number has been reduced to 30 percent.

According to this, again, imperfect formula, you get equal weight to what a catch history demonstrates that 60 percent historical average plus maybe the last three years that has been 30 percent and that may be a proxy for some desired future conditions. Let's say you do that, okay. 0.5 times 60 percent is 0.3 and 0.5 times – if the last three years has been 30 percent; 0.5 times 15 percent –

Mr. Cheuvront: It comes out to 15 percent.

Mr. Boyles: It comes out to 15 percent, so you get 30 percent plus 15 percent; that's 45 percent. That becomes your new allocation rather than the historical long-term time series of being 60 percent. That is a reallocation.

Mr. Cheuvront: You mean you now have another 15 percent that goes to the other sectors, and what this is, is it's fluid across all the sectors. If you've got a growing commercial fishery, then in the future you see it's growing and that actually could increase its percentage of the allocation over what happened in the history. So, we're juggling things around based on the past and we can see as the current trend that we would probably get.

I think in this case the Snapper Grouper Committee would have to decide do they think that this trend is going to continue into the future, because this is where you have to apply your knowledge and judgment as council members to make that decision as to whether you think it's going to continue into the future and that helps to determine what the allocations are.

Mr. Currin: Not only that, if you want that trend to continue into the future, then that de facto becomes the council's vision for the future. That may or may not be the case. There may be trends that are occurring now in the fishery partially due to regulatory changes in the past that has forced some of those changes or a growing recreational sector.

Now, that's certainly a trend or an indicator of the future and it shouldn't be ignored. I think we have to be careful. If you use that as your trend setter, then the assumption is that the council agrees that is the way it should go, and that may or may not be the case that's our vision for the future.

Mr. Boyles: And, Mac, in these examples we've talked about using a later or a shorter or more recent time series as being a proxy for that. Monica, I can't get around the fact that anything other than catch history is going to be viewed by some as arbitrary and capricious. Now, I may be completely off my rocker, but, Mac, maybe the Snapper Grouper Committee says — maybe the alternatives' analysis becomes — well, let's look at several different allocation ratios, but let's apply it to this formula or let's populate this model with it, and that becomes your alternatives' analysis.

Monica, I don't know if that would meet the litmus test or not, but let's don't lose sight of the that – and this gets back to George's point – the discussions that we've been talking about are driven by catch history, and I don't know any other way around it that doesn't land us in court trying to defend "arbitrary and capricious".

Ms. Smit-Brunello: Well, I think Robert is right to keep that in mind, and it may land us in court, anyway. I am sure there will be some unhappy people regardless of how you've done it, splitting the baby, I guess. My question is a little bit aside from this. I wasn't at the April meeting and I understand you had a presentation maybe from Jim Waters on a net benefits' analysis, is that correct, that they used I think in the red grouper fishery or they're trying to use it in the Gulf. That would be one way, apart from catch histories, I guess to approach it. Is using a net benefit's analysis just not developed enough so that you wouldn't be able to get the information in time to use that?

Mr. Cheuvront: That's actually Agenda Number 7, to get to what we would need to do to be able to use economic analysis to help us understand this, and basically what we have come up with is a laundry list of data needs that are necessary. When you look at that laundry list, you can see we don't have what we need.

Mr. Geiger: Thank you, Robert, and your long explanation was perfect. Its helps me understand and that was very, very good. I find if you don't speak long, if you let a number of people speak ahead of you, usually your questions are answered. I had a question very similar to Monica's in regard to the economic analysis.

At some point it would seem to me that you could also possibly plug the economic analysis information into this formula, which would be our long-term vision as to how we're going to establish when it becomes available, you modify it, you add it into the formula. The question was, Gregg, is it possible to use a standardized time series or would it be feasible to use a standardized time series across all of our fisheries to plug in for the catch history function of this formula?

Mr. Waugh: I would think you would want to look at it on species-by-species basis to see if there have been dramatic shifts similar to what we've seen in snowy grouper. To me, I think you could make an argument for using a standard set of years, but to me you'd have to analyze what impacts those sets of years have on each species. In other words, was there a dramatic change in proportions of catch within that time series in one species and not in others.

Mr. Cheuvront: Yes, I think that's where the species committee has to come in and use their knowledge to help make those decisions. That was your point?

Mr. Geiger: That was my point.

Ms. Merritt: Well, I just wanted to say that I think that the idea that Robert has come up with makes me more comfortable because I've always found that when you have a decision to make that appears to be subjective – and I think that's the perception we always get on allocation – is that being able to tie it to some analytical form with an algorithm or a mathematical formula is only going to work for us in the long run and help us.

I do want to reiterate – and I think Mac and everybody has brought this up – is to make sure that somewhere in there that we're recognizing that we do have other things that impact all of these, such as looking towards the future that we still have to look at some of the past in order to do

that, things that are impacted by social and economic changes as well as regulations and some of our data problems. I think this gives us a great substantial basis to work from that also doesn't leave out all of those things that we have to consider. I really like this path that we're going on here.

Mr. Cheuvront: And, actually, what Kate has done is she took an example of showing how reallocation could occur using as a rough example for snowy grouper this kind of an algorithm. Kate, could you walk us through that, please.

Ms. Quigley: I used the data that you have in your briefing book. The data that we have is from 1991 to 2008, although I noticed it's really 1991 to 2007. For the snowy grouper commercial fishery, I went ahead and took 50 percent of the average of the last 17 years, so that's 1991 to 2007, plus 50 percent of the average of the last three years. What we have for the average of the last 17 years is 87 percent and for the average over the last three years it works out to 77 percent of the snowy grouper total catch.

What we get is 82 percent, so this is just plugging data into Robert's model. So the average over the last 17 years represents what we're calling catch history, just as an example. The average over the last three years represents, as an example, which is what Robert had suggested we might do is using the last three years of data.

Mr. Wallace: Is this based on the cumulative catch chart that you –

Ms. Quigley: Yes, it is.

Mr. Wallace: Okay, because I'm looking at the one that's on the disk.

Ms. Quigley: This is based on percentage of cumulative catch in commercial fisheries, so the name of the – I'll show you exactly where to find it. If we go here to Attachment 3A, ALS data, if you double click on that, you get a number of different folders, and allocationby fisheries.zip is one of those folders. If you double clock on that, you come to allocation by fishery – that's the one that I chose so let me go back.

If you double click on this, allocation by fishery, double click on that, and you go to "snowy allocation", double click on that, and you come to a series of tables; and if you scroll down, first you get the actual pounds cumulative – so here is the raw data for each year, but here you get cumulative commercial catch; then you get cumulative headboat catch; cumulative MRFSS catch; and then you start getting percentages.

This is the fifth table down, percentage of cumulative catch in the commercial fishery, so we're looking at Line 1115 – this is the table that you – and I can help you find it. These are percentages. Now, what I did is I took out the decimal places just so we could look at the percentages more clearly, so I believe the first cell right here says 99.7 or something like that, and I just rounded it up just so it's easier to take a look at. So what I did is I took a look at the diagonals.

These diagonals here, in 1991 the commercial fishery caught close to 100 percent of total snowy landings as registered in ALS data. In 1992 they caught 100 percent; in 1993 they caught 84 percent. So you want to look at this diagonal; this number along the diagonal tells what they caught each year, 97 percent, et cetera; down to 2002 you've got 82 percent; for 2008 it's also 82 percent because the data is not yet complete for 2008.

Mr. Wallace: To that, at the top of that chart you've got the input data.

Ms. Quigley: Yes.

Mr. Wallace: And you're showing 1991 with zero pounds for commercial, 991 pounds in headboat and 284 pounds in – why is there zero in commercial, which when you're saying in '91 on your percentage charts you've got a hundred percent commercial?

Ms. Quigley: It says logbook. The column there is logbook, where it says zero percent; is that what you're looking at, what I have up on the screen? Okay, 1991, commercial catch, 499,793. Right, under logbook, this is ALS data, and I'll find out why it says zero there.

Mr. Wallace: My chart is saying commercial.

Mr. Cheuvront: Commercial is the comp column.

Mr. Currin: You've got into allocation; you're in the logbook file, I think.

Mr. Wallace: I mean mine is in the cumulative catch analysis for snowy, which is what you've got there. I mean, the numbers are exactly the same, but my question is you're saying zero, but then in your other charts you're saying a hundred percent is commercial, but the hundred percent is zero.

Ms. Quigley: Okay, so this is logbook data you're looking in?

Mr. Currin: Yes.

Ms. Quigley: So we're trying to look in the ALS data, so it's just the wrong folder. I'm looking at a different folder than you; that's all. Right, but what is explanation you're asking for, even in the logbook, why is the commercial zero?

Mr. Wallace: Yet you're saying a hundred percent is caught by the commercial.

Ms. Quigley: Right, so I'm going to talk to the person that went ahead and generated the data. –

Mr. Cheuvront: Okay, we're back from break now. During the break, Kate told me she could explain it all, so jump in there, Kate, please.

Ms. Quigley: Okay, prior to the break, John had brought up a question about something that he saw in the data, and what he had seen is that for 1991 logbook data registered that there were

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zero landings of snowy grouper. I now know the reason for this, and that was there was no logbook program in 1991. The logbook program began in 1992, so that is the reason for the zero registered under the heading "logbook" there.

So, this is okay for the analysis that I just did for snowy grouper because I used ALS data and not logbook data. That column in there that says "logbook" basically is just a leftover from a previous analysis so we can at least, if we're looking at the ALS data, we can ignore that column. If we were to go ahead and do this analysis based on logbook data, you're going to get a different answer; but if we're basing it just on ALS data we get the 82 percent for snowy grouper.

So what I'm going to do right now, while we continue our discussion, is I'm going to make those calculations for the headboat sector and for the recreational sector just to see what we get and to have full example of how an allocation like this would work through the different sub-sectors.

Mr. Wallace: Just to ask, Gregg, in the headboat – I mean, you explained the MRFSS data as being just random basically. I mean, you may hit a fisherman who has it and that could be why we have zeroes, but on the headboat, how accurate is the headboat data throughout these years? Is that estimates, also, or was there a definite logbook, per se?

Mr. Cheuvront: I think what you can do is can go start looking at those CVs that we were talking about earlier. That can give you an estimate of the reliability because that tells you how much variability you have around that guess point that you have. Unless you have a census of all the fish caught, like theoretically you do with some trip ticket programs, you're also going to have an estimate, so the bigger that CV number is in relation to the actual value the less reliable that number is.

So, the smaller that CV is the much more weight you can put on to that number that you've got there that it is reliable. But, again, going back to the 13C lawsuit and all that as best available data, I'm not sure how we could look at that, but we can get some measure of reliability.

Mr. Waugh: And the headboat is a logbook program.

Mr. Currin: There is?

Mr. Waugh: Yes.

Mr. Currin: How long has that been in place?

Mr. Waugh: Long term; it is a census and it is supposed to be a census and in some years there is a methodology where they fill in for trips that they don't have data on. We can pull up that methodology. Let me ask a question about the data. We've got data from '91 on. Andi is pursuing getting data from '86 through '90, and that will be the time series. We can't go beyond that back in time. That's the year they start breaking out groupers by species and some of the snappers by species, so we'll have that.

Plus, you all want to look at allocating commercial, private recreational and for-hire, and the for-hire would be charterboats and headboats. So what we'll do is split the data so that we can show a spreadsheet of commercial catches, headboat catches, charterboat catches, and then if you add those two together you get the for-hire catches; private recreational; then total recreational; then total recreational and commercial. Do you also want to see the CVs associated with all of those data?

Mr. Cheuvront: I think that would be helpful because when it comes time, for example, the Snapper Grouper Committee trying to make decisions about if they want to use a mathematical like this, that can tell them how much reliability they put in those numbers, and they can use their judgment to decide how much weight they would want to put on past catch history or on future trends or if they want to somehow modify 50/50 percent that we're just showing right now. Having CVs available definitely – whether we use everytime or not, having them available would be definitely helpful.

Mr. Wallace: To what Gregg was saying, then these numbers here are strictly headboat and any charterboat is going into the MRFSS data?

Mr. Waugh: That's exactly correct, and we are pursuing the appropriate software so that we can split those data out, and we will be able to split them out. But you're absolutely right, headboat is just the headboat, the charterboat is now included in MRFSS.

Mr. Geiger: Gregg, in keeping with that theme, when we talk about this for-hire sector allocation breakout, the discussion comes to mind as to where that allocation is going to come from, where the pounds that's going to be contributed to that particular sector are going to come from. Are you going to take poundage from the recreational sector to create the for-hire sector or are we going to take the poundage of the fish that are sold by the for-hire sector from the commercial sector, and then the remaining amount from the recreational sector to comprise this catch history or this – yes, catch history for the for-hire sector?

Mr. Waugh: What you all have asked us to do thus far is to take the MRFSS data base and split it into charterboat and private recreational, and then the for-hire would be the headboat plus the charterboat. That's what we've been instructed to do.

Mr. Geiger: Now, in the snapper grouper fishery, however, we do have data that was just analyzed in 15B concerning bag limit sales of fish, so we know how much theoretically, with that data, how many of those fish were sold within that sector; correct?

Mr. Waugh: Yes, we have estimates of what has been sold in both the private recreational sector and the charterboat sector.

Mr. Geiger: Now, Mac says at least in Florida. Is it just for Florida or do we have other -I thought we had North Carolina data, too.

Mr. Waugh: We have estimates for each of the states, yes.

Mr. Wallace: Just to wrap my brain around what George is asking here, will we be subtracting that sales of the headboats and charters from what is now the commercial catch? Is that what you're asking, George?

Mr. Geiger: Yes.

Mr. Cheuvront: Okay, I've wondered about this as well, and I remember very distinctly at one of the meetings, I believe it was Roy read the definition of commercial versus recreational; and if there is a transaction that occurs where money changes hands, it doesn't matter whether you call yourself a recreational or commercial fisherman, that is a commercial transaction and it goes to the commercial quota.

My concern is that really not so much who does it count towards is what about the double counting because there are conceivably some recreational trips where they sold the fish that got counted by MRFSS and by commercial, so we've got the fish in both places. I don't think we have a very good handle on the extent of that problem.

Mr. Currin: I agree we don't have a handle on it, Brian, but if I had to guess I would say the instance of that double counting is small. The MRFSS surveyors ask and certainly the fish could be entered into the MRFSS data base as the guys got off the charterboat and then they could give those fish back to the captain and crew and they could be sold, so there's probably some of that that does occur.

I'm having a real hard time wrapping my hands around separating the for-hire sector out based upon your recommendation, and we didn't have much discussion of that at the last council meeting. But something that Monica said this morning from Magnuson, in order to make these allocations they must be identifiable and discrete user groups.

I would argue that the for-hire sector is not a discrete and identifiable user group because it's composed of the captain and the crew who are professionals and then recreational anglers, many of whom are licensed, who engage that boat as for an activity, recreational angling in most places. Those fish that come off that dock, unless they're given or taken by charter operating company, belong to those recreational anglers.

They go home to their recreational home and they're cooked in their recreational frying pans or oven. There is not a clear distinction in my mind between those two groups, and it's not clear how to view those fish that are taken home by those recreational anglers after paying for a platform to pursue their activity. I know we can separate the CVs; that's just an accounting mechanism that still we've got problems we know with the high standard errors on the MRFSS data, and that is smoothed out somewhat by the headboat survey and by the for-hire survey.

That causes me a lot of concern. While I'm talking, I'll just make one more point to George's question about where those allocations might from. I think we need to be very careful looking at removing those bag limit sales or perhaps a portion of those might be okay. And it's kind of the points you made, Brian, is that we have to be careful with that, George, I think based upon the public's perception at least of why Amendment 15B was passed; to remove those sales from the

charter/headboat and in North Carolina's case from a number of state-licensed commercial fishermen so that those fish could be provided in the face of reduced quotas to the professional snapper grouper fishery.

If we're going to start taking those fish that were eliminated from the charter/headboat sales and other sectors in 15B and start reallocating those back to the charter/headboat industry as opposed to the professional snapper grouper fishery, I think we're going to be in for a mess.

Mr. Swatzel: Just to restate, at the last committee meeting we had one of the rationales for separating out for-hire from recreational was the issue of accuracy of the data, and the concern from the for-hire standpoint is because is MRFSS is more of a trend, that there was going to have to be a lot more of a conservative view of any allowable catch.

I would suggest that since the PSEs on the for-hire are much better, it would seem fairer to put that out by itself to where when you set an allowable catch for it you didn't have to be as conservative and unfairly penalize that sector for the fact that you don't really know what you have on the recreational side. That was part of the rationale about putting out the three sectors. In looking at the national standards, I mean, it does specifically state for-hire can be a sector, so I don't see any reason why we shouldn't do that.

Mr. Waugh: A question for Monica; looking at 303A, content of the fishery management plan, this was on Page 1, the bottom of the material you put together, required provision, it seems to me that congress has spelled out that we have three sectors to deal with; that is the commercial, recreational and charter fishing sectors. Is that your interpretation as well?

Ms. Smit-Brunello: That's what it says; I agree.

Mr. Currin: Then how does that reconcile with the terminology – I believe it was from National Standard 2 – determine identifiable and discrete user groups? That makes the assumption, then, that contrary to the argument that I would make that the for-hire sector is in fact a discrete and identifiable user group. To me, it's composed of two user groups. It's composed of people like me who don't own a charter boat but hire a charter boat to pursue a recreational fishing activity.

The data outside of the headboat survey, at least currently, and then there are separate for-hire surveys are gathered under MRFSS now, and, Gregg, we can separate those out, but it's composed of recreational anglers hiring a platform for the day to pursue a recreational activity, and also a part of that are the owners and operators of those boats that are providing that service to recreational anglers.

Ms. Smit-Brunello: Well, I don't have the legislative history in front of me, and I'm not sure whether it would be very helpful on this point or not. I'll look it up at the break at noon or whatever. If we can discern congress' intent in including that sector in here, but to add more to your last question charter fishing is defined in the Magnuson Act as fishing from a vessel carrying a passenger for hire who is engaged in recreational fishing.

Recreational fishing is purely for sport or pleasure. That's how it's defined in the Magnuson Act. Commercial fishing means fishing in which the harvested either in whole or in part intended to enter commerce through sale, barter or trade. So when you look at the definition of charter fishing, it's kind of a mix in the sense, yes, the people who own the vessels are commercial, if you will, but it's engaged in recreational fishing, so charter means engaged in recreational fishing, which would argue for kind of what you were saying which is you have a recreational component and a commercial component.

Yet, they say in here require a piece of a fishery management plan, if you're going to allocate, is to allocate to three sectors. Now whether you want to lump the charter fishing in with the recreational fishing – I mean I had already identified that as a question that I was going to bounce off Mike McLemore back at the office.

Mr. Currin: Just to that point, and I think the way it states, it says not that you must allocate to three but you may allocate to three; not must or shall, but may.

Ms. Smit-Brunello: To the extent that rebuilding plans or other conservation and management measures which reduce the overall harvest in a fishery are necessary, allocate, taking into consideration the economic impact of the harvest restrictions or recovery benefits on the fishery participants in each sector, any harvest restrictions or recovery benefits fairly and equitably among the commercial, recreational and charter fishing sectors in the fishery.

So it doesn't say "must" or "shall" except that it's a required provision that if you're going to allocate – you know, this isn't the best sentence construction in the world, but if you're going to allocate, it's done fairly and equitably among the commercial, recreational and charter fishing sectors...

Mr. Geiger: Well, I guess the question goes back again, Tom, you said that the reason you would have a third sector would be because the CVs are better within that sector because of reporting. How are we going to construct a for-hire sector? How would you suggest that we go about constructing a third sector?

Mr. Swatzel: We've clearly got the data to do it. You've got the logbooks from the headboat sector. In some cases charterboats have got logbooks recently. At least in South Carolina they do. I mean, I think this is one of those situations where you could fairly easily construct the sector, and I think that you'd find that by and large the data for that sector is much better than it would be for just the, quote, recreational sector.

Mr. Geiger: So then by inference then we're saying that we've got a recreational allocation of X-percent of this stock to the recreational sector, and you're saying carve out from the recreational sector whatever the headboat or the for-hire sector – no? Well, help me, that's what I'm trying –

Mr. Cheuvront: Okay, if you look at that spreadsheet that Kate had up there, for example, for snowy, we've already got headboat right there. That's the headboat percentage of the allocation

historically. What we do need to do, from what it sounds like from what Gregg has said, was getting some software out of MRFSS. We're going to be able to parse out the charterboat part.

Now, there is a charterboat survey going on now, I believe, so that for the future charterboat is going to be completely separate from MRFSS, MRIP or whatever the heck it's going to be in the future. As Tom was saying, I think the data are available if not already there. The headboat side of it I think was already there. We just don't have the charter side pulled out yet. So, yes, I think that's where it's going to come from.

Mr. Geiger: Gregg, help me understand. Is the reporting process within the for-hire sector real time as it is in the commercial sector? My understanding comes in establishing the annual catch targets between the recreational, which we've only addressed in the past, between the recreational and the commercial sector is that we can have our annual catch target much closer to the annual catch limit in the commercial sector because of real-time reporting and the ability to shut the fishery down when they get to a very close approximation of what their total landings can be.

That annual catch target for the recreational sector has to be wider or further away from the annual catch limit because of the inaccuracies associated with MRFSS and the time delay associated with reporting recreational numbers. If we look at the headboat sector, if you look at the for-hire sector, is that a real-time – you can keep track like you can in the commercial sector so that you can close the fishery down or stop it, because now you're going to have a situation where NOAA Fisheries is going to have to monitor three sectors and they're going to close fisheries predicated upon each of those sectors reaching their annual catch target.

Mr. Cheuvront: George, I think that's a really good question because if you look at 2007 for headboat, we don't have the data there. We had MRFSS but we didn't have the headboat yet, so it's probably not real time is my guess.

Mr. Waugh: Well, it depends. You know, we talked a little bit about this. Do you just accept whatever the existing reporting requirements are? Those logbooks are collected; that data is collected. I think South Carolina, is it 30 days after the end of a trip, and Tom is saying yes. The data are in. There is a problem, a resource problem at the Beaufort Lab in getting the headboat data computerized.

We didn't even have the most recent data for the vermilion for the vermilion data workshop because they have resource issues in getting the data computerized. This is something for the council to discuss in Amendment 17 for accountability measures. I've made this argument before that there is accountability on the data side. Are you all just going to accept whatever has existed before or are you going to set some requirements for reporting?

Certainly, the headboat, given that it's under a logbook, that data could be compiled in as timely a fashion as is the commercial. The way the commercial is tracked now is not as timely as it could be. You had a presentation from the ACCSP Quota Monitoring Program that's done in the northeast, much more timely. The charterboat, there is separate survey –South Carolina is on a

logbook, but there is a separate survey that I'm not sure if that could provide estimates more rapidly than the private recreational. That's something we can look at.

Mr. Geiger: And in keeping with that same theme, it would be interesting to know what check and balances are in place to ensure the accuracy of the data that's being reported. Certainly, within the trip ticket system I think there are those checks and balances currently in place where there are spot inspections and people go and check, but it would be interesting to know if those same types of inspections occur on the headboat logbook or the for-hire sector logbooks.

Mr. Swatzel: I participate in the for-hire survey, which is a web-based reporting system, and it would make a lot of sense if we could do our, quote, logbooks in a web-based system for both charterboats and headboats. It's not any harder do. You just put it in one time rather than trying to have these handwritten pieces of paper that you're shuffling around waiting for somebody else to enter. In this day and age this doesn't make any sense, so I think we should push for that.

Mr. Waugh: And all it takes for that to happen is for you all to put it in Amendment 17; that that is how you want these quotas tracked. If you don't do that, then it's not going to happen. We're going to be left with the way things are done now. Putting it in, if that's approved, like any other measure, the impacts are analyzed and if approved, then that would be in place and we'd have the required data collect mechanism to meet the ACL requirements that congress has put on the councils.

Ms. Smit-Brunello: I understand what you're saying, and I guess you could have this discussion with the Regional Administrator at the next meeting. Well, I'm sure he's going to tell you that there are budget limitations and all sorts of things. He may not; maybe he'll roll the dice and you win.

Mr. Waugh: And we can't ever seem to make that argument, "Gee, Congress, we can't meet the ACL requirements because our budget isn't big enough." It just never seems to work for us.

Ms. Smit-Brunello: Well, I certainly wouldn't tell you that's the way to go either.

Mr. Swatzel: Well, going back to the accuracy issue, we do have surveyors that do periodically ride out on the headboats to survey customers and measure fish, which I guess would be somewhat of a check and balance against what we actually report. But, again, going back to the web-based reporting, I would argue it's probably more economical for the government if you went to that. From a personnel standpoint, I mean, anybody in business today is doing things like this to reduce costs, so I really think that's something, again, that we should pursue.

Mr. Geiger: Yes, and, certainly, Tom, I don't mean to impugn your integrity or anything else in this, but when money drives things it's a common solvent of humanity. Given an opportunity of people to pencil whip a logbook, recognizing that underreporting is going to keep that fishery open for them longer and longer and longer, it just seems that if we build in a methodology that we certainly, in that methodology, need to insist upon an inspection process, and not just people who ride the boat because obviously the captain knows who is on the boat and he's going to report that day.

But what happens tomorrow, what happened the day before that person rode on the boat; that's the question. Perhaps we need to make the third leg in our milking stool of allocated groups contingent upon the implementation, the establishment of this process. How can we put a process in place if there is no way to check on the validity of the data that's being reported to us? It doesn't wash with me.

Mr. Cheuvront: Somewhere I think we need to make sure that we capture and get into Amendment 17, however, that if the council so chooses to put in there to make a directive towards NOAA Fisheries that this is what we need, we need real-time electronic reporting of headboat and charterboat landings. George.

Mr. Geiger: And to that point, I think we as an allocation committee can make a recommendation to the council, which I think we did, that we have three sectors. Now it becomes the committee's determinant to determine whether or not sufficient checks and balances are in place to warrant three sectors in a particular fishery. If they do, we've got a formula for three sectors; if we don't, you've got a formula for two sectors.

Mr. Cheuvront: I agree wholeheartedly.

Mr. Geiger: And I think the committee can make that determination of whether or not there are checks and balances in place and make the arguments and make that decision.

Mr. Waugh: Monica, based on Section 303A, can we allocate to just commercial and recreational? I mean, the way I read 303A it's saying that if you have to allocate you allocate fairly and equitably among commercial, recreational and charter fishing sectors.

Ms. Smit-Brunello: Have you been reading my e-mail?

Mr. Waugh: No, I don't have a computer.

Ms. Smit-Brunello: Because I just sent that very question to Mike McLemore because that's the way I read it, too. It seems very specific that there is no "may", "should", here is how you're going to do it and you have these three sectors. I asked him and he'll get back to me as whether he sees a way that you could potentially lump one sector in with another. Maybe there is and you could identify it as — I mean, that's another way to do, I guess, is to parcel out the recreational sector, but for now it looks to me like it's pretty specific as to three distinct sectors.

Mr. Cheuvront: I think in the past, at least for some fisheries, it was always thought of chartering a headboat as a subset of recreational fishing, but according to this they're very distinct. I guess I'm kind reading it the same way. If you take out that area that's in that statement between the commas, it says, "reduction of the overall harvest in a fishery is necessary", taking out also the comma, "any harvest restrictions or recovery benefits will be distributed fairly and equitably among commercial, recreational and charter fishing sectors of the fishery."

I mean, that's very, very clear, but what happens when you've got a fishery where there is a very small charter component? Theoretically, they could be cut out because their percentage would

be so small. When they were part of recreational as a subset, they could still continue to catch even though it was a rare occurrence. But if it happens this way that we have to give an allocation to those three sectors, it could be that a sector like headboat could be shut out completely. They couldn't keep any of that fish.

Ms. Smit-Brunello: Well, it looks to me like it doesn't say where you take that from. I guess this gets back to George's question are you going to take that out of the already existing recreational sector and make it a separate entity or what, but then that gets into what Gregg said, which is you have the next provision in the Magnuson Act that you'll establish a mechanism for specifying annual catch limits as well as measures to ensure accountability, and how are you going to ensure the accountability for what you allocate to that sector. It's a work in progress, isn't it, and I'll try to get you a little more guidance if I can find some. But you're not specifying ACLs and accountability measures with this committee, so you're looking at various allocations.

Mr. Cheuvront: And that brings up a good point. I would like to think that after we come back from our lunch break, which we're not ready to yet, we're either going to have already decided or be ready to make the decision of what are we going to use to help us to propose allocation alternatives for Amendment 17? I would like to get started and moving on that because that's something that we've got to do. We understand they're going to be interim, but let's decide how we're going to consider that by lunchtime. We need to move on. Gregg.

Mr. Waugh: And I mentioned this to Robert during the break, the comment was made if we do anything but just use landings data, some are going to view it as arbitrary and capricious. I just happen to be reviewing 15B, and let me just touch on the red porgy allocation alternatives. One is a no action, not to define them. Alternative 2 is to use landings data from '86 through 2005. That would give you a 68 percent commercial, 32 percent recreational allocation.

Alternative 3 is to use more recent data, '99 through 2005. That would give you a 44 percent commercial, 56 percent recreational. Then your preferred alternative doesn't use landings data. It just splits it 50/50. Your rationale, your council conclusion is that the council has proposed an interim allocation of 50/50. At the September 2007 meeting the AP supported that.

If the allocation were based upon historical landings, a longer time series would give a higher proportion to the commercial sector, 68 percent; more recent years, '99 through '05 would give more to the recreational sector, 56 percent. The council concluded their proposed allocations are fair and equitable based on the information available. I mean, you've got within 15B your preferred alternative that was approved by the council and is going to the Secretary that is not based on landings data.

Mr. Boyles: And I think to that, Gregg, that strikes me as - I guess where I am is going back, again, to this that we talked about earlier, this has the potential makings of a comprehensive allocation amendment that formulaically could be applied to any fishery for which we are developing an amendment to the fishery management plan.

It strikes me as 15B was kind of like, you know, this is leaving it to the wisdom and judgment, first, to the Snapper Grouper Committee to kind of figure out what is going on in the fishery,

let's apply contemporary conditions. As I seem to recall, that had the support of the advisory panel as well. So, you know, you had some wisdom and judgment and discretion that the AP gave us as well.

I think where this gets us is do we want to go back to the council and say let's do a comprehensive allocation amendment and let's apply this formula to it with all the caveats that we've got and still leave room for the snapper grouper to apply their wisdom, their judgment and their discretion to this, which I don't know that's necessarily a bad thing to do.

Mr. Geiger: No, I don't disagree with you, Robert, but we have to move forward. We can't go back and make changes on 15B and, certainly, historically the council has made these very same type of allocation decisions in the past, probably even with less input than an AP advisory. I don't know if that's a problem, but in regard to moving forward, yes, and I would think that this would be a comprehensive thing. And as you come forward with a review, I think the Act requires us to review every fishery management plan or every rebuilding plan every two years to ensure we're on track.

Ms. Smit-Brunello: Two or five, I'll have to look.

Mr. Geiger: So there is some built-in review process plus there is a SEDAR stock assessment process that's built in, so when you revisit each FMP with new data, I think that's when this formula would apply and you'd make your allocation shift then.

Mr. Cheuvront: I think what we're talking about now, and we need to maybe shift our focus here in a little bit, is that what Robert has suggested and what George just addressed is the notion of that maybe there is a reason for coming back with an allocation amendment, to use some kind of a model like this with all those caveats, but that be a long-term thing.

We've got a task that's set before us now to come up with some interim measures for Amendment 17. The only thing that we've got that we can use right now that I think will fly is landings history. We've got to come up with some kind of alternatives that we can then give to the Snapper Grouper Committee for them to decide how appropriate each of these different alternatives could be and let them use their judgment whether they want to go with that 50/50 approach, which didn't match any of these alternatives that we had, they would still have their right and privilege to do that. We're just trying to help come up with some numbers for consideration is what I'm saying. George.

Mr. Geiger: So do I understand what you're saying is we give them Robert's formula for allocations – well, we'll call it Robert, but it won't be tied directly to Robert Boyles – but, we could give that to the Snapper Grouper Committee and they could wrestle with 50/50 and the catch history timeframes, and they could apply that now moving forward with Amendment 17; is that what I'm hearing is the potential?

Because, what this would be, it would be a recommendation to use this, the full council would have to adopt it really I think before a committee could move forward with it, but I don't know that there may be a process whereby we can convene full council right away. Bob, is there a

possibility at the beginning of our council meeting convening a full council for purposes of discussion of the allocation committee, maybe taking a vote on this? Once the council approves of disapproves it, it could then be utilized by each of the committees during the council week to determine what the allocations are in Amendment 17 and move forward.

Mr. Mahood: Well, we can run the council in any order we want to.

Mr. Geiger: Well, that's what I'm saying, and so we could convene a council meeting to discuss one issue, go to recess, have the rest of our committee meetings and then have the remainder of the council meeting at the end of the week.

Mr. Cheuvront: While Bob is coming up, the thing that I'm concerned about is if this doesn't fly with the full council, then we need to have something else to go with the Snapper Grouper Committee because if we don't then we're walking in with nothing to help the Snapper Grouper Committee.

Mr. Waugh: But aren't you recommending as the range of alternatives these five and what you're recommending as a preferred is Number 4; is that what you're saying?

Mr. Cheuvront: I don't think we're recommending any preferred. I think we're just coming up with alternatives and let the committees decide what they think is preferred. Now what we don't know yet, though, is the average of the last 20 years, the average of the last 5 years; does that fit for all of these species that we're talking about here? But we need to have that discussion as to whether these five are the ones that we want to consider.

Mr. Geiger: And in regard as to whether or not we could get full council passage or not, just thinking about the numbers of people, we've got seven people on this committee and we've got thirteen voting members on the council, so if we have a unanimous vote amongst us, we can certainly carry this through the council process. Well, I mean, seriously, that's what would happen if you took a vote and we all were unanimous in our decision that this is the best methodology to more forward.

Mr. Mahood: And you hung together.

Mr. Geiger: And we hung together, yes.

Mr. Cheuvront: I have to go back to work Monday and discuss this; and who knows, I might be – never mind.

Mr. Mahood: Okay, what I'm hearing you saying, Mr. Chairman then is you would like to start the council meeting with the allocation committee report to the council. We would then recess the full council and then go to the committee meetings?

Mr. Geiger: Yes and then reconvene full council at the end of the other committee meetings.

Mr. Currin: Might I suggest that perhaps this gets bounced off the Regional Administrator if this is the way the committee recommends, and I certainly have no problem with it, and I can't envision anybody having any problems with developing this. So, if that's a concern, let's see if we can get some at least tentative buy-in from this, which may not need or require a meeting of the council right off the bat.

Mr. Geiger: Mac, you're exactly right and that's one of the reasons that Monica is here, and I will assure you that Roy and I will talk about this to ensure that we're on firm ground before we move forward even with scheduling the meeting.

Ms. Smit-Brunello: Is the question whether these five alternatives are sufficient to carry forward or whether Alternative 4 is in question or what exactly –

Mr. Cheuvront: I think we're looking at this as potentially the five – or what we're going to carry forward and in every case possible number four would be the preferred. In essence, two and three together make up four, sort of. Oh, one is five years and one three years, but in essence they're related to each other.

And getting back to a comment that was just made about –Gregg sort said off the record in a sidebar here is that if we actually convened the allocation committee at full council, at the beginning of the council week, then the allocation committee probably won't have to meet at some other point. We can bring our report from this meeting to full council; this is what our decisions are, does the full council support it? Yes, we get the blessings, we go into recess for full council, we've presented our committee report, and then all the other committees now have direction on how to work allocations for the rest of that week, so we don't lose time in meeting our timelines for Amendment 17 and everything. I'm getting a thumbs up from George. I'm getting that opinion from everybody that that's what we'd like to see happen, and that's what Bob was saying just a moment ago.

Ms. Quigley: I just want to remind people this list of five was something that I went ahead and I put up as ideas, which is why there is a question mark after each of those. I went ahead and said 20 years, 5 years, 3 years, but that doesn't mean that's what you guys have to go with. That was something I jotted up to get people talking.

Mr. Cheuvront: We do need to discuss those to make sure that those are what we want to use, but I'm just saying there's going to be probably some variation of those five that's there.

Ms. Merritt: I guess it's related to what Kate just said. I was concerned that perhaps we weren't catching the true spirit of what we said we had thought about this plan to have a mathematical formula by putting in these numbers rather than leaving them as open; I don't know.

Mr. Geiger: Yes, and, Rita, the way I understand it is – and I asked the question earlier of Gregg; is there a universal application of a time series that can be applied across all fisheries, and he wouldn't recommend it because of different aspects in the fisheries. So what we would be doing is giving leeway to each of the committees to determine what annual catch history they would want to use for their fishery based on circumstances within the fishery, but it would be

then plugged into the formula, so it would then be by committee decision which year groups you would use. I think that is just a suggestion of the potential catch histories that could be used. I mean, we could design it – you could make eight more.

Mr. Cheuvront: What I would like to suggest that we're going to do is when we finish this discussion, we go to that and that we end up with motions as to these are what we think – we'll work out the wording for this so that it can apply to all of our species; then we make motions and that's what we're going to carry to full council in September. We'll be very clear about the direction that we think the individual species committees should go.

Mr. Wallace: And I don't know how it would play into it, but if we go into the last regulatory action of whatever species you're working on, would that make a significant difference in the year periods compared to the regulatory actions?

Mr. Cheuvront: I think that's part of the discussion that we need to have when we get to making our recommendations, how we take those things into account, because we've brought up several things that could affect how we would apply a mathematical model like this, and regulatory history is one of them. I don't want to leave that out, but I think we need to table that until we get to the discussion of how we're going to handle each of these, so don't let that go, bring it up again if we don't get back to it.

Ms. Smit-Brunello: The first alternative is no action; the second alternative is use catch history, an average over the last 20 years; third is catch history using an average over the last five years; fourth is catch history, 50 percent over the last 20 years added to the catch history of 50 percent for the last three years; and then number five is split 50 percent/50 percent; 50 percent what, 50 percent commercial, 50 percent recreational? I am not sure what Alternative 5 is.

Mr. Cheuvront: We're going to have to get back to this because also Alternative 5 has left out charter/headboat, and we've got to allocate to them.

Ms. Smit-Brunello: Well, that was going to be my second question; that is, are you going to use the three sectors as it stands now, commercial, recreational, charter, for Alternative 2, for Alternative 3, for Alternative 4, for Alternative 5; right?

Mr. Cheuvront: We're going to work that out next, I think. Robert.

Mr. Boyles: Thank you, Mr. Chairman. I just wanted to go on record as the numbers in terms of the last 20 years versus the last three years were simply for discussion purposes only, and I don't want us to be necessarily locked into that.

Mr. Wallace: Monica, on your definition of recreational, you put in there – or you said that it was any sales, trade or barter is prohibited in the recreational, as recreational, right?

Ms. Smit-Brunello: Yes, let me –

Mr. Wallace: Okay, read it again, please.

Ms. Smit-Brunello: I think I know where you're going because I just e-mailed that question to Mike McLemore, too. The term "recreational fishing" means fishing for sport or pleasure. Charter fishing means fishing from a vessel carrying a passenger for hire, as defined in the U.S. Code, who is engaged in recreational fishing. So, charter means fishing from a vessel carrying a passenger for hire who is engaged in recreational fishing.

Commercial fishing is fishing where the fish harvested either in whole or in part are intended to enter commerce or enter commerce through sale, barter or trade. So by definition in the Magnuson Act recreational fishing does not include any fish that enter into commerce or intended to enter commerce for sale, barter or trade.

Mr. Wallace: And that may be the intended to enter commerce, but any time that you trade your cash to keep a fish, you should be not considered recreational. You've traded gas, you've traded buying this boat, you've traded your cash. How can any take of a fish be considered not commercial? If you're recreational it is no take.

Ms. Smit-Brunello: It sounds like a policy question for me, but I'll advise you legally and not on the policy. I think barter is probably specific. Obviously, some of these are clear and you understand what it means to sell a fish. Well, barter is a little more specific, trade – yes, I mean, you get into an area that's very murky when you start talking about barter or trade. It is, though, "or enter commerce", each fish enter commerce, which means they're entering the commercial stream of commerce. That's what entering commerce means.

Mr. Wallace: And would that be you're trading the dockage fees, the marinas, the gas, all of that is entering commerce?

Ms. Smit-Brunello: Good question; I'd have to look at the case law on what entering commerce is but –

Mr. Wallace: Okay, this has always puzzled me. Jim Waters gives a scenario of playing golf, and that was the question I asked. I said when you go out and you play golf and that's recreation, and you knock that ball into the hall, you don't get to carry that hole home, but you're carrying the fish home so it's not recreational anymore. It is you are trading your activity in order to take that fish home to eat, which is you're trading it.

Mr. Smit-Brunello: But that fish isn't entering commerce if you're taking it home to eat. It's entering your stomach but not commerce. Because you're going out and catching it and you're bringing it home to eat, to me that's the pure definition of recreational.

Mr. Wallace: Yes, it's entering commerce by trading – and as you just said, in order to sell, but when you said barter or trade, which Magnuson said –

Ms. Smit-Brunello: A fish, barter or trade the fish for something which would then enter commerce to be sold or something along that nature. So, yes, you can take it out to the extreme, but I don't think you have to go that far. Sure, bartering and trade, that's a little murky in the sense of how you capture that specifically, but I think if you're going out – and that's I believe

what congress meant. It's recreational fishing means for sport or pleasure, not having the fish enter commerce to be sold in any way or fashion. You're not receiving remuneration in any way for you going out to catch that fish. It's purely for your sport or pleasure.

Mr. Boyles: To get back to number four, Kate, can you put something in there that – well, let me ask the committee. My intention was the most recent catch trends, kind of the second half of the formula would be simply a proxy for the council's judgment in terms of desired future condition – do you follow where I'm going or where I am on that – and that the recent catch trends are simply a proxy.

The idea here is to get us – I'm not specifically interested in the most recent three or five years, but that it is in fact a proxy for the council's intention for what the fishery will look like in the future. Does that need to be clarified or specified or are we –

Mr. Cheuvront: It sounds like what we're doing is we are moving into massaging these potential alternatives here now. Instead of jumping all around, I'd kind of like to just start at the top and work our way down and discuss each one and come out and see if we want to modify each one. Kate is doing a great job of trying to keep up with this thing as it's developing and as we discuss, but let's go ahead and attack each one one at a time, have the full discussion on that one, and then we'll move on to the next and decide what we have up here, is this enough, do we need to add more, do we need to modify what we have there. I guess I'm kind of looking for people to comment whether they think that's a good approach to take.

Mr. Geiger: Well, I guess that's my question. This is the recommendation we're going to make to the species committees?

Mr. Cheuvront: What I would like to see ultimately happen is that we get this developed, we come up with what we think is preferred, and then we take it to full council and then pass on the whole suite to each species committee and let them decide what is going to work best.

Mr. Geiger: But to that point, if I may, when you talk about coming up with a preferred, we already heard from Gregg that it may be different for different species so one size does not fit all in terms of – Rick, could I get you to come to the table and render your NEPA opinion. You know, perhaps the most expedient way – and expediency is not always the best way, but in this particular case I think it might apply.

Instead of identifying what could be a dozen different scenarios in terms of catch history, why couldn't we just refer the development of the catch history to the species committee for them to develop a range of alternatives for consideration in the application of the allocation formula that hopefully we can get approved? Is that a feasible way? Do we have to develop a range of alternatives here or could we defer that development of a range of catch history alternatives to the species subcommittees?

Mr. DeVictor: I'm sorry, I came in late, but I assume that this action will be in Amendment 17, correct, where you'll be specifying – okay, so in that amendment, Amendment 17 you are going to have to specify a reasonable range of allocation alternatives as per the National Environmental

Policy Act. Now you should all discuss whether it comes from this committee, that range of alternatives, or you just give your preferred or what have you and the Snapper Grouper Committee develops the range, but somewhere in the amendment there will have to be a range of alternatives.

Mr. Boyles: I think this gets us back to -I mean, we're still left with what the full council approved back in June and we abandoned a comprehensive allocation amendment, much to my disappointment, but we abandoned that, so I think that's really kind of where we are is these are now -I guess properly these will go as recommendations to the full council to be passed on to the Snapper Grouper Committee.

So, it strikes me, then, that since we have abandoned the comprehensive allocation amendment, at least temporarily, then we don't necessarily need to go through and talk about the range of alternatives as an allocation committee. Is that correct?

Mr. Geiger: And specifically to that point, I concur because we have species committees that are comprised of supposedly council members who have expertise in that fishery, and not necessarily every member of this allocation committee has expertise in the mackerel fishery and could recommend which is the best one of this range of alternatives that is listed here. You know, for mackerel it may be something completely different than anything we could recommend here.

It's my thought that we would recommend to the full council the application of the formula but giving the species committee the discretion to develop a full range of alternatives for consideration as to catch history periods that would be used to plug into the formula.

Mr. Boyles: George, I agree with that. It strikes me, then, that what we report back to full council in September is that we've talked about this, and the idea that we're trying to get at is there are several variables that we need to consider; time series plus the regulatory history that will play into what time series are chosen by the individual species committees, as well as, quite frankly, is that 50 percent/50 percent the right weight to give to kind of – long history versus recent history.

And, we've still got to go back to the middle formula there, the ACL being a component of three different sectors or two different sectors. So, it strikes me that what we talk about is, hey, full council, this is what we think is kind of the general idea behind our allocation discussions. We'd like to make recommendations to individual species committees, snowy grouper in particular; that we talk about these formulas, these algorithms, whatever you want to call it, that have a component of time series as well as different weights to those time series. And that would be our range of alternatives, around those.

Mr. Geiger: And I would appreciate hearing from our esteemed, overworked, long-lived chairman of the Snapper Grouper Committee as to how you see that playing out, Mac. Is that something that –?

Mr. Currin: George, I think our focus from the Snapper Grouper Committee's point of view is going to be to certainly try to meet our deadline for this amendment. In talking to Gregg just a second ago, he says that under the best circumstances the team would like to have some alternatives to move forward with now and have those to provide to the Snapper Grouper Committee.

## NOT USING MICROPHONE: Here today?

Mr. Currin: Well, after this week, I presume, by twelve tomorrow. In looking at this, I think this is a very reasonable range. That's just my opinion; I can't speak for the committee, but I think it's a very, very reasonable range. It certainly covers all of the analyses that have been done for the other allocations that have been selected by the committee and goes beyond that. I mean, talking about in the history.

So, you know, I'm struggling with and I'd love for this committee to continue working on defining this F, this big question mark that needs to stay there on that board for now. We've kind of loosely defined it now as a recent trend, and I think that's the best we can do at this point, but I'm not so sure that's where we should leave that ultimately, and I think that's the future for this committee. But to answer your question, I'm personally very comfortable with this range of alternatives that are provided here from this committee.

Mr. Cheuvront: Well, I'm glad to hear Mac say that because I think what we've got here is a good range. What I'd like to do, after we come back from lunch, is we've got the list of the ten species. Let's play with them with some of these alternatives and see how it would play out and see is it going to work, do we need to go back and revisit it before we go to full council. Let's just see if can we make it happen. Then what Mac said about the F, I think that is the future, that's what that comprehensive allocation amendment needs to discuss.

Mr. Geiger: And if I may just give a counter-idea, Gregg has already expressed that we need to have something done by tomorrow in terms of Amendment 17 Snapper Grouper. Why couldn't we just add a sixth possible alternative which incorporates that at the discretion of each individual species committee beyond this point to develop a range of alternatives that meets the requirements of that particular fishery and let's dispense with looking at the other fisheries and concentrate on Amendment 17 stuff.

Mr. Cheuvront: Actually, I was not suggesting looking at other fisheries. I just say let's just look at Amendment 17, and I don't have any problem with adding that on there, especially for some of the other species. They may have time to do that. What I would like to see us do is see what we can up with 17, and we've got that list that Kate gave us this morning, and I was going to suggest that we take break here for lunch and think about this, and come back.

I would love it if we can come up with a motion and then move on right after lunch and try to see if we can fit it into the Amendment 17 species and see how far we can get, so we'll have something to carry to council. So, with that we're going to go into a lunch recess.

The Allocation Committee of the South Atlantic Fishery Management Council reconvened in Classroom 6 of Southern Wesleyan University, North Charleston, South Carolina, Tuesday Afternoon, July 8, 2008, and was called to order at 12:35 o'clock p.m. by Chairman Brian Cheuvront.

Mr. Cheuvront: We're back from recess now. Let's go look at our five possible alternatives and see if anybody has any other further discussion about it, because then I would like to get to a motion, if we can do that, and then go on and see if we can plug in some of this stuff for the table that we got from Kate for the Amendment 17 species.

That will help us to know if we need to come back and revisit this later and whether we've got problems with it. I was going to ask Kate to go over them, but let's go one by one and after we do it, we'll see if there is anymore discussion on that one and then we will move to the next and to the next and maybe we can get through it more readily that way.

Ms. Quigley: Okay, the first one is no action. The second one is allocate based on the average of longest catch range for each sector. For example, the years that we have right now are 1986 to 2007, so that would be the maximum range available. What we're implying here is that you take the average of landings across some number of years that would be decided upon by the Snapper Grouper Committee.

Mr. Cheuvront: In relation to that, I'd like to see if maybe we could make reference to those documents that we were using earlier that showed those numbers as sort of the mileage maps. Was Jack the one that put those together originally? Oh, Andi did them?

Mr. Waugh: Yes, but we're going to have those regenerated with the data from '86 on.

Mr. Cheuvront: That's fine; I just think that we need to say this is the format that we want to use so there is no question in anybody's mind that this is what we're referring to. And we're going to have to use pounds and then translate it to percentages because that's going to give you the higher level of precision.

Mr. Waugh: Did I hear Kate say that the Snapper Grouper Committee is going to pick the sets of years, because that's one thing in the discussions with Mac and Rick we really need to nail – for the species in Amendment 17 we need to nail these alternatives down at this meeting so that we can work up the alternatives for the Snapper Grouper Committee to look at in September. So, timing-wise we can't afford to defer until that September meeting for the picking of alternatives.

Mr. Cheuvront: And then do we somehow need to modify this statement for number two so that it will work for Amendment 17, but then those range of years could be changed for other species, or is that trying to do too much into this one –

Mr. Waugh: I would suggest that you make this motion specific to Amendment 17 species and then come up with something else for the broader range.

Mr. Cheuvront: That sounds like a great idea. Does anybody have any problem with us treating this for Amendment 17 right now and then deciding how we want to handle it for other things later? I see no dissension with that. Nobody seems to be upset with that so right now we're going to focus this discussion only on Amendment 17 and then we'll make the motion for that at that point.

Ms. Quigley: Okay, if this were the alternatives that you wanted to agree upon, then by me naming here, 1986 to 2007, that implies that those are the years that would be used for this alternative. Is that what you want?

Mr. Cheuvront: That is what we want for Amendment 17; that's the way I understand it. Is anybody thinking any differently? That would apply to all ten of those species. Mac.

Mr. Currin: Just to comment on the last little blurb that was see the ALS cumulative catch table for data use, the ALS data apply only to the commercial fishery, do they not, or all the MRFSS data and the headboat data all in there together? I guess what I'm getting at is I'm not sure you need to be that specific with it, but we can understand that those are the files and the data from which we should draw – actually, they're going to have to be modified to include '86 as well, back dated.

Mr. Geiger: So as a group we're determining that we are preferring to use Alternative 2?

Mr. Cheuvront: No, this is just one of the alternatives that's going to be considered for the document; that the committee can then decide itself how they want to handle it. Anymore discussion on number two? Okay, let's go on to number three, then.

Ms. Quigley: The third alternative, as I've written it here, is allocate based on the average of recent catch trends for each sector, 2005 to 2007. See cumulative catch tables for data use. So, again, this is the same type of calculation that we spoke of in Alternative 2. You go ahead and take the actual landings, the average of the actual landings for each sector, and so the idea would be to add the average landings for each sector together and then find out what portion each sector gets of that based on their landings. Perhaps I should put an equation up there for what we're referring to.

Mr. Cheuvront: And I think you described that pretty well. I think that's the intention.

Mr. Currin: My comment would only be that the most recent three years, '05 to '07, I think would give us a good picture of any recent trends that might be occurring and changes in the fishery, so that's the intent behind the analysis of that alternative.

Ms. Smit-Brunello: I would ask is the data complete for 2007 to be used?

Mr. Waugh: Yes and the briefing materials for this meeting have those data for 2007. 2008 are not complete, obviously.

Mr. Currin: But they're in there as well with 2007 in some cases.

Mr. Waugh: Yes, 2008, I think we have some partial data in there. But that's right, Andi, isn't it 2007 data are complete; we've got estimates? So 2007 are not complete. Okay, what Andi has said is 2007 are not complete. Can we get 2007 complete prior to the briefing material being ready for the September council meeting?

Mr. Cheuvront: Maybe we can modify this, then, for number three is the last three years of complete data, and that way that will allow us to – whether 2007 is complete or not by the time we get to council in Sept, we can still use the last three years of complete data. Is that okay?

Mr. Waugh: It would seem to me that if you – we're already in July of 2008. I can't imagine that we can't get complete data for 2007. We'll just go back and make sure we have that data; and if we need to make some requests to the Center or somebody to help get that data complete, we'll do it.

Mr. Geiger: Monica asked my question and you made the suggested change to the three years with the most complete data. What happens if you don't have the data, Gregg? I mean, what is wrong with putting in the most recent three years of data? That allows you, then, the flexibility to use through '07 or through '06 if '07 can't be completed. If you lock it into '05 to '07 and '07 is not complete, what are you going to do?

Mr. Waugh: Well, if you tell us to have '07 complete, that gives us a little bit of leverage when we make requests of the Center and so forth. If you give everybody an out that we can just use '06, then that's likely what you're going to get. For the most part, by the middle of the year, the previous year's data are finalized, so I don't anticipate difficulty in getting the '07 data.

Mr. Wallace: And mine was looking more into the future. We're going to have to reallocate every year pretty much; aren't we? I mean, does this – or at least every assessment and you will have to –

Mr. Cheuvront: Yes, it will probably have to be after every assessment. I don't think we're going to have to do every year, but if we do get to a point where we do come back with a comprehensive allocation amendment that gets back on to the table, the long-term thing, we could address that issue there. I think it does make sense that certainly everytime we have an assessment, but there might be other kinds of triggers that we could put in there, too. I just think at that point we need to think it out. Right now we're sticking with Amendment 17. To that point, Mac.

Mr. Currin: To that point exactly, Brian. In the future – and I likely won't be sitting around this table with you guys when you're talking about this and readjusting allocations in the future, but when that occurs I think it's very important to keep in mind that in some cases we may have years and certain species where in particular the recreational catch may not be to the quota for a number of different – or allocation to them for a number of different reasons.

I hope that whoever is sitting here then won't take that as a sign that there needs to be necessarily a reallocation from the recreational allocation at that point specifically to the commercial quota.

There may be a time where that might be allocated to conservation or to the standing stock biomass, which then will help recover a fishery if in fact that's the case.

Mr. Cheuvront: I understand what you're saying because the real problem there is measurement error. It's not the fishermen's fault. What happened is that nobody has been able to measure what is happening on the water in real time or in enough time to stop the overfishing from occurring should it happen. I understand that.

Mr. Geiger: Actually, I think – and I'm putting words in your mouth – you're talking about the underutilized portion of an allocation. For example, in king mackerel –

Mr. Currin: That's exactly what I'm talking about.

Mr. Geiger: -- where historically the recreational sector never catches their allocatable share but chooses to leave it in the water. I mean, just because you don't catch it doesn't necessarily mean – and that was the premise under which I originally argued – one of the arguments I used against using catch history because if you look at the catch history, it doesn't reflect accurately what is happening in the fishery.

Mr. Cheuvront: If I'm not mistaken, isn't that also true in the commercial fishery, that they haven't been catching the quota in king mackerel as well in most years?

Mr. Geiger: But there are different reasons for that and that's because, number one, we had a TAC that was arguably way too high, which is now going to be readjusted because this year they in fact caught their quota or they're very close to it, and they have come close the past couple of years to catching the mackerel quota. But the object in the commercial fishery is always to catch the fish that they're allocated to catch, and they will if they can. In the recreational sector that's not necessarily so.

Mr. Currin: And to that point, Brian, bluefish, I guess, is one example that I can think of that's not managed by the South Atlantic Council, but it's very common for the recreational sector to not retain the allocated harvest of bluefish. In fact, that's used by the Mid-Atlantic at times to argue that some of that – and has in fact been done, allocated some of that sector's quota, whatever you want to call it, to the commercial industry.

The rationale is, well, they haven't been catching it so somebody needs to catch it. I just that we be aware of that and not just set up a situation where we go back in the future and look at every species and if it has been trending down in one sector, then that gets automatically flopped over to the other sector.

Mr. Cheuvront: Well, then, I guess that argument could be used the same if it's trending up as well, that you don't automatically allocate to another sector just because it's trending up. We're through with number three, I think.

Mr. Boyles: I want to go back. Mac did say and did I hear concurrence with me that three years is the right time series?

Mr. Currin: Yes, Robert, I think that in my mind would accurately reflect the most recent trends in the fishery and give us enough years to analyze that should help smooth out some of the natural or at least the bumpiness that occurs, especially in the recreational estimates.

Mr. Cheuvront: That really is the smallest number of years that you can use to do a trend. You can't use less than that. Okay, Kate, let's do number four.

Ms. Quigley: Okay, Alternative 4 is what Robert Boyles has suggested. We have allocate based on the following formula for each sector. There is a sector apportionment whereby 50 percent is multiplied by the average of the long catch range, 1986 to 2007, plus 50 percent times the average of recent catch trends, 2005 to 2007; whereby the allocation for each sector is equal to that sector apportionment divided by the sum of the three apportionments.

Mr. Cheuvront: And let's make sure that we're talking about pounds here and then the conversion to percentages is done after the allocation by pounds is made, and that would give us the greatest level of precision in our numbers. Any discussion on this; we've have a lot of discussion on this up to this point. Remember, we're applying this right now specifically to Amendment 17. So keep that in mind, it's not for all species.

Mr. Boyles: I just have a question. Again, there is no magic to what we threw out earlier about 50 percent. My question to the committee is, is that reasonable? Is there any reason to weight the long-term catch range greater than or less than the most recent catch range?

Mr. Cheuvront: Robert, I don't know that we have any reason at this point that we can argue for using something other than that 50/50. It's an issue that certainly would come up if we did a comprehensive allocation amendment on how we would adjust that 50 percent, but at this point I can't see that we've got an argument to change that unless somebody is thinking something I haven't thought of.

Ms. Merritt: Well, if you're going to have three sectors, you would to –

Mr. Cheuvront: This 50 percent doesn't apply.

Ms. Merritt: Oh, it doesn't apply, okay.

Mr. Cheuvront: No, only within each sector so we're –

Ms. Merritt: Okay, I'm with you.

Mr. Cheuvront: We can still handle all three sectors this way. That's not going to be an issue.

Mr. Wallace: And the only time that I could see that the 50/50 may not work is if there is some regulatory history that has changed things significantly, and we can do that. But the other thing I've got is we're not voting on these right now until we see some numbers plugged into them per species to see if this is going to work, right? These are just things we want to explore right now, and later on in the day we're going to – Kate is going to plug some numbers in it to where we

can review them for at least some of these ten species to see if this formula is going to work or it would be at least logical in these species.

Mr. Cheuvront: At this point we don't have '86 through '90 and we don't have 2007 for all species, but what we can do, though, is we're talking about interim allocations for Amendment 17. We're going to go through the exercise to plug in the numbers to come up with the alternative. If we look at this and we decide this isn't working, it's out of whack, we've got a problem with this, we can come back and revisit.

But at this point, when we come up with our motion, I'm looking at it as a motion to take this to council, but we can come back and revise that motion later if we need to. I don't want to have to do an interim motion knowing that we're going to have to come back and do another. Let's do the motion and then we'll come back and revisit it if we need to.

Well, I guess what I'm saying is what we want to do is once we get through all five of these we'll take a motion to carry these to council. Then we're going to go through the exercise with this chart and plug in these five alternatives that we've got into the charts that we have here. We're going to look at the data.

If we've got a problem with it, we think for some reason this methodology isn't working well, then we can come back and we can say, okay, we need to revise that motion that we made earlier. But I just can't see why don't we just make the one motion and if we're happy with it, we leave it and we go on and only come back and address it if we need to.

Mr. Wallace: And my question is if there is any revision we're going to do it before noon tomorrow?

Mr. Cheuvront: You betcha.

Mr. Wallace: Got you; all right, that's what I wanted to know.

Mr. Currin: Just to Robert's point, Robert – and I'm not sure it needs to be at 50/50, but I think at this point that's probably a rather neutral approach to a recognition that the committee feels that consideration should be given to recent trends in the fishery and changes and getting at some of the points that George has been making, so I'm very comfortable at this point with the 50/50 approach.

Mr. Cheuvront: No more discussion on Alternative 4; Number 5 that is to split allocation equally among the three sectors. That would be 33-1/3 percent to each sector. Kate.

Ms. Quigley: I just want to make clear we won't – these alternatives, we will not have the data run by tomorrow, but you can take a look at the tables and look at the data and see if that looks right to you, but we won't have actual percentages or anything that we're able to plug into the table for individual species. We'll only have these alternatives.

Mr. Wallace: Are we going to be able to at least see a pattern with what you are able to plug in? Yes, but you may not have the exact number, but can we at least see a pattern?

Ms. Quigley: Well, you have the cumulative catch tables on your briefing book disk. That's what you'll be able to look at, and I can probably plug in the numbers that we do have from 1991 to 2007 and run this for individual species. I am able to do that. It won't be exactly the same as the number that you see in September.

Mr. Wallace: That way I'll be able to see a pattern of what we're doing, and that's really all I'm after, to make sure the pattern works whether the actual numbers are exact or not.

Mr. Cheuvront: Right, we're not going to have the hard numbers for September before we leave here tomorrow. I think we all understood that because the '86 to '90 data and all the 2007 data are not currently available at this point, and we don't have all the for-hire sector. We've got split out the charter as well, and hopefully that will all be done by September.

So for right now charter is going to have to lie with MRFSS, and that's what we're calling recreational, as I understand it. What we're going to see with the numbers that get fit in are ballpark but no better than that, and we'll hopefully have the real numbers in September. So now we're through with number four. Okay, number five and splitting the allocation; Kate, was there anything different splitting a third? Okay, John.

Mr. Wallace: Is there rationale around splitting it three ways when the charter/headboat has probably never utilized 33 percent of the ACL?

Mr. Cheuvront: I think it's more philosophical than numerical.

Mr. Wallace: Then would it be considered but rejected?

Mr. Cheuvront: I think that's for the Snapper Grouper Committee to decide, and they may very well look at that and say, you know, we can't work with this, we're going to put this in considered but rejected. But they're going to go through all five of these for all ten species, and they may very quickly be able to say we're not going to do this; we're not going to do this. They're going to come up I think very quickly with what they're going to have as their preferred.

Personally I would be pretty surprised if it was number one or number five on this list, if those weren't just sort of dealt with and relegated as a non-preferred status right away, but who knows. That committee is not meeting right now. What I would like to entertain is somebody make a motion that we use these five proposed allocation alternatives for Amendment 17 of the Snapper Grouper Fishery Management Plan. Robert.

Mr. Boyles: Thank you, Mr. Chairman. I would like to make a motion that we recommend to council that the Snapper Grouper Committee consider these five alternative allocation scenarios in setting ACLs for species in Amendment 17. Excuse me, for allocating ACLs among the sectors in Amendment 17.

Mr. Cheuvront: I believe that is what we need. Do we have a second to this motion? Seconded by George Geiger. Do we have any discussion? John.

Mr. Wallace: How does the ACT fall into this?

Mr. Geiger: Well, the ACTs, John, are a function of how closely you can monitor the ACLs, and the distance between the ACT and the ACL is a function of the availability of data to cut off a fishery before it exceeds the annual catch limit. So in a commercial fishery where you've got trip tickets, the ACTs are going to be close to the ACL; and the recreational fishery, because of MRFSS and the delay in data, I would assume the ACTs are going to be wider or further away from the ACL.

I would think that in the for-hire sector, that the ACT would also be far – I don't know how far but would be a distance from the ACL also to preclude you from exceeding the ACL and also to protect the fishery from having to pay back in subsequent years. If you exceed the ACL in all cases, the fishery that exceeds the ACL is going to have to pay back the overages the following the year. It's in everybody's best interest to stay under the ACL, and we have the responsibility to make sure that we set that at a level that people don't exceed it.

Mr. Wallace: Then my question is should this be ACT instead of ACL?

Mr. Cheuvront: No, we don't want to do that because the ACL just gives us the allocation per sector and then the measurement of uncertainty comes in with the ACT, and that's the committee's responsibility to decide that. I think we've got this set at the right level, at the right place to do this. Any other discussion? Robert.

Mr. Boyles: Monica, can I put you on the spot? Having sat through the discussions this morning, are there any train wrecks that we're not thinking about from your perspective?

Ms. Smit-Brunello: As of the five alternatives? No, I don't think so. I would note that, you know, I've been checking in terms of these sector allocations, and I think because of the way I discussed earlier that the way recreational is defined and the way charter is defined, I think the charter sector has always been put in with the recreational sector, so this would be a little different in terms of specifying at least one alternative if the council decided to go that route. But, no, I don't think so; I'm going to think about it overnight, though. I think it's a pretty good approach.

Mr. Cheuvront: Anymore discussion? Is there any opposition to the motion? Seeing none, the motion carries unanimously. Thank you, everybody, I appreciate that because that really – I think getting to this point is a significant step for this committee, that we have actually come up with a pretty cool way to determine allocations that protects us, and it shows that we've thought this process through and we're going to use an objective method to help us make decisions for allocations.

What I'd like for us to do is to – and I'm going to need Kate's help to figure out this next step – we need to fill in some of these numbers. Do we want to take the time, while we all sit here

together, while these numbers get filled in, or do we want to move on to some other things and let people work to fill in the numbers and we come back and look at them later. I think that can help move the committee along through our agenda and let the numbers' people come up with the numbers and give us those back. Kate, does that sound agreeable to you?

Ms. Quigley: It does. One thing that you may want to do is just go through the list and make sure that these alternatives will work for these species just in general and then I can work on those numbers.

Mr. Cheuvront: I think that's a good idea and perhaps maybe what we can request of you then, Kate, is tomorrow morning when we come back is you've given us that table that you and I talked about yesterday afternoon that shows the different alternatives. We can actually put the five alternatives that we just voted on and then we can have the numbers in your table and fill them in. I would also just put in the caveat of what years the data cover and all that so that we all understand this is not the full amount of data that we're going to have to consider in September.

Mr. Currin: Just looking at the table that's before us on the screen here, there is one alternative there that I think we should consider whether we want to include it as one to be included for consideration in Amendment 17, and that's the no-take alternative. I say that only because we've got three species in there, warsaw and speckled hind which currently there is no take and then snowy grouper for which the recreational allocation is so low that we might want to consider at least for that sector a no-take approach to management in there.

Maybe that's a management measure and not an allocation measure that we can work in another way in 17, but I don't want the previous motion to preclude the Snapper Grouper Committee from considering no take at least as a - I don't know where I'm going with this - as a management measure for some of those species that obviously need that.

Mr. Cheuvront: And I agree; also, if you look at status quo for some of the species we already have an interim allocation. If you're looking like at black sea bass, gag and vermilion, we've already got some numbers there and snowies as well. Perhaps what we ought to do is just have a second motion that will allow the Snapper Grouper Committee and the council to consider no take and status quo so that we've still got our five and we don't have to go back and change our original motion. We're just going to add a new motion that's going to add these two things, that they could be considered as well. I would hate for somebody to interpret our last motion as saying that no alternatives other than these five could be considered. I think that wasn't the spirit of our motion.

Mr. Currin: Well, I guess no action was included in that motion, so the status quo is there. The only one is perhaps the no-take one. I realize that the committee could do that, but I don't want to wait until September to ask the staff to do the analysis for that if that's what this committee thinks should be included as well.

Mr. Cheuvront: I guess I was mistaken on the no action. I think if we did a second motion now to include the no take that would give the direction, I would think, that staff would need to include that in the analysis as well. Yes, Gregg.

Mr. Waugh: Just one question; is the idea that you would not want to allocate to any sector or that you want to set the ACL at zero? If the intent is just to have no harvest at all, the Snapper Grouper Committee would do that when they set the ACL. You'd set the ACL at zero, and so that wouldn't be going against that previous motion.

Mr. Currin: Thank you, Gregg, and that helps clarify it, and I think that handles whatever situation that might arise with warsaw and speckled hind. I was thinking specifically about snowy grouper where we've got 523 fish or whatever and trying to design a system to manage that or to constrain that harvest may be extremely difficult if not impossible, and it would seem reasonable to me at least to consider closing the deep water complex, as an alternative at least closing the deep water complex to recreational harvest.

Mr. Wallace: To that, the no take would be specific?

Mr. Waugh: And to me, looking at the numbers for snowy and you've got your – if indeed your ACL comes out to be the 523 fish, then you've got to set your ACT and you could set your ACT at zero with the argument being that you just can't manage that low. I think as long as that's your intent to prevent of a species, I think you can do that with setting your ACLs and ACTs because you're going to do that by the ACT is going to be done by sector.

Mr. Currin: Then I'm comfortable.

Mr. Cheuvront: I guess I just want to follow up. Monica, do you have anything to add to that conversation? I mean, it makes sense to me. I just don't want us to hit a bump in the road later on if our intention really is to do something like Mac is describing, and we set the ACT at zero for one sector but not for another. Is that going to create a problem?

Ms. Smit-Brunello: Let me think about it some more, but I think we're okay given the discussion as I understand it here.

Mr. Cheuvront: Well, we'll hopefully hear something tomorrow if you do have a problem with it. Mac.

Mr. Currin: Just one more point, Brian, and thinking about it. You know, depending upon – we have an interim allocation established for snowy and a number of other species already, but those may change depending upon how the committee approaches these allocations and the selection of alternatives here. That 523 fish may change and if it's a thousand fish, then that may be –

Mr. Geiger: Or 28 fish.

Mr. Currin: You know, it could change to 28 fish, you're right, George, but it could change to a number large enough to be considered as feasible to manage.

Mr. Cheuvront: Yes, I think what we're doing is now we're slipping over into Snapper Grouper Committee stuff that we really can't deal with until September. Robert.

Mr. Boyles: To that point, let me ask a procedural or protocol question. We're making this recommendation to the council; the council will either affirm it or deny it early during the September meeting week. Does this mean the Snapper Grouper Committee may not consider other alternative allocation scenarios?

Mr. Waugh: For Snapper Grouper Amendment 17, if they want to stay on track to approve it for public hearing in December, yes, that's what that would mean.

Mr. Geiger: Yes, meaning they wouldn't consider any other alternatives because the analysis has to be done on the alternatives that are selected here. Any new alternatives selected in September would not be analyzed and contribute to the delay.

Mr. Waugh: Correct.

Ms. Smit-Brunello: Unless the council wanted to postpone taking action.

Mr. Boyles: To that point, Mac, you and I had spoken offline during a break about an alternative formula that might be considered as well. Are you still interested in pursuing that for Amendment 17, as I understood it?

Mr. Currin: Well, I had penciled in a handful of things both before the meeting, Robert, and during our discussion of your formulas that you put forward. The ones that I had considered are really just modifications of the formula that this committee has passed in the previous motion. I think that if for whatever reason – and I can't imagine the circumstances under which it might be considered by the Snapper Grouper Committee, it certainly would fall between some of the alternatives that we have here, so we should have analysis done to give some indication of that if, God forbid, somebody wanted to go that way. I'm very comfortable with the suite of alternatives that we have here, and I'm not sure we can any better from my perspective.

Mr. Cheuvront: Okay, as I see it now, where we stand is do we now want to let Kate and/or others – I'm not sure who all is going to do the work – fill out this table, prepare what we have asked for, come back tomorrow morning with that table in hand, but right now let's go on to some business of the committee and let them work on getting that done because I can think of two things that we need to discuss still at this point.

One is going to be much shorter than the other, and the first one is number seven, the data needs summary and review, Attachment 6 that we have with Jim Waters. Then I think that at some point it would be good for us to have a discussion of do we want to resurrect the comprehensive allocation amendment and see if we can make a recommendation to council to bring that back as a long-term goal and maybe get some guidance as to what we think that amendment ought to include if we're going to do that.

Is everybody in agreement that would be an okay way to go? We may actually end up a little earlier here today than we had anticipated, but I think that will be a good use of our time and we'll all be fresh in the morning with numbers that we can have four hours to hash out if that's what we want to do. Are we okay with that? Okay, I'm not seeing any dissention on that.

Thank you, Kate, I really appreciate the help. Let's go ahead and take a little recess for about ten minutes.

Mr. Cheuvront: All right, let's come back and I'd like to talk about Agenda Item Number 7. Then we sort of have an agenda item that has since come up as a result of discussions, but we didn't officially add it to the agenda in the beginning but we can call that Other Business. When we had our meeting in June, when we thought the wheels were falling off the whole thing here, we had asked Jim Waters to come to that meeting to make a presentation to us on the discussion that we had had at the April meeting regarding the data that would be necessary for us to do an economic net benefits analysis for our different snapper grouper species.

What I wanted to do, since the committee had never had a chance to consider this, what Jim did largely on his own, with a very, very small amount of input from me, grouped this whole thing together. It appears at the end of the document, Attachment 6, Allocation Committee Report. It was included on your CD. This is sort of an amendment to that report from the April meeting because the first four and a half pages are the stuff that we had that Gregg had helped put together, and then the last stuff is where Jim had attached to that.

There is really nothing new that we hadn't discussed on here. It's just sort of grouped together in a way that makes more sense than the way we left it in April. Jim and I added nothing new. What I'd like to do is for us as a committee just to say, yes, we agree with this or, no, wait a minute, we will need to change something.

What I sort of see as happening is that if we do at some point resurrect this comprehensive allocation amendment, that this would get included as a data need section for that so that we can consider economic data in trying to figure out the future, understanding the past, whatever we're going to need. I don't know that I need to go over all this. George.

Mr. Geiger: Yes, I think it's a good idea if we do reinstitute or recompose or reconstitute the allocation amendment including this, but if we don't reconstitute the allocation amendment, what do we do with this and how do we get it moved forward? Gregg, have you got any ideas?

Mr. Waugh: The Magnuson Reauthorization has, I guess, as a charge to the council to come up with a research plan, that we put together our research needs, and that's forwarded to the National Marine Fisheries Service. I can't remember if we've already sent in the first version of that or not. We have sent it in, okay. So, it could certainly get folded into the next time we revise that, and I think we're supposed to do that each year.

Mr. Cheuvront: I'd also like for us – because I don't know if it was included in the other previous version of that research plan, but if somebody like Kate or somebody was to look at economic needs, data needs for other kinds of analyses and make sure that's included in there as well. I don't know if it already is or not, but I think it's certainly worth considering if it isn't.

Anyway, I just wanted to bring this to everybody's attention. There is nothing new here. I just wanted to make sure that somehow it gets into our official record that we think this should be considered.

Mr. Cheuvront: Well, right now I think it's informational. Is direction to the staff enough on this, Gregg? I don't know that we need to do more than that, do we?

Mr. Waugh: I think so. I mean, we would just take these needs and fold them into the second round of that research needs, and that would come to the council for them to look at as well. I think the previous version Kate had some input on and we tried to list out the economic and social data needs as well.

Mr. Currin: I just hope that before we submit these, that we would go through this list and at least note those items for which we actually are currently gathering data or have data available, because there are some, the number of vessels, for example, under number one in commercial and the gear-specific fishing effort I suspect some of that gets captured in logbooks or is supposed to and if there are others. So if we forward this, then let's get a list of what is needed, not what we've got now but what we need, what we don't have, and note that, you know, currently these items are what we have, this is what we need in addition to that.

Mr. Cheuvront: I think that's a really good idea. George.

Mr. Geiger: Yes, could we do it just by using like an asterisk?

Mr. Cheuvront: Something or underline or something to –

Mr. Geiger: You know, identifying by asterisk the things that are needed or by asterisk the things that we are already collecting the data because that is good distinction that Mac makes because this is a compilation of both.

Mr. Cheuvront: But in some cases, like, for example, that first one that Mac was saying, commercial landings by species, by trip, prices, crew size, area fished, we have some of those but not others. Like, for example, in North Carolina we estimate prices. We don't actually have the real prices. We don't always have crew size. We do know the county landed. Some of it we do have, some we don't, so we need to spend some time working on that. Mac.

Mr. Currin: To that point, I think it may be more impressive if somebody were to actually read these documents that go forward as information that we need and data needs. If you had a list, I presume it would be relatively short of data that we currently have to address the net benefits analysis. Then under that this is what we need; so if I were reading that, I'd go they've got very little, there is a real need here as opposed to trying to get the reader to sort out among a big list, you know.

Mr. Cheuvront: Yes, I think that sounds good. So basically what it means is we're asking to have this reorganized yet again. We've got them together conceptually now. Gregg, is this a staff thing that we can ask for some help on?

Mr. Waugh: Yes and what I discussed with Kate is we'll do a report coming out of this committee just like we did that last and just like we do at council meetings. There is a category

at the bottom that are directions to staff, and so we'll have that listed here so it doesn't slip through the cracks.

Mr. Cheuvront: Okay, I just want to make you all understand what it is, then, that we're asking for. I think we're going forward with Mac's suggestion, separate out what we have as one separate grouping and then what is lacking or what we still need in the way of data. George.

Mr. Geiger: And could I request that you send that list to Jim Waters and let him look at it, Gregg, when you've done it just to make sure.

Mr. Waugh: Yes.

Mr. Currin: Yes, because it may turn out, Brian, in that list of stuff that we have that there may need to be some asterisks in there. For example, we may only have this in a number of states or in one state or whatever, but in the list of stuff we don't have, then that would be, I would imagine, overwhelming.

Mr. Wallace: Can you refresh my memory, since it took us three-quarters of day, on the consumer; what is the population size? Is that the population of fish consumers, how many people actually eat fish in the United States?

Mr. Geiger: They have that data.

Mr. Cheuvront: Yes, they actually do have that data. Those data are available, Fisheries of the U.S., and actually what they can do is – if you've seen that book, I think you may have copies of it. I think the council actually hands them out. If you get to the right person, they can actually even get to a finer level of detail of the data that are presented in that book. I mean, there are things like – they say shrimp. It's every species of shrimp all over the entire country. Well, that's not real helpful if you're trying to look at the species that are just managed in the South Atlantic Council. But you can get data to that level.

Mr. Wallace: Of how many people actually eat a specific species of shrimp?

Mr. Cheuvront: No, but they can actually figure out, for example, if you're catching rock shrimp, where they're going, are they staying in this country, are they going out of the country, what percent of the total, are they staying regionally; therefore, how many people are actually eating rock shrimp. They can actually figure that out and they can tell you roughly where they are. They're going to be estimates, but that's roughly what you can get. I mean, the data is not going to be perfect, but that's something that would really be helpful. Any other comments or questions on this?

The other thing that I wanted to bring up was we've had quite a bit of discussion about resurrecting the comprehensive allocation amendment as a long-term need, and I thought it might be worthwhile to have a little bit of discussion on that for the future. The way I'm sort of seeing it is in the sense it's not tied to any specific species of actions. It's not something that we have to

rush through to make happen, and it has to be done based on when we can get support from staff as well as developments and things. I saw Gregg's hand go up first.

Mr. Waugh: Just to give you the next deadline after Amendment 17; that takes care of our overfishing species. The next deadline is our Comprehensive Annual Catch Limit Amendment that we will be setting ACLs for all the remaining species. We've got that set to scope the end of January-February and the committee and council to look at scoping comments and options papers March and June and approved for public hearing in September.

So, just like your recommendations on allocation on snapper grouper here, this committee I presume would be developing recommendations to go to snapper grouper for all the other species, to mackerel and all of those other species, and all of that will go into this Comprehensive ACL Amendment.

That will amend the Snapper Grouper Plan; that will amend all of our plans to specify annual catch limits and accountability measures for all our remaining species. To me, that probably is going to happen before something would happen on Comprehensive Allocation Amendment. I just wanted to make you aware of that timing.

Mr. Cheuvront: Personally I don't have a problem with that. We have to deal with the pressing needs first, but I think I don't want to lose track of the fact that we've come up with what appears to be sort of an algorithm that can help us in the future. We've talked about these things in Amendment 17 as being interim measures, interim allocations.

Well, if we come up with a methodology that we can use and try to apply to all of our species; that it's not so much that you have to use the numbers and do it this way, but it is a conceptual framework for how to do it. I think that would be the way for us to go to look for this committee in the long run. I just don't want to let this go. I really feel like we finally have something that we could potentially apply to everything, and I'd like to see that happen, if we could. George.

Mr. Geiger: Brian, I agree with you but I would not say it needs to be put in place of the immediate time requirements that we have to meet as we move forward. The other question I had was, Gregg, if we reconstitute this amendment – and there's nothing that says that we have to take so much time to complete an amendment. I mean, if we just reconstituted the amendment and put the thought processes that we talked about at the table here today in that document, if we reconstitute it we don't have to go back out to scoping and do all those things like you would with the initialization of an FMP, right?

Mr. Waugh: That's correct; we've already done the scoping so we wouldn't need to do that.

Mr. Geiger: And then we would just move logically through the process, but I think it's of value to have that plan back in place as a placeholder and the process and the thought behind how we're going to attack allocations in the future isn't lost. I see a benefit to that.

Mr. Cheuvront: So it really does sound like – I'm sorry, Tom.

Mr. Swatzel: I just had a question or a comment. It seems like the direction we're going right now is establishing council policies concerning allocations, and I guess when you start talking about an amendment you're talking about a regulation, a regulatory framework for allocation. Is that really what you need? I mean we're saying as a council policy at least we're considering the direction we want to go, but do you really need to take it another step and make it regulatory? I just raise the question.

Mr. Geiger: And that's a good question. Gregg, is there any other way to do it? Maybe Tom is right. Is there another opportunity to do what we're talking about via the amendment but doing it in a different way?

Mr. Waugh: I think there probably is. What would you all provide as your recommendations to go into the Comprehensive ACL Amendment? Wouldn't it be you want to work on what you're talking about now as possibly doing as a Comprehensive Allocation Amendment? I mean, isn't it the same thing so you're working on whatever algorithm that you want us to use for allocations. What is the vehicle for implementing that?

Well, for Amendment 17 it's feeding it to snapper grouper. For the rest of the species it will be feeding it into this Comprehensive ACL Amendment. But the policy can be developed separately and here is our recommendation for how we would do the allocations, and then that would be provide to each of the species committees for use when they come up with their respective portions of this ACL Amendment.

Mr. Cheuvront: I think Monica, first, was going to speak to some of that point, and then George, Rita and then Robert.

Ms. Smit-Brunello: Two things; one, to what Gregg just said, I agree, and you would then I guess have a lot of discussion concerning how you came up with those allocations in the amendment so you just incorporate it in there. Also, though, you don't necessarily have to have regulations when you do a fishery management plan amendment.

I'd say 96 percent of the time with this council we do, in any council, because you have regulations that you need to implement the amendment, quotas, size restrictions, those sorts of things. But if you'll remember with 15A, that was strictly a plan amendment that didn't have implementing regulations. It established rebuilding plans and those sorts of things, so you don't always need regulations.

Ms. Merritt: I guess the more we talk about it now the more questions I have, and I'd like to have it clearer in my mind. What are the pluses and minuses to us doing a Comprehensive Allocation Amendment versus what we called I think guiding principles in June? Isn't that what we were calling it at that point? Do we need to have this amendment for allocations and then another amendment for the ACLs? Should we have the guiding principles like we talked about earlier and then have that folded into this other amendment?

Mr. Cheuvront: I guess the vehicle is not as important as the message; this is the way we would like to have it be considered. I don't know if we need to be committed to that vehicle yet, but I don't want to let this go. I want this to keep on happening.

Mr. Boyles: And maybe a question for Gregg about the Comprehensive ACL Amendment; you know, for the Comprehensive Ecosystem Amendment, we've got what amounts to a committee as a whole doing it. What is the working group from the council's perspective – what council group will work on that given the fact that you cover a variety of species and a variety of fishery management plans?

Mr. Waugh: It's going to be each species committee is going to be working on its chapter, if you will. The Mackerel Committee is going to be coming up with their ACL recommendations and management measures. The snapper grouper is going to be doing theirs; dolphin-wahoo will be doing theirs. We will package that together just like we did with our – we've done this before with the SFA Amendment is the last one we did to meet the last requirement.

Mr. Boyles: To that end, I guess I'm just not familiar enough with the process, but it strikes me that whether it's the Allocation Committee here constituted or another group – you know, I might make the argument that a Comprehensive ACL Amendment is in essence an allocation amendment, and it just seems to me from my very limited perspective that having the various committees work on things is going to be mighty cumbersome. You all have got far more experience with that than I do.

Mr. Waugh: To that point, the allocation is a part of it. To me, as we were talking over there with snapper grouper, honestly, it's the easiest part because when you come up with the accountability measures to limit your catches to your ACTs, that's going to be the difficult part. That's why I was sort of asking, well, what is going to be the product that this committee feeds to the other committees?

Is it going to be just what we did for Amendment 17 where here is the allocation alternatives we think you should consider; so, is your intent to do that same thing and come up with either a standard set for all the species or tailor some to the individual species? To me I see the utility of having this group deal with the allocation part, but that's only one part of implementing the ACL requirement.

Mr. Geiger: Yes and the ACL requirement is a reportable requirement. It's a product that we have to deliver. Again, the precedent here – I think as we move forward and you do this in snapper grouper I think logically that every committee as we move down the line is going to be more comfortable as they become familiar with this process and by precedence will use the same process that we used hopefully in snapper grouper for every other species.

I did have a question, Monica, for you. I was thinking about what Tom said in regard to having an allocation amendment. The amendment is always a recommendation and approval by the Secretary, correct, so really we're asking the Secretary to approve something that we have the discretionary powers within the council to do and we don't need his authority to do it, and we're opening ourselves up to potential rejection if we request his approval. Are there any other

requirements that would be put on the regional office in terms of time and staffing that would interfere with their looking favorably upon reconstituting an amendment?

Ms. Smit-Brunello: Well, to your first point, if you use whatever it is you come up with, a policy, whatever, in an actual amendment, it's going to be part of that amendment and that will be subject to approval by the Secretary when you send it up, so it's necessarily going to be part and parcel of whatever you're sending.

If you make a policy statement, you're right, that doesn't have to get sent forward, so it's not subject to the Secretary's approval except when you incorporate that into an amendment that then gets forwarded along. But I think that at some point – this is up to you – that you would want some regional buy-in along the way, whether it's working with their staff or whatever to develop some of the stuff if you needed it, because, again, it would probably be used – you'd expect it to be used and so it would be folded into an amendment. Maybe it would be an appendix in the amendment, a statement; however you want to work it out.

Mr. Geiger: Yes, and at the last meeting, Robert, we saw the push-back from the regional office in regard to having a specified amendment, so there might be benefit in skinning this cat another way rather than having an amendment, and I don't know how to do that, Gregg.

Ms. Smit-Brunello: George, was that because of workload; refresh my recollection, because I'm actually the one a little bit who opened this can of worms in the first place because I wasn't sure where we were all going. I asked a couple of various council members and got different responses as to what they thought the Allocation Amendment was supposed to do and so that's why I started asking questions. That could have been folded up in that, which was where are we going? If it's a workload issue, I can assure you that they've got plenty of work to do, just like the council staff does.

Mr. Geiger: I sense that it was a question as to why we were doing an amendment when we had the authority to do it and the national standards gave all the direction we needed. Thankfully, Rita was able to refresh my memory as to why I originally wanted an amendment to start with, and that was to provide the maximum amount of public input in the beginning to solicit suggestions from the public in this process; whereby if we just went off and did it we wouldn't necessarily have that ability to get that public buy-in.

That's my recollection as to how that whole discussion came about, but I just did sense that there was another amendment; we've got plenty of things on our plate; another amendment is going to take a lot of time; and it's not necessary because you've got national standards that give you all the ammunition you need to hit this target.

Mr. Cheuvront: Well, does it sound like, then, what we're saying for this committee is that once we have finished with what we need to do for Amendment 17, we need to start working on the Comprehensive ACL Species and do probably something very similar to what we have done for Amendment 17, and then maybe keep the allocation algorithm as maybe a policy statement or guidance; that as we use it a little bit more, we can flesh it out some.

I mean, I really think that this has some potential, but there are a lot of details that we sort of glossed over here today. There is like how are we going to handle economic data when it becomes available and how is that going to impact our measurement of the future; regulatory history, how is that going to impact how we're going to consider past catch history?

We've got all these other little details that we just haven't worked out, but somewhere I'd like for us to discuss them and maybe give some guidance to the individual species committees that we've thought about this and this might work as a way for you to think about these issues when you're wrestling with them, so we don't have reinvent the wheel everytime we're working with every single species.

Mr. Geiger: And I would suggest that sounds like the best way to go, and the way this committee should meet is probably between council meetings. I hate to say that, but between council meetings so we're able to do what we're doing at this meeting for Amendment 17; so that when we go to council meetings, we have the analysis done in advance and the committees have the benefit of that analysis pre-meeting. Is that right, Gregg; do you agree with that?

Mr. Waugh: Well, Moneybags is not here so I have to raise that issue for Bob. You know, meeting in between does have added cost. But, looking at our schedule for the ACL Amendment, we're looking to approve the document for public hearing in September. So certainly even if you just met at council meetings, that certainly gives you December, March and June or December and March at the very least to work on your methods, as well as the potential for outside meetings.

Mr. Cheuvront: Yes, I was even going to suggest that, well, maybe the issue is that we just need more time at the council meeting week; and even if that's off time maybe we come in a little bit earlier like the SSC does, if that's what we had to do.

Mr. Geiger: And that's fine, too, but we need to then make sure that we do the business two meetings ahead of where we need to be.

Mr. Cheuvront: Right, so that the data can be analyzed or the alternatives could be analyzed and the data would be present for whatever committee needs to consider them.

Mr. Geiger: That's fine.

Mr. Wallace: Does having the meeting in conjunction with the SSC save you anymore money than doing this? It's probably cheaper doing this than it is to send us to this resort.

Mr. Cheuvront: I don't know because the transportation costs are probably a huge factor here as opposed to paying for another night of hotel and meals for a day is all that they would have to do, and then the people who get paid to come to these meetings. All those factors would have to be in there plus transportation if we came to something like this, not to mention the additional staff support time and all that.

Mr. Wallace: Then transportation would be the only –

Mr. Cheuvront: I think that could be substantial.

Mr. Wallace: -- additional charge.

Mr. Cheuvront: And I was going to say if you talked to Bob and you said, well, we want to meet like this and we have more transportation, and we're going to meet with the council meeting time, he's going to see the dollar signs and say – that's going to my guess is he'll just say let's save the transportation cost. I mean, if I've got to be there on a Monday morning at nine o'clock or 8:30 or whatever to hash this out, I'll do it. George.

Mr. Geiger: And I said we need to start working on mackerel tomorrow facetiously, but tell us when are we going to need to start working on the next – what's the next big issue coming down the line? Theoretically, we've resolved snapper grouper.

Mr. Waugh: Well, you will have resolved the overfishing species, the ten overfishing species. The Comprehensive ACL Amendment will have to specify allocations for all of our other species and all our other FMPs.

Mr. Geiger: But that's the Snapper Grouper Committee's responsibility and they have their instructions from this meeting, correct?

Mr. Waugh: Well, the instructions here are specific to the ten overfishing species. Now you've got all the remaining species. To me, though, what's to stop you all from working on this new method now for the other species? The ones you provided for Amendment 17 are broad and they can be applied to any species, so it seems to me you can work on your algorithm now to see what you can develop for that ACL Amendment.

Mr. Cheuvront: I think that's a good idea, Gregg, but not to lose some of what George was just saying, to follow up with that, maybe something at the September meeting – you've been keeping track of the deadlines for all the different amendments and things that are going on, but maybe we need to have something in there for the Allocation Committee saying, okay, at this meeting we need to come up with alternatives for this species so that we can get enough time for the analysis to occur by staff so it can be presented at the appropriate time to the appropriate committee for the council's consideration, and maybe that will help us plan out our time a little better as well so we can sort of see long range.

I don't think that would be too difficult to do with the information that you've already got, so maybe we could ask for that for September so we can have an idea of what committee needs to get one in the future. But I like the idea for the ACL; there is no reason – I mean, it's only 2:15 and we've basically gotten through our agenda except for going over the results of the analysis that Kate is doing for us right now for the Amendment 17 species.

We could jump into the ACL species if you want to, and I'd say why not, let's get a leg up. That means we're going to have to rely on you, Gregg, to help us out here a bit because I don't think any of us has prepared anything for that.

Mr. Waugh: Well, George mentioned mackerel. We had talked internally and I had made the suggestion, well, maybe we need to pull the Mackerel Committee together. Remember, we did some scoping on ways to look at reallocating the commercial quota, but the timing is such that the review workshop will take place prior to our September, but we won't have the SSC to look at the report.

Right now Atlantic kings are coming out as slightly overfishing. The initial look that I did at the yield at MSY for the Atlantic Group came out roughly around 8 million pounds, which is certainly on the order of what I was expecting and what the long-term catches have been, but the fact that it's overfishing we will have to reduce the harvest some. Mackerel is certainly one species that we're going to need to look at how we might want to – do you want to take a species like that that has had a long-term allocation in place; do you want look at changing that or do you want to leave that allocation the way it is?

That's one species that comes to mind. The Spanish mackerel assessment will be reviewed by the SSC in the December meeting as well, so at December you'll have SSC recommendations on king and Spanish, so to me we could certainly make part of the focus of an Allocation Committee meeting at the December meeting, to be looking at those two definitely.

Mr. Geiger: Well, here again, as Gregg said, there are allocations already in place for king and Spanish, and they're kind of mirror images of each other; aren't they, Gregg, kind of very close percentage-wise, opposite images of each other.

Mr. Waugh: On your CD you have a discussion paper prepared in February 26, 2007, and it lays out some of the historical actions that we have taken. Atlantic king mackerel it's 62.9 percent recreational, 37.1 percent commercial. Then Spanish mackerel is 45 percent recreational, 55 percent commercial.

The king mackerel allocation was based on – that was specified in Amendment 1, way back in April of 1985, using landings data from '79 through '83. We had talked about having a measure that that allocation would change as new data were added, new years the data became available, but that was disapproved and so that allocation was fixed, and that's never been changed.

Spanish mackerel has changed quite a bit. Initially it was set I think using those same years. Then we went to 50/50 and we transferred some from the recreational to commercial because recreational wasn't taking their allocation.

Mr. Boyles: Gregg, tell me those dates on Spanish again.

Mr. Waugh: Let me just flip to the detail on mackerel. If you have this document, it's on Page 7 of the document where we start in on Page 6 with mackerel. It's Attachment 4.

Mr. Currin: It's on Page 7 of 4.

Mr. Waugh: The overview is on Page 2. Table 1 shows for Spanish, right now we're at 45 percent recreational, 55 percent commercial. We did a framework action in '99 that transferred –

I think we transferred 5 percent from the recreational to the commercial. And then the detailed mackerel discussions begin on Page 6. Amendment 2, March of '87 we separated the Spanish mackerel into Gulf and Atlantic.

We used data for Spanish mackerel from '79 through '85, which was the most recent that we had. That ratio came out 76 percent commercial, 24 percent recreational. Then in Amendment 4 in May of 1989 we changed the Atlantic Migratory Group Spanish Mackerel Allocation. The rationale was that those ratios that were established in Amendment 2 did not reflect the distribution of catches during the early to mid-1970s, which was prior to the development of the deep water run-around gill net fishery and when the resource was not overfished, so the council changed the allocation to 50/50.

Mr. Boyles: The reason I asked the question – I mean, I understand the driver behind 17. I understand the driver behind the Comprehensive ACL, but it does to me beg the question in terms of policy and guidance, if not an FMP, is how often do we revisit this? Do we revisit these issues when congress tells us to; do we revisit this as a matter of policy every three years, every five years? Maybe this is a discussion for later, but it's something I'd like to get a little better handle on.

Mr. Waugh: Well, within our Fishery Ecosystem planning, the idea there is to redo that FEP every five years. That will be a comprehensive review and that meets the congressional mandate to look at habitat and look at your fisheries. Then in that intervening four- to five-year period we will do one amendment a year to address whatever issues are identified either through SEDAR assessments or from that Comprehensive Fishery Ecosystem Plan Review.

That's sort of how we're planning to move from all of these multiple individual amendments now to a systematic review under our five-year fishery ecosystem plan process and then one amendment each year where we scope in the first part of the year and then do one amendment each year that will amend each FMP that needs to be amended. It brings some order to the regulatory process.

Mr. Geiger: And this whole conversation surrounding king mackerel and the allocation and the fact that the recreational sector does not catch its allocation was an argument that was used in the past as a voluntary measure to keep fish in the water and was attributed to some of the health of that king mackerel stock was because in fact one of the sectors did not catch its full allocation. The commercial allocation kept bumping up closer and closer until just I guess last year we were going to have caught it. We caught it last year, Gregg, the allocation, or right at it?

Mr. Waugh: We came close. I haven't seen the final numbers.

Mr. Geiger: And I think we're on track this year to in fact catch it?

Mr. Waugh: That was certainly the expectation as we add more snapper grouper regulations.

Mr. Geiger: So then the argument begs, well, why don't we take some from the recreational sector who doesn't catch it and pass it over, but that doesn't help the fact that now we're

discovering through this stock assessment that we wind up with king mackerel in the overfishing condition.

So, in fact, what we've done is really probably not enough over time and we're going to have to revisit that whole issue again. That's why I argued in the beginning that just using catch history, because if a sector doesn't choose to catch it, take its catch, it doesn't necessarily mean it should be caught by somebody else because we're not really sure that the fishery can support it.

Mr. Cheuvront: But then this gets into the realm that the council can set the ACT. Even if the ABC is high enough to cover the overages of one sector from another, you can still allocate how you want to for your ACLs; and if you need to constrain one group, you can still do that through the ACT. I think we've got it built in that we can do that. I think your fear, George, is one that we can control through the mechanism that we have here.

I'm a little leery at this point on the allocation committee to be talking about some of the issues I guess that you were bringing up. I think the Mackerel Committee needs to handle that, but I guess you're pointing that out as an example of something that could happen. Gregg, do we have a list of all the species that we need to considering right now for that Comprehensive ACL because there might be some that might be pretty simple that we can – I mean, how are we going to deal with those species that we have no data on? That's an issue. That just stymies me everytime I think about it. I just don't know what we're going to do about that when it comes to trying to come up with an allocation because there may be no fish to allocate; I don't know.

Mr. Waugh: Well, part of it comes in how do you develop these overfishing levels, which the SSC will be giving us in the ABCs? That to me is a more problematic issue, and so I presume we will be getting an ABC, that then you would be setting your ACL based on. Generally what they talk about with species with limited to no data, at least you have landings data.

If you remember from the presentation on the ACL Proposed Rule, there is this category – I forget the specific name of it – the ecosystem species. There are a number of species that we will have the SSC take a first cut at in December of recommending that we remove from the fishery management unit, mainly snapper grouper species, very minor species. I think for the most part once you do that you'll be left with species that at least we have some landings data on, and we just go from there and see what the landings data are.

Mr. Cheuvront: So then as our consideration here for the Comprehensive ACL Amendment, we had alternatives for Amendment 17. Do we see any reason to change those for the Comprehensive ACL Amendment species? I mean, is that the place where we start from, and I kind of guess, yes, I think it is. I don't have any other suggestion. I mean, I'm kind of fumbling for words here because I don't have any other suggestions of what else we could do at this point.

Mr. Currin: Brian, I think you're exactly right from my perspective. I think that's a great place to start. Where I see the most value in this committee devoting time is looking at the unknowns and the more or less arbitrary figures that are placed in the formula or the algorithm that we have here. The F value, I don't know when we'll get there. We're missing lots of information that could be used to modify that.

The economic data is one that comes to mind. I'm not sure what else. Maybe the committee and everyone should be thinking about general sorts of parameters or data that might be used to firm up what F is or what it should be. Then give a lot of thought to what now are equitable and rationale splits of the 50/50, depending upon the time series, and then whatever F is now, which is the time series hopefully in the future that would maybe come up with something that's better than those most recent three years or five years or whatever. That's where I would see the committee spending a lot of thought, at least, and time trying to get at rationale for changing that 50/50 split and getting at what F should be, what should compose F.

Ms. Merritt: I've been thinking that with this algorithm, that we could take some of those other caveats we were all talking about, social, economic, regulations and those kinds of things, and maybe setting up some values or weightings – we said weightings earlier – even a point system, perhaps, keeping it in a small range so that you had like small, medium and large impacts, and using them and incorporating them into – list them first, place a value on them and then incorporate them into the algorithm, and that would help us refine it to these species-specific determinations. I'm no economist and I'm not very good in math, but those were just some thoughts that came to mind.

Mr. Waugh: I wonder if we could spend some time going through – and I've looked at this Table 1 in this document, and what it outlines is where we have a de facto allocation; for instance, golden crab, rock and royal red shrimp, maybe we could go through this table and get some indication of whether you're interested in looking at additional alternatives for all of these species or whether some – and, again, I'm coming back to like king Spanish where we've got a long history.

You know, do you want to keep those existing allocations or subject them to the same range of alternatives that we're talking about here. This has a list of really the fishery management plans. There are certainly a lot more species in some of them. But, if you all were interested in doing that, as we walk through I could give some indication of where we are expecting some level of change.

Mr. Swatzel: Just a question on allocation; didn't we talk about the fact that I guess we were reluctant to revisit allocations for species until we had an assessment coming up; you know, once you got a new assessment, you would revisit that. Isn't that what we talked about? I mean, do we want to revisit allocations on species in which we don't have a new stock assessment and try to in effect reinvent the wheel? Just a thought.

Mr. Wallace: A question for Gregg; you mentioned the rock shrimp and the royal reds, but is shrimp in general excluded from annual catch limits? I thought shrimp in general were excluded from annual catch limits.

Ms. Smit-Brunello: Say that again.

Mr. Wallace: Is shrimp in general excluded from the annual catch limits in Magnuson because it would be an annual crop or is it species specific? He made reference to royal reds and rock shrimp. Are they exempt?

Ms. Smit-Brunello: I don't think they're exempt from annual catch limits. Let me look again.

Mr. Wallace: I was trying to get some of them off the list if we could.

Ms. Smit-Brunello: I know.

Mr. Wallace: I mean pink shrimp is considered overfished when actually they're depleted. Now we probably need to request protection of a depleted stock.

Mr. Cheuvront: But don't they have sort of an alternative measurement method for determining whether it's overfished or not? I know in North Carolina in our shrimp management plan, since we can't do a stock assessment on them, we did something like if the catch level is lower by a standard deviation for three out of five years or something like that, we came up with some method that allowed us to say, okay, we've got to do something here and maybe reduce landings. The fuel costs will take care of that for us.

Mr. Wallace: And, yes, we did that with that standard deviation based on the MARMAP Survey or some survey that went out and tested it, but this is why we keep falling back into the pink shrimp showing up as overfished is because it's going to always fall into that category, really, the standard deviation.

Mr. Cheuvront: Well, while we're trying to figure out what to do about shrimp, let's look at Table 1. George, do you want to say something?

Mr. Geiger: Before we go to Table 1, we've got a number of things that were brought up on the floor; and maybe just so I can get them out of my mind, you can address them. One was working on the arbitrary information that's in the formula. You know, there was a suggestion to do that. There was a suggestion to work on the ACL species remaining in snapper grouper. Tom suggested that we look at species after stock assessments or we had discussed earlier that we were going to do allocations after stock assessments. Now we've got the shrimp exempt factor. All of those things are rattling around in my mind and we didn't put any of them to bed, and I think each one of them has merit in terms of working on the issue.

Mr. Cheuvront: Okay, the shrimp one I'm not sure that there is anything that this committee can do about it.

Ms. Smit-Brunello: I'll have the answer on shrimp for you in just a minute.

Mr. Geiger: Did we come to a final understanding that we're going to apply the same rationale that we used for the overfished species in 17 on the remaining species for ACLs in snapper grouper?

Mr. Cheuvront: I thought so, too, and that's why Gregg suggested we go to Table 1 and look at that. Then Mac had the other –

Mr. Geiger: Working on the arbitrary things; can we do that after we discuss the table or what?

Mr. Cheuvront: Sure. Mac.

Mr. Currin: George, I brought that up as kind of a long-term goal for the committee, along the lines of your efforts to develop – whether it's a separate allocation amendment or it's just kind of the long-term goal for the committee to keep this in your minds, as data become available, to think about what you need or what can be used to help refine or modify those values. So, that's kind of a long-term thing; that's not something that everybody needs to work on now.

Depending on how we go through this, there are certainly some issues that will, I guess, be coming up in the Comprehensive ACL on one snapper species in particular, and that's wreckfish that I feel like we need to do something quite different with. Right now it's a hundred percent commercial ITQ; they're showing up in recreational catch. They're showing up in fisheries off of the coast of North Carolina where they never were before until recently.

They're being taken home and eaten illegally or sold in Virginia of wherever. I think we definitely need to consider – I'm not saying that it can't be covered by the alternatives that are under consideration here, but one thing to keep in mind is that we based all that on catch history. We don't have any for any sector except those in the ITQ at least before – whenever the ITQ was put in place, in '96 or sometime, whenever that was. That's going to be an oddball that we're going to have to address in some way, I think.

Mr. Geiger: And to that point, the Act requires us to review any IFQ Programs every five years anyway, and I don't that program has ever been reviewed, has it, Gregg?

Mr. Waugh: No, we've looked at it, talked about what was going on in it, but no sort of comprehensive detailed review of it, no.

Mr. Cheuvront: So if we go to Page 2 of Attachment 4, history of allocations in the southeast, and Table 1 I guess is the beginning of Page 2, it might not hurt for us to go through – we've got all these FMPs. The first one is billfish. Okay, basically what we show for billfish; we have a hundred percent recreational. I guess that's not going to change any.

It's not our authority. Swordfish falls under the same thing, I believe. King mackerel, 62.9 percent recreational and 37.1 percent commercial; do we want to apply our five alternative suite to that one? I think it's probably a good approach.

Mr. Geiger: I would suggest, as Tom mentioned, that we do it after the stock assessment and we know what we're dealing with in real terms. You know, that's one of those that it doesn't matter whether we wait or not, I think, but I think it would be better if we did.

Mr. Cheuvront: But isn't this allocation process really sort of independent of the actual amount that's going to be in the ACL? I mean, by waiting until we have the assessment, sure, we'll get the actual numbers, but is that what is going to drive our decision on this and what we recommend to the Mackerel Committee? I think the Mackerel Committee is the one who has to have the results of the stock assessment and not us.

Mr. Currin: Yes, I agree with you, Brian. Tom, I'm not sure that the assessment – having the actual values in the ACL is going to shed much light on the need for or suggest changes in allocations that might be done. I mean, it gives you certainly up-to-date data on the stock, but I'm not sure how that all really plays other than perhaps implementing some sort of bias in your thinking about it, dependent upon the results of it. So, I think keeping it independent, as Brian suggested, is probably a better approach. That's just my opinion.

Mr. Boyles: Gregg, can you help me? Why does the Service disallow the provision about looking at data as they became available? Maybe I'm reading too much into that, but to me that's a pretty critical issue that I would like to have a little bit better handle on before we get too far down this road. I mean, I'm afraid what I read into that, not knowing anything more is that the Service said, no, you're going to allocate and we're not going to revisit. I mean, that's a very gross interpretation, and I can't imagine that was what was intended.

Mr. Waugh: I can go back and pull the amendment and take a look at it, but my recollection is that they felt it was not appropriate to let that change automatically as you add new data to it, and that's what the councils wanted to have set up so that it would automatically – when you added another year's worth of data, the allocation would be recalculated, boom, that's what it was. It didn't have anything to do with setting it on a permanent basis. It's just allowing it to change automatically.

Mr. Currin: To that point, Robert, I don't recall the history back then, but if I had to guess I would say that it was kind of back in the Old Wild West days when the TACs were not hard and was subject to a lot of volatility in those fisheries, and I think perhaps the Service saw that there was a real chance that there would be wild swings based upon the effort perhaps of one sector, but I don't know that. That's just a guess.

Mr. Wallace: Gregg kind of touched on what I was going to say, but we were talking when we're going to initiate these allocations, and that would be – I mean, we know we've got an allocation deadline or comprehensive amendment, but we won't review none of these until there is a new assessment. I mean, what initiates the formula because, I mean, when we put the formula together we put it specific to different dates, 05 to '07, and we should initiate this formula based on an upcoming assessment or when do we start seeing if this formula is going to fit this particular species?

Mr. Cheuvront: Well, I guess I'm thinking about this specifically for the Comprehensive ACL Amendment is that, again, these are interim measures. We're coming up with something that we need to put in place to meet to meet the federal requirements; that we are going to be able, then, to have our trigger mechanisms that will tell us that we have to go back and redo them.

I was going to make a suggestion that perhaps what we ought to do is go through these species on Table 1 and look and see if we can come up with a reason of why we shouldn't apply those five alternatives that we had suggested earlier for Amendment 17; and if we can't come up with a reason why we shouldn't or do something different, then we just go on to the ones so that we can get to things like wreckfish or something like that.

And we'll stop at that one and we'll hash it out then, but just to make the assumption that we should apply those five alternatives that we had discussed earlier for Amendment 17 tentatively to all the species as we go through the list and just say that's the basic route that we ought to take at this point. So, think about that for a second, but, Rita, you had something to say as well.

Ms. Merritt: Well, I had some recollection about those allocations back in that time period. And as I recall that was when there was such a tremendous surge in the number of king mackerel tournaments going on that recreational landings were extremely high. I guess nobody really caught it initially until a little bit later that the landings were being sold and then being held against the commercial quota, and that's why the commercial quota was seeing some possible overfishing going on.

Mr. Cheuvront: Yes, and I think in the case of mackerel this is something that the Mackerel Committee needs to take up because the whole idea of tournament sales, that's going to be a huge issue at least towards the North Carolina fishery. There is a lot of that that goes on in North Carolina. The Mackerel Committee needs to figure that out, so I don't think we need to answer that here. There are too many details than we can handle. Gregg.

Mr. Waugh: To John's point, I think what John was asking is when will these allocations first apply? Is that what you were getting at, when these allocation formulas would first apply or when they would subsequently be changed?

Mr. Wallace: Subsequently be changed. My understanding is they are going to first apply as soon as we have to -I mean, we've got to do this by 2010?

Mr. Waugh: 2010 for the overfishing species and then 2011 for all the others.

Mr. Wallace: Okay, so 2011, it's got to apply by 2011. I know it's just a point of reference, if we put specific dates in these amendments or in these alternatives, we need to take the specific dates out and say – yes, that three-year period or the long-term time period, but take the specific dates out. What is your –

Mr. Cheuvront: You mean like the terminal year and just have for Alternative 2, change it from 2007 to the terminal year and in Alternative 3 change it to the most recent three years of which data are available and then apply those to Alternative 4, which is the Boyle's algorithm.

Mr. Swatzel: I just want to make sure I understand the direction we're going. The rationale behind revisiting these allocations has to do with the fact that we're going to have to set ACLs, correct? Now, we wouldn't revisit allocations after that until we had new assessments on those stocks; is that the direction we're going?

Mr. Cheuvront: I think not necessarily so. If you remember on the table that Kate had for those species for which we already had at least interim allocations, those are still going to be presented there. We're not going to change those necessarily. It's going to be up to the individual species committees to change them.

What we're trying to do is to come up ahead of time with the alternative for those individual species committees to consider, so that staff can start work, whenever they're able to, putting together those analyses and things so that we can start hitting those ACL species that we need to do later on. So, we're not changing anything here; we're just helping to define some of the alternatives that are going to be analyzed and be ready for those species committees when they are there to consider it.

Now, we're going to have the snapper grouper ones; that's going to be coming up rather shortly, if I'm not mistaken what Gregg has told us earlier, but king mackerel and Spanish mackerel and all, that's not going to happen until probably we have the stock assessments, so we've got time to deal with those. I mean, I'm feeling real comfortable with doing it this way. We're not changing anything on anybody at this point. We're just trying to come up with some guidance largely for staff for the kinds of analyses that should be done for alternatives for these different species. Gregg, do you think I'm characterizing that correctly?

Mr. Waugh: Yes.

Mr. Cheuvront: Getting back to what my suggestion was a few minutes ago, I thought perhaps what we would do is go through the Table 1 species and look at ones that we actually manage and have some kind of influence on, and then just look at each one briefly and say can we apply our five alternatives to that species; will it work?

If we think it's going to work, then we just go on to the next species and then that's direction to staff on what needs to be done for the allocation alternative, but there are going to be some that we're going to have to spend time on, as Mac has suggested, and I think that's exactly what we should do. I'm looking on Page 2.

I see on there king mackerel and Spanish mackerel, and I don't see any reason why we can't apply those five allocation alternatives to these species. I do like the idea, and I think it was John who said it a little while ago, is that we're going to change 2007 to the terminal year of data. Then we have the shorter time period; it's going to be the last three years of complete data.

(Remark made without turning on the microphone.)

Mr. Cheuvront: Well, no, it's going to be whenever the decisions are going to be made. Whatever is going to trip it, it's going to be those last three years of data. I think we're all on the same sheet of music here now for this. Yes, Gregg.

Mr. Waugh: And I think my recollection of the other species in the fishery management unit would be sero mackerel and little tunney, I think, are the other two that are in there and so we would apply that same approach to those species as well.

Mr. Cheuvront: Yes, that makes sense. I don't see how else we could treat it differently. So, in king and Spanish mackerel I'm not hearing anybody objecting to the fact that we're going to try to apply our five alternatives. On Page 3 we have golden crab as our first one. I think that might be –

Mr. Waugh: Coral and I guess that's just because coral we've got OY set at zero, and I don't expect that to change. The one difference is that right now we have an allowance for octocorals, and our Comprehensive Ecosystem Amendment 2 will consider – we deferred from the first one to the second prohibiting all octocoral harvest and prohibiting all Sargassum harvest. Those are things that will be considered, so I don't think we need to do anything with coral.

Mr. Cheuvront: Right, so we're going to just leave coral alone. Monica.

Ms. Smit-Brunello: We're leaving coral alone because we're dealing with it in a different amendment, right?

Mr. Waugh: Yes, but that amendment won't be –

Ms. Smit-Brunello: The point is you don't really –

Mr. Waugh: It may or may not be in place by 2011.

Ms. Smit-Brunello: Okay, so the alternative would be to keep coral in a Comprehensive ACL Amendment and try to set annual catch limits for coral? It seems a little crazy, doesn't it?

Mr. Waugh: And that applies for octocoral, and its 50,000 colonies that applies for the South Atlantic and Gulf EEZ.

Ms. Smit-Brunello: And I don't if that ever gets closed or that there is a provision to close it if the quota is reached.

(Comment made without turning on the microphone.)

Ms. Smit-Brunello: Well, there are people who apply for octocoral harvesting permits. I don't know many that is. The permits people can tell you, but this does go on, and I don't what Florida's current take is, so to speak. I don't know how they deal with octocoral right now. We could find out, though, so maybe the better thing is to just leave this off for now.

Mr. Waugh: And we will be working on our Comprehensive Ecosystem Amendment 2 next year, so we will have something in the works and maybe it's better to risk a slap on the wrist that it's not in place by January 1, 2011.

Mr. Cheuvront: Okay, golden crab, here is a situation where we've got all of the allocation is to one sector. John.

Mr. Wallace: If you do the math on a hundred percent, it's still a hundred percent, so the math still works.

Mr. Cheuvront: Yes, the math still works, but if you're going to end up with a lot of your alternatives, you're going to be exactly the same. The results of many of the alternatives are going to be the same, but you're at a hundred percent already.

Mr. Wallace: Is that a problem?

Mr. Cheuvront: Yes, they're all going to be the same. Gregg.

Mr. Waugh: I think the question here is for this particular fishery do we need to consider changing that allocation? I think here what we're getting is you're just giving us direction for us to work up. So, to me, if you all are in agreement that we not look at alternatives for that particular fishery, I think that's – and I think we're on good grounds there not to do that. We've have got a controlled access program in place. We've looked at trying to add some effort to that fishery and have been unsuccessful. The driver there is going to be the overfishing level and the ACL. I think we're on good grounds with leaving that where it is.

Mr. Cheuvront: Okay, yes, maybe with these ones that are a hundred percent allocation to a single sector, unless we have a reason to change that allocation, we should just leave it the way they are. Like, for example, the next species is red drum, which right now in the EEZ is allocated at a hundred percent recreational. I don't know if that needs to be changed at this point.

Mr. Waugh: That's being transferred to ASMFC.

Mr. Cheuvront: That's right, I had forgotten that, you're exactly right, so we don't need to worry about that one at all.

Mr. Smit-Brunello: There is no harvest allowed in the EEZ.

Mr. Currin: Right, no harvest or possession in the EEZ.

Mr. Cheuvront: Well, I guess that makes that simple, doesn't it? Okay, shrimp, on shrimp we have white, pink and brown. We don't have any allocations there at all for the EEZ, and I do know all three of those species are harvested commercially and recreationally in North Carolina, but in state waters. I don't know about recreational fishing for those species in the EEZ. I know there is some commercial, but I don't know about recreational.

Mr. Cheuvront: Well, but, see, the thing is in North Carolina we have that recreational and commercial license and these guys can pull trawls, and it's a small trawl.

Mr. Wallace: There is nothing that prohibits them from doing that.

Mr. Cheuvront: No, and I just don't know what the –

Mr. Wallace: But typically there are the weather conditions that –

Mr. Cheuvront: And they're limited to small nets that they can pull behind them.

Mr. Wallace: Not in Georgia anymore; they can throw anything they can throw. And it don't go into depths because outside of three miles, it's shallower outside of three miles than it is in the Sounds.

Mr. Cheuvront: So that's where all our sand is going. Okay, I don't know what to do about the shrimp. Well, we can still apply the – or are we going to have to come up with them? Monica.

Ms. Smit-Brunello: I'm still looking for confirmation, but my brain figured out a little bit more. I think we do not do ACLs for annual crops like shrimp. We have to have overfishing and overfished definitions and all that, but not ACLs.

Mr. Cheuvront: It makes that and rock and royal reds pretty easy, doesn't it?

Ms. Smit-Brunello: But remember royal reds aren't part of the FMP or they're not part of the management unit is my recollection.

Mr. Cheuvront: They are not; I thought they were going to become part of it?

Ms. Smit-Brunello: They're not part of it now.

Mr. Wallace: Well, I'm going to go back to this. How are we doing the ecosystem plan to put an allowable trawl area for royal reds?

Ms. Smit-Brunello: It's not an allowable trawl area for royal reds. My recollection is it's a shrimp trawling area. It's gear-based. We can do that; it's gear-based.

Mr. Wallace: So essentially I can go out here and drag for grouper?

Ms. Smit-Brunello: John, you can't use trawls to harvest snapper grouper in the South Atlantic.

Mr. Wallace: I mean, the reality is we run into this with the MPAs is because of it being snapper grouper, there was no provision that kept us from trawling in that area or being in that area other than it was just too bad a bottom for us to drag in. You know, we had this argument before at the council level is that there was nothing to keep a shrimp boat out of MPAs. This was for snapper grouper hook and line.

Mr. Cheuvront: Moving right along, sargassum, we basically said no because of no take. Let's see, Page 4, spiny lobster, what do we do with spiny lobster? I mean, Florida is different from the rest.

(Comments made without turning on the microphone.)

Mr. Cheuvront: The Gulf is the lead agency on it?

(Comments made without turning on the microphone.)

Mr. Cheuvront: So what does that mean practically for us; do we need to set ACLs for it?

Mr. Waugh: We have been asking the Gulf and the NMFS representatives that have been attending the Gulf to try and get some indication of what their timing is for working on this amendment. It needs to be a joint amendment between the Gulf and South Atlantic. The Gulf is administrative lead so they'll do all the staffing and so forth, but we need to work with them and approve whatever goes in place for those ACLs. Remember we also have an alternative that has been suggested is to look at delegating management to the state of Florida, so that will be evaluated also.

Mr. Cheuvront: So how does all that affect us in the task at hand; can we apply those five alternatives to this? Okay, so I guess we put spiny lobster on there. Of course, we kind of have to kind of split it up because north of Florida it's a hundred percent recreational.

Ms. Smit-Brunello: I think north of Florida you have to apply to the region to get a permit to harvest it, but I believe you're limited to a bag limit. It's kind of a real odd setup; it's different anyway.

Mr. Cheuvront: Okay, the next species that we have, we're getting into wreckfish, so, Mac, here is your poster child. We're up to wreckfish now.

Mr. Currin: Yes, I think this is one that we need to consider – the council needs to consider on making some fairly major changes in that I believe some consolation or measures should be implemented to allow some recreational harvest of wreckfish that's currently prohibited, as well as some sort of bycatch allowance in the non-permitted commercial – well, by non-permitted I mean non-ITQ members, snapper grouper unlimited permit holders, but non-wreckfish ITQ members.

Mr. Cheuvront: And then, of course, the problem here is that if you want to do some of these allocations, these other groups don't have landings history.

Mr. Currin: Well, this will be a special case, then, you're right.

Mr. Cheuvront: This would be a very special case. We cannot apply our five allocation alternatives to wreckfish. I think it might be worth noting the reason why we can't do it is because we don't have landings history for these other groups that we might want to consider allocating towards, so we'll have to figure out some other scheme for species like wreckfish.

Mr. Currin: And I don't know when the last assessment when the last assessment was one for wreckfish or if there was one but my understanding of the fishery of which I know very little about is that there are a limited number of permit holders; and of those, there are ever fewer who are actively participating in the fishery. There is a quota for the commercial fishery, a TAC, but it has not come close to being reached in, I don't know how many years.

Robert or someone from South Carolina can probably shed more light on that. I think there are fish available within the current allowable catch that could be utilized and are in fact being killed

and tossed overboard or illegally brought to shore by recreational fishermen and permitted snapper grouper fishermen who don't hold wreckfish ITQs.

Mr. Boyles: I just wanted to make sure that I understand, and, Mac, I think you said it. Unless you have that permit, it is not lawful to possess a wreckfish?

Ms. Smit-Brunello: That is correct.

Mr. Currin: Or an addition point, if I might, a few years back I know when they started showing up off of North Carolina – and Rita's husband has seen some of them and Tillman Gray and Jeff Oden and some of that crowd have been seeing some up there – they actually looked into trying to obtain transfer of quota share from some of the current permit holders, and that's not even possible under the plan right now. So, these guys were trying to do the right thing by, "Hey, you got some shares and you aren't using them, can you transfer them temporarily or assign them to me", and that was prohibited as best I understand.

Ms. Merritt: Maybe the word "transfer" is where the mix-up is. You can sell shares and/or you can transfer to other wreckfish shareholders, okay, so nobody was willing to pay the money to buy shares. Once they own a share, then they could be transferring quota. Evidently they either just don't want to pay the money and they're continuing to harvest the wreckfish that are showing up. They're also obligated to sell it to permitted wreckfish dealers, and some of those dealers are taking them over the counter as grouper if you aren't a wreckfish ITQ shareholder is what is happening.

Mr. Boyles: Gregg, I'm presuming – I smell if we wanted to do something, would that be just a completely separate amendment to deal with wreckfish if we wanted to change allocations?

Mr. Waugh: We've got to, within this Comprehensive ACL Amendment, set the ACL, and that would be the time to do it. I think here, you know, this is an ITQ fishery, and those of you with economics training, these guys are making – some of them are making wise decisions because they're banking this annual catch to let the stock build up to where it's easier to go out and fish. It's a very difficult fishery.

But what we've got happening in more recent times is these fish are showing up in areas where they haven't before, and it just doesn't make sense for people who catch them incidentally to have to discard them. So, to me, there are two ways to look at this; revamp the whole allocation, which I think the council, while it's certainly not bound by the council's previous decision to set up an ITQ, I think when you have ITQs in place you should contemplate making those changes in a deliberative process.

Another approach is to come up with some small bycatch allowance to cover what the bycatch is in the recreational and other fisheries and make an allowance for that, and I think that could be done within the Comprehensive ACL Amendment.

Ms. Smit-Brunello: The cart is really before the horse I guess on this one, but you could – in the red snapper fishery you can purchase allocation if you have a Gulf reef fish permit. I mean, you

can even look at loosening up somewhat the allocation transference business that Rita discussed; so that if you held a snapper grouper permit, you could purchase perhaps allocation. I mean, that's got a whole set of issues to go with it in terms of monitoring and all that, but there are a number of ways you could do it.

Mr. Cheuvront: So are we satisfied now just to say that with wreckfish our allocation alternatives that we have right now won't work, and we will let the Snapper Grouper Committee deal with what they think should be done later. Okay, black sea bass I think is a species that our alternatives would work. Anybody have anything different to say on that one? I think that would work. Gregg.

Mr. Waugh: Given that we just set this allocation in 13C in 2006, is that something that you want to revisit or think it should be revisited or is that one we can skip on?

Mr. Geiger: Well, correct me if I'm wrong but that allocation that we set in 13C was based solely on catch history, correct? If we're looking at revising that and utilizing other factors, I think it's appropriate to look at it.

Ms. Smit-Brunello: And we would need to put accountability measures in as well, right?

Mr. Wallace: Aren't we required to look at that one now, anyway, because it's got – I mean, this is one of our ten that's got to be done by next year. We've already got to –

Mr. Cheuvront: No, we've already taken care of overfishing and overfished status on this one.

Mr. Geiger: It already has an allocation so you could pass it by if you so desired. You could already set your ACTs based on that allocation.

Mr. Cheuvront: All right, dolphin/wahoo, I think that one will work. Gregg.

Mr. Waugh: Just to clarify, what did we decide on black sea bass, that we're going to apply our five alternatives to it?

Mr. Cheuvront: Yes, and dolphin/wahoo as well, and I think those are our species, right? Okay, does anybody have anything else with these species? I mean, this is for the Comprehensive ACL Amendment, and wreckfish is one these fish that's not like the others kind of a thing.

Mr. Geiger: John brings up a good point. He showed that for Amendment 17 we've already got black sea bass identified as a species we're going to do the analysis on for tomorrow, right, so do we need to do that up there?

Mr. Cheuvront: I guess we don't need to do it up there if we've already taken care of it in Amendment 17, isn't that correct, Gregg, because we've going to end overfishing and overfished with Amendment 17. Mac.

Mr. Currin: Brian, we have a number of other snapper grouper species which aren't on this list that we're still going to have to deal with. I don't know whether to list those individually or just include them as the balance of the snapper grouper complex, things like triggerfish – I don't even know what else.

Mr. Cheuvront: Well, we've got species that we actually don't have much data on.

Mr. Currin: That's correct.

Mr. Cheuvront: And somehow we're going to have to figure out how to deal with those and what can the Allocation Committee do to help the Snapper Grouper Committee with allocations for those species. We do have landings for most of them. George.

Mr. Geiger: Well, what about groupings?

Mr. Currin: Yes, we've kind of been stymied to some degree by our SSC on grouping any of these things so far; and I guess until we get their blessing on that or at least some advice from them, I'm not sure how we're going to deal with grouping these species. I'm content to deal with the rest of these species in the manner that's been suggested earlier.

I didn't bring those up to suggest that we needed to do something different with them. I just think we needed to be aware that there are some other species and let everybody think about that; and unless there is some other method to approach allocating them, we do have landings history for most of them, I guess, or landings data that this methodology in my mind would apply appropriately to those.

Mr. Geiger: And, again, I guess to help keep straight in my mind what we're doing, I thought that when we received the allocation briefing or the ACL briefing, that groupings were now okay because there is no way that we can identify ACLs for all 72 species in our complex, that we were virtually forced into these groupings.

Mr. Waugh: I think the way that you deal with that is for those very minor species you exclude them from the management unit and put them in that ecosystem groupings. What the ACL proposed rule says is if you group species –

Mr. Waugh: Yes, you have to be cautious but for those species in a group, you have to ensure that no species gets fished to a level below its minimum stock size threshold. So if you've got to specify a minimum stock size threshold for each species, then you can do your ACL.

Mr. Geiger: But if you never know your minimum stock size threshold because there is no data on the species, isn't it logical, then, to group in a biological sense or in the same depth grouping with other species and use an indicator species to monitor it? How else would you monitor it to know if you exceeded the minimum stock size threshold or not?

Mr. Waugh: Well, I think the way at least the proposed rule is written is that for any species you put into a group you have to ensure that any of those species, their abundance doesn't go below

that species' minimum stock size threshold. Well, that's sort of my point is that you can't do the groupings then because you don't its minimum stock size threshold, so, therefore, groupings for the purpose of sort of dealing with the data shortcomings to me is off the table.

Mr. Cheuvront: So if we can apply our allocation alternatives to the other species for which we have data, that's great. We have a group of fisheries where we probably can't do this, so I guess it's not clear to me – maybe I just missed it when you were talking about it, Gregg – about what we're going to do about those species – you said something about an ecosystem approach, and I guess I'm not sure what we're talking about here.

Mr. Waugh: I can get my copy of the proposed rule and get the wording from it, but there is a provision where for very minor species you put them into this ecosystem grouping and you don't have to then set all these SSA parameters. You remove them from the fishery management unit. To me, if a species is so minor that you don't even have landings data on, to me it goes in that species grouping.

So what you will be left with in the fishery management unit are those species that we at least have landings data on, at least have a chance of doing some sort of assessment of. For those that you don't even have landings data, you know, I don't see where you can do anything but put them in this ecosystem grouping and deal with them in some way in the future.

Mr. Geiger: And, Gregg, that makes perfect sense to me. When would we do that?

Mr. Waugh: We're going to get the SSC to give us their first-cut recommendation, and to me it needs to be done in the Comprehensive ACL Amendment so that you're shedding those species that you don't specify the ACLs for.

Mr. Cheuvront: I feel better about that actually with that explanation, because I was really quite concerned of how we were going handle those species. If we left it to the SSC, they're going to say, "Well, we don't know so we have to set ABC at zero." And if they're in a grouping that applies to all that fish in that group and that means you can't catch any of them, and that kind of had me worried. I'm glad to hear the explanation and I hope that flies in December.

Mr. Wallace: These species, I guess they've got no commercial value or no one eats them. I mean, why are the landings so poor on them or the landings data so poor on them because nobody – are they essentially bycatch or they're for pleasure or what is the –

Mr. Waugh: Some of them are very minor components. When we first set up this snapper grouper management unit we tried to be very comprehensive, and that old adage "let no good deed go unpunished" and now we're paying the price for that. But some of the species, we have to be careful in how we do this and build the justification because previously some of the environmental community has expressed concern about removing species from the management unit.

But, for a lot of these species, they are parts of the aquarium trade, and the state of Florida has very strict regulations on their harvest. We will do an analysis of what state regulations apply to some of these species, but they don't show up in the commercial data and they don't show up in

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our recreational data. There may be some in the Florida data, but they're just very minor components, ecosystem components. Some of them, their area of occurrence is off of Florida and not much beyond that.

Mr. Cheuvront: At this point does staff have enough direction as to what we're recommending? Maybe what we're going to need now here is another motion to take this before council and see if the council agrees with our approach so that we can give guidance then to staff to go ahead and start working up these analyses. Gregg.

Mr. Waugh: What I would suggest is after Spanish mackerel we talked about – and I can double check this for tomorrow – adding sero mackerel and little tunney. I think those two are in the management unit.

Mr. Geiger: Little tunney is not, Gregg.

Mr. Waugh: It's not, okay.

Mr. Geiger: That's some that we always –

Mr. Waugh: We talked about adding, okay. So at least put sero on there; I know sero is.

Mr. Cheuvront: So would somebody like to make a motion at this point that we apply these five allocation alternatives.

Mr. Geiger: So moved.

Mr. Boyles: Second.

Mr. Cheuvront: Anymore discussion? Any objection to the motion? Seeing none, the motion carries. Let's make that – we've got this motion recorded here; that we recommend the five allocation alternatives are applied to the ACL Comprehensive Amendment species. We have to somehow note the species like wreckfish and all that. We've got a motion that we just voted on and approved.

Ms. Smit-Brunello: I finally found what I was looking for, which was you don't need to specify ACL for accountability measures for fisheries that have a life cycle of one year unless the Secretary has determined the fishery is subject to overfishing, so we're okay.

Mr. Wallace: Since we went before the review panel and it was deemed overfished but it was not due to overfishing, even the pink shrimp are excluded?

Ms. Smit-Brunello: You're okay, right.

Mr. Cheuvront: Okay, at this point I'm not sure there is anything else that we have – well, we're going to take a break right now, but, first, before we do that, though, I wanted to find out from Gregg was there something else that we need to do for today. I was going to break for the day.

Actually, unless Gregg has got something else, I was going to suggest that we consider breaking for the day. We've gone everything else on the agenda.

What I'd like to suggest is that we go into recess for today; and since what we've to come back to tomorrow is the analysis, let's not come back until 8:30 tomorrow. The agenda says eight, but there is no reason to come back that early. I just wanted to say one thing; I really appreciate all the effort and everything that everybody went to today. I think we had some real breakthroughs in what this committee has accomplished, and I'm actually feeling a whole lot better about what we've done and where we're headed. I think we've given staff some pretty good direction and it's looking pretty good. Thank you.

Mr. Waugh: Kate has done a yeoman's job pulling this material together. We're working to get access to the actual data bases so we can compile this information, and Andi has done the bulk of that.

Mr. Cheuvront: Yes, I certainly didn't want to overlook staff. I know that from meeting with Kate yesterday how much effort she has put into this and, of course, Andi, the numbers' whiz, is pretty amazing in her own right. Mac, you wanted to say something?

Mr. Currin: Yes, I just wanted point out, in case anybody is interested, that ecosystem component species information is that proposed rule that we got at the last council meeting, beginning on Page 14.

Mr. Cheuvront: Okay, the Allocation Committee stands in recess until tomorrow morning at 8:30. Thank you very much.

The Allocation Committee of the South Atlantic Fishery Management Council reconvened in Classroom 6 of Southern Wesleyan University, North Charleston, South Carolina, Wednesday Morning, July 9, 2008, and was called to order at 8:40 o'clock a.m. by Chairman Brian Cheuvront.

Mr. Cheuvront: Okay, I'd like to call the Allocation Committee back to order. I think if I recall, all we have left to deal is one item, and that is the results of the analysis that we asked Kate and Andi to work on for us. Does everybody have a copy? Kate has it projected up on the screen. What I'd like to do is ask Kate to walk us through it and we can talk about the issues that have come up as a result of these analyses.

Ms. Quigley: Okay, we've got the species on the left-hand column as they're listed in the table that I gave you yesterday. Then we've got the sector under each species. For some of them the headboat is missing, but I just put that back in there on the screen. Then we've got status quo. If there currently is an allocation, for example, snowy grouper, black sea bass, golden tilefish, vermilion and gag, we've put that in there.

Then we've got the four different alternatives and the pounds that are implied by those alternatives and the percentages that are implied by those alternatives. Then down at the bottom

of the table you've got how this table will likely change for September. So, again, we don't have the 2008 data complete, we don't have 1986 through 1990, et cetera.

Mr. Cheuvront: Well, first off, thank you so much for doing this in such a short time. We really appreciate it because what it does is it allows us – while it's not accurate, it does allow us to see how this might work. You can see that Alternative 1, which is just looking at a long-range time series, in many cases is very different than the short-term or the more recent trend. Well, I don't want to look at warsaw because that's an unusual thing.

But if you look at something like, say, snowy grouper and right now we've got it allocated at 95/5; and if you go from '91 to 2007 it is 91 percent commercial. Then you go over to the short term, the last three years, it's 73 percent commercial, but if you go over to our new allocation algorithm the commercial is 89 percent.

One of the things that this does – and I'm not suggesting that it's going to stay this way – but one of the things it does is that it allows for changes in the fishery allocations to occur a little more gradually; so if one sector is going to end up being reduced it allows for that to occur a little more slowly and gives the fishery some time to adapt to those changes, but it acknowledges that changes are occurring in the fishery.

And if nothing else, for social reasons and economic reasons, that's probably a good thing, especially for commercial fishermen. If you look in each of these cases and all the scenarios that we have here, if you compare the percentages from Alternative 1 to Alternative 3, I believe in each case the commercial goes down but only slightly. When you compare it to Alternative 2, you could see that's the trend of where it's headed, but the hit is not so big on any one sector right at the very beginning, so it allows that change to occur a little more gradually, but it says that's where things are headed.

Mr. Boyles: Kate, just some questions on the table. I apologize, I probably do know the answer, but it's a little early for me. In some columns you've got MRFSS – excuse me, in some species you've got MRFSS and in others you don't, like for black sea bass and snowy grouper. I'm assuming where you've got just commercial and recreational, these are 13C species; is that right?

Ms. Quigley: That's right. The columns that I have just commercial and recreational that was just a mistake that I made. I was like, oh, okay, the status quo was made based on commercial and recreational, but for the remainder of the columns what is relevant is commercial, MRFSS and headboat. I'm going to change that on the next printing.

Mr. Boyles: And another question, like black sea bass - I guess these are just editing questions, okay. I just was looking at black sea bass, you've got values there, obviously, for the headboat, but we don't a column or we don't have a row, rather for headboat.

Ms. Quigley: Right, that was just something – late last night my brain wasn't thinking very well, but I went ahead and made those changes up on the screen, and those changes will be made for September.

Mr. Boyles: Okay, that's not criticism; I just wanted to make sure I wasn't missing something. That was a great job.

Mr. Cheuvront: And, also, I think that where you have the places where you have recreational but you didn't have headboat in there, that actually included whatever headboat allocation there would have been at that point. Monica.

Ms. Smit-Brunello: One editorial and then one other maybe more substantive question or issue, I guess. I would make status quo Alternative 1, so that it tracks along, because it's going to be no action throughout the document, so no one will get confused about the way it's laid out in the document as compared to the table.

The other one is we've been having a bit of an e-mail exchange or discussion with some other NOAA attorneys, who advise councils and they do Magnuson Act work, about the whole idea of needing to allocate to the charter sector or headboat, I guess as it's labeled here. They believe probably the correct way to read this is that, really, what the Magnuson Act is getting at with National Standard 4 is being fair and equitable to all fishery participants.

As long as you're fair and equitable it doesn't mean that you necessarily have to make a specific sector allocation to the for-hire industry. I think that aspect should be discussed, but you don't necessarily have to make that specific allocation, so it could be commercial, recreation, assuming the for-hire or charter fishing put in with recreational, so that's something for you to think about as we go along.

But it looks to me like the way that this has been laid out, if that's the way the council was to go or the committee was to decide to go, it would be easy enough to put those two sectors together or those two groupings together to make that determination. I think this is great, thank you. It's very helpful.

Ms. Quigley: One thing I want to make people aware of is the pounds' column are the pounds from those historical years. They're not the pounds that are implied by the allocation. For example, under warsaw, let's just say 23 percent under Alternative 2, 23 percent of the current ABC as estimated is not 6,673 pounds. That 23 percent is with regards to what were the average landings taken from 1991 to 2007, so just to make that clear. This is basically for your reference to see, but the next time what I think I might do or we might do is take 23 percent of the ABC so that you can see under Alternative 2 what are the pounds implied by that.

Mr. Cheuvront: Thank you, Kate. Yes, I really think that will help. And to follow up on with what Monica was just saying is that I believe right now where we have MRFSS and headboat, the charterboat is still included with MRFSS, right. Kate is saying yes.

Ms. Smit-Brunello: Maybe you could asterisk at the bottom, just a little bit of a legend or whatever to explain.

Mr. Cheuvront: But I think what the plan is is perhaps by September to pull the charterboat out of MRFSS, and we would actually end up with four categories where we can just lump charterboat and headboat together. I think one of the things that would allow us to do then, it

would then be additive if we decide not to treat the for-hire sector any differently than the rest of recreational, so all the percentage that would be in charter and headboat would probably just go right into recreational if we're just going to do a commercial and recreational sector allocation.

Ms. Smit-Brunello: Yes, I guess if you were to take them out of MRFSS and lump them in with the headboat, you wouldn't necessarily see the division, although I guess Kate would have that in a separate table, perhaps.

Ms. Quigley: Yes, we can make three separate tables. We can do commercial and recreational; commercial, headboat/charter, MRFSS; and then we can do commercial, MRFSS, for-hire. And when I say MRFSS I'm saying private recreations, so we can make three different tables.

Ms. Smit-Brunello: Yes, I'll think about it, too, in terms of the Magnuson Act and get back with you and see what might be a good way to go.

Mr. Wallace: When we were about some reasoning behind doing the for-hire as a different sector, one of the things that we discussed was there may be – one of these sectors may end up with a closure before the other sector, and that would be the reasoning to – you know, for-hire gets their own allocation and if they don't use their allocation up, at least they get to stay in business. I guess we're still on that same thinking?

Mr. Cheuvront: Yes, I think what this plan will allow us to do is to take that into consideration whatever the specific characteristics are of the fishery and determine what is going to work best for the different sectors in the fishery, whether it really matters whether there is a separate headboat or not. It could be, it doesn't have to be, but the potential is still there.

Mr. Wallace: Then the next was to refresh my memory. Is there something in place that keeps a big influx of charter fishermen, you know, deciding they want to become charter just to get part of their allocation, part of their for-hire allocation?

Mr. Cheuvront: Well, you know, the limitation will be the number of fish available, so would it be worthwhile for them to come into a charter fishery –

(Response from several members of the committee of "control rule".)

Mr. Cheuvront: There is a control date, okay.

Mr. Wallace: I thought I remembered that but I wasn't sure.

Ms. Smit-Brunello: But there is no moratorium so unlike the Gulf someone could come in tomorrow and apply for a permit in the South Atlantic for for-hire and get one.

Mr. Currin: To that point, Brian, yes, I asked for that control date of last year, I think, and I'm glad we did it. It was, if you recall, at the request of some of the charterboats from North Carolina who were concerned about an increase in the charter industry there. My hope is that we

will soon have the results of a survey of the charter industry that is being done by some socio-economists in North Carolina, hopefully this fall.

I asked them specifically to inquire of the group if they would be interested in a limitation within their industry. We've got the control date. I hope that with support of the industry, if that's what they want to do, then we could move forward with a limited entry system for charterboat permits.

Mr. Geiger: Yes, Mac, and one of the things – and I said it the last time when we talked about this, but I hope is somebody is gathering some data from the Gulf because the Gulf Charter Industry wanted this moratorium in place, and now there is almost unanimity amongst that group that was a huge mistake; and if they had it to over again, they would never even have considered it. Bob Zales, I think he is the president of the National Charterboat Association, who has a lot of history and information because he was one of the big proponents of that moratorium, and now will speak ad nauseam against it.

Mr. Currin: Thank you, George, and I think that's real important. I just wanted to try to get an indication from the guys on the east coast as best we could whether this was something that we needed to look into. If they are interested in it, then we certainly need to bring Bob and the expertise from the Gulf over here early on so that these guys can hear what the problems are; and then if they decide, well, that convinced me we don't it, we don't want it, that's fine; we're done with it.

But it's just something I felt obligated to do because of requests that I received from a number of people not only in the big boat, you know, offshore industry but the for-hire – the small boat inshore guys as well were expressing some interest in that. And it may be a unique situation in North Carolina when we have seasonal fisheries.

Other fisheries in the northeast in particular aren't active at that time, then we get a lot of guys that come down in the fall and show up in their – the guys that do it fulltime and all that are threatened somewhat by the competition, but also what they perceive or tell me is their lack of professionalism on the part of some of these fly-by-nighters or temporary folks down there.

Mr. Swatzel: I would just suggest that market forces are going to actually cause a shrinkage in the industry. There are some really good operators now that are really not doing well based on the economy, and I think the market is going to end up taking care of this. I don't think you're going to see anybody really requesting any additional permits. They would be nuts at this point to try to enter the industry, so I really think that the economy is going to take care of that.

Mr. Waugh: Under this status quo for golden tile, we will make sure and footnote this, but that is the one species on here where we have an allocation that's not really an allocation. That's the figures that were used to derive the commercial quota, but that's not really an allocation. For the other species – and that's from 13C – the other species that were in 13C that we did the same thing, we have now – in Amendment 16 and in 15B, we're creating interim allocations. That will be clarified.

The other point, Monica, just to come back to your legal – what we're getting is legal guidance on Section 303A because the way it reads, it says, "To the extent that rebuilding plans or other conservation and management measures which reduce the overall harvest in a fishery are necessary, allocate any harvest restriction or recovery benefits fairly and equitably among commercial, recreational and charter fishing sectors in the fishery." The guidance we're getting is we don't have to allocate amongst those three. We can combine the recreational and charter and just allocate commercial and recreational?

Ms. Smit-Brunello: Yes, I believe that's what I said, although I'd like to look into it further and look at some case law. But when you look at this provision, the one you just quoted, along with National Standard 4, I think the whole idea here is fairness and equity, and you don't want to place an unfair restriction on one of these sectors.

They do say "sectors" so that's why we discussed this at the last council meeting as to that specific sector. You could go ahead and allocate to it; I don't know that you're required to. And to one point that I think John raised before, you know, I think it cuts both ways potentially for the for-hire sector.

If they got a specific allocation, and depending on the accountability measure that was put in, they could find themselves maybe not being able to catch what they could before when they were put in with recreational group specifically, so I think it just depends, and that's something for you all to look and consider.

Mr. Wallace: The other thing is based on the new ABCs that are put into place; you said you were going to put that in the next chart. Could you, at that time, determine potential closure – when the potential closure of that fishery would take place sometime during the year?

Ms. Quigley: We have that data and we're going to work on that. It's a workload issue right now so we're trying to fit that in, so we hope to have that. We'll see what we can do. Let me check with Andi and see what we can do. We're going to certainly aim for that.

Mr. Wallace: If we're going to be putting a spawning season closure in it and then it's going to end up closing three months later because of catching the limit, I mean, that's kind of what I'd like to see maybe is going to happen. I don't know if this is the time or the place to bring it up, but there are so many different sectors in the for-hire industry, do we start looking at regional or is that something that we should look at as to where Florida doesn't get closed down – I mean, Florida doesn't catch all the stuff before North Carolina or vice versa?

Mr. Cheuvront: I think what happens there, though, that's information for the different species committees. They're going to have to make decisions based on this table. I can't see how – I mean, certainly the Allocation Committee is not going to make those kinds of decisions, but I think where at all possible if we could look at landings trends by month or whatever period so that we could see – and I believe we have some of that already, anyway; that we could just turn that into percentages and we could look to see what percentage of the catch would be caught under different scenarios.

If we had to implement closures or something like that, we could determine how long the season would last. I think we can do that, John, and I think that's an important part of what is going to have to happen, but that needs to happen in each of the species committees and let them hash it out and decide –

(Comment made without turning on the microphone.)

Mr. Cheuvront: That's for us to report about in this committee. I mean, in many ways I think we've done our job at least as far as Amendment 17 goes with these species. We've given the Snapper Grouper Committee what they asked for and what they need to help them get going and continue moving on Amendment 17 at the September meeting. I thought if we could get that far in this meeting we have achieved our goal, and it really looks like we have done it.

Now we have to remember that under Alternative 1 we still don't have the data yet from '86 to '90, and I don't think we have necessarily all the 2007 data in here yet. That's going to happen between now and the September meeting, and that also allows Rick to start looking at some of the analyses associated with these different alternatives between now and then. I'm assuming he's going to probably also look at some of that, and so that's just going to get us that much further ahead or stay on target at least.

Mr. Wallace: I know we touched on this yesterday about the double-counting scenarios. Is there any of these species that double counting occurs in more often than other species? I mean, I was looking, you know, based on what we've got at status quo now on some of the species like black sea bass. You've got 5743 as the status quo; is that what we had – and it's still similar to – I mean, and it ends up in the Alternative 3 scenarios, it's ending up basically at those same numbers.

But, you know where headboats or for-hire sector gets 21 percent of that catch are those numbers reasonable, are those numbers – I mean, who does most of that fishing, I guess? I mean, it kind of struck me odd that the for-hire sector is catching almost as much as the entire rest of the recreational sector. And, you know, is that part being – do they sell more black sea bass; do they get counted more? I mean, I know that's more of a sellable item.

Mr. Geiger: Well, from my perspective in Florida it's not a problem because nobody is going –

Mr. Wallace: Not in Georgia, neither.

Mr. Geiger: They don't buy black sea bass and people don't catch enough really to sell, and the black sea bass that are caught off of Florida are on the smaller size anyway because we're at the southern end of their range. So from Florida's perspective, I don't believe it's an issue of double counting for black sea bass.

Mr. Wallace: Georgia is the same way, but I know –

Mr. Cheuvront: What we do in North Carolina – we have a commercial fishery, obviously, for black sea bass, but how much of it from the recreational sector; that is, recreational bag limits

being caught, I think the problem in North Carolina with what is truly what we would call a recreational fisherman who happens to have a commercial fishing license versus a commercial fisherman who is truly a commercial fisherman but just doesn't happen to have the snapper grouper permit, and they're both selling fish.

It's next to impossible to disentangle that in North Carolina. My impression is that it's probably pretty small, particularly in these species. If anything, maybe in gag, but probably not even enough to make a difference. Now we were talking some of the other species, you know, I think it's going to be a bigger issue when we get to king mackerel than it is in the snapper grouper species.

But, my perspective on this, I just don't think we can solve that problem in terms of counting fish. We've taken care of the problem from a management sense in 15B that we have stopped the recreational bag limit sales or we're going to do it. I think we just cut our losses and go on because I just don't know that we can ever solve that problem adequately; maybe in Florida because their license structure will allow that to happen.

But in North Carolina where we've seen a fair amount of fish are sold under a commercial fishing license but without the snapper grouper permit, in some species it is a reasonable amount of fish, and I think in some years for some species it was up into the 30 percent of the total amount of that species sold was under that condition, but not always. And in many cases that is truly a commercial fisherman who is doing that; we don't know.

Mr. Currin: To that point, Brian, I think it's going to behoove law enforcement to be very vigilant upon the implement of 15B and to the council to track very closely any changes that might occur in the proportion of snapper grouper sales that are occurring from state waters. In North Carolina I've got a feeling that's going to potentially be a problem where in the past people might have indicated on their trip ticket that, yes, they caught those black sea bass or those vermilion in offshore waters, outside three miles; whereas, 15B doesn't prevent a scuffle holder in North Carolina from selling snapper grouper species caught in state waters.

We need to be aware of those trends and track those and law enforcement needs to be looking for different changes in the proportion of those state versus federal water landings because I think that's going to give us a clue about maybe some not quite so forthright activities occurring.

Mr. Cheuvront: Well, the way we fix that is we make the state laws of North Carolina match the federal, which I think your argument right there is probably a good reason for doing that, so you might want to keep that in mind, Mr. Commission Chairman. I think that makes perfect sense. Anybody else have any comments that you want to say to this?

I think this is really going to be an extremely helpful tool to the Snapper Grouper Committee and I think in the future we've got the Comprehensive ACL Amendment that we've already given direction to staff on how to start working on that. In December we should have those numbers to look at, not that this is going to solve of all our problems. There are still going to be some pretty big issues, but this is going to handle I think most of our species, I think.

The more and more I thought about this, the more I liked it because it's an objective way that we can show to all of our constituents, no matter who they are, that we're doing our best to play fair with absolutely everybody and taking into account past history, future trends as well as making changes as a result of these trends not be so traumatic for any one user group at any given point.

Ms. Smit-Brunello: Well, two things – I guess I could have talked about this yesterday, but this is interesting: "To the extent this further" – when you're looking at allocations, I guess it could be argued it's limiting access even further than it was before to the fisheries; and if it fell under the limited access discretionary provision that's in the Magnuson Act, the factors you take into account, when you're looking at such a such a system, is present participation, historical practices in and dependence on the fishery, the economics of the fishery, capability of fishing vessels used in the fishery to engage in other fisheries, the cultural and social framework relevant to the fishery and any affect fishing communities, the fair and equitable distribution of access privileges in the fishery and any other relevant considerations.

So, I think we have touched on a number of those, and, of course, we're going to have to touch on some of the other ones, anyway, in terms of fair and equitable distribution and the economics of the fishery. I think perhaps what you've come up with kind of touches on a lot of those things, which is great.

The other thing I was going to ask, though, just so I'm clear in my mind, the plan at this point is to bring this back to the next council meeting, but right off the bat and when we have the meeting begin, it will open in full council, at which time this will get reviewed and either you get a thumbs up or thumbs down from full council or revisions to it or whatever, and then we break up into committees and then the other work is done and then full council at the end like normal.

Mr. Cheuvront: Yes, that's the way I understand what we're going to do. The idea was that if we could get the full council's blessing to do this, this will allow the Snapper Grouper Committee to say, okay, full steam ahead, we'll use this to help us make our allocations for Amendment 17. When we come back to full council later in the week, I'm assuming then that the Snapper Grouper Committee will then have its recommendations for the full council. I believe it goes to public hearing then after September, right?

Mr. Waugh: December we would approve for public hearing, and then the idea is to do the public hearings the last week in January/first week in February when we're also scoping for the Comprehensive ACL Amendment and our Comprehensive Ecosystem Amendment 2.

Mr. Boyles: Just housekeeping; we don't anticipate a public input session on this at the Monday Council Session?

Mr. Waugh: No, we only do those when there is final action going to the Secretary.

Mr. Cheuvront: And this has already been scoped the idea of an allocation amendment or doing something with allocations, so I don't see that we need to go to the public.

Ms. Smit-Brunello: Well, just to the point of receiving public comment, I think if there were people at the meeting – from members of the public who wanted to comment on this, there are provisions in the Magnuson Act that you really have to let them in some fashion. Now how you do that and when you do it during the meeting is kind of up to the council chair and others, but I'm sure you want to accommodate any comments received or the public would like to give.

Mr. Cheuvront: But wouldn't it be more likely that the public would give its comments in December and not in September because – I mean, this is just like a working committee that's feeding – we're not generating any documents out of this that's going to be released to the public, I believe, between now and September, right?

Mr. Waugh: It will be in the briefing book; all the materials will be in the briefing book, but, Monica, we don't normally allow public comment when we have committees making reports to the council, and that's all this is.

Ms. Smit-Brunello: I know; I'm just saying that in the Magnuson Act there are provisions that if people would like to speak, you should allow them to speak. I'm not anticipating any; I'm just saying that we could deal with that, I guess, as it arises. There is a lot of latitude if you want written, if you want oral. I mean, there are a number of ways to go about it.

Mr. Cheuvront: I think we're going to get that eventually. I would just be surprised if that happened in September.

Mr. Boyles: My sense of things is we're going down this road – my interest is in keeping the train rolling and I don't want to get hung up on a technicality, because I believe when we took scoping on allocations, it was under the rubric of we're going to do a Comprehensive Allocation Amendment, and I just want to make sure that we're square; that we don't find ourselves in December or next year sometime and all of a sudden somebody says, "Well, you never took public comment on this."

Mr. Mahood: We don't normally schedule public comment unless we're taking a final action. Now, obviously, you've been to enough committee meetings to know that it's at the discretion of the committee chairman if somebody has something to say. Sometimes they'll let some people speak up, but it's not a scheduled-type thing.

In ASMFC and even in some council, before each committee, they allow the public to get up, if they have anything to say on a subject, speak to that, but that's not been our model. Now, whether we want to address in the Executive/Finance Committee and maybe move that way, but that will be up to you all.

Ms. Smit-Brunello: And I wasn't suggesting that you change the way you've done it. I think that seems to be working find. There are plenty of opportunities for public comment. I was just thinking about the provision of the Magnuson Act that says, "Interested persons shall be permitted to present oral or written statements regarding matters on the agenda at meetings." That all; and I think you've got a lot of flexibility in how you do that.

Mr. Currin: One comment to that; the way I view this is the presentation from the Allocation Committee is going to be a concept that will be presented to the council and the council, if they so choose, will assign to a concept. Now there is some baggage with that because there is going to be analysis – a presumptive baggage that there will be some analysis that's going to be put forward to the Snapper Grouper Committee for consideration for action later on, but I see that as a concept. When this discussion is done and before we break, I've got a couple of things that I wanted to just pose to the committee.

Mr. Waugh: Just a question and maybe just clarification, Mac, what this group will be presenting is I think are two things. One is this is a range of alternatives for consideration in Snapper Grouper Amendment 17 and for the Comprehensive ACL Amendment, so it's actually a range of alternatives. Then the second part is the "baah" that's more a concept for the future. Is that right that you all want that presented, too, so that we get some guidance, because that part of it is more of a concept to me to be fleshed out? But for 17 and the Comprehensive ACL Amendment, it's a range of alternations to be considered.

Mr. Currin: That's true, thank you.

Mr. Cheuvront: Right, I think that really is helpful because that gives us the two points that we need to bring up at full council at the very beginning that we need to get consensus or whatever on, and then from there we break out into our regular committee meetings. Then we have our marching orders and we know what to do.

Ms. Quigley: Just to let people know, I have now put it the pounds that are implied by the ABC, and also in the left-most column you'll see the total ABC stated there.

Mr. Geiger: You said pounds by the ABC.

Ms. Quigley: Yes, so, for example, in Column D and E – well, in Column D under pounds, Alternative 2, red snapper – I'm going to highlight that right here – 14,221 pounds; that is equivalent to 34 percent of the ABC, based on a 42,000 pound ABC. That's for all columns for all alternatives, so now you see the actual pounds that are implied by the alternatives.

Mr. Cheuvront: Any chance we can get that e-mailed to us?

Ms. Quigley: I can run downstairs and make copies and I'll e-mail it to you.

Mr. Cheuvront: That would be fantastic; thanks so much. Monica.

Ms. Smit-Brunello: Also gives you some thoughts, in some of those numbers, which are fairly small, in how you're going to monitor if you set an allocation for a specific amount and have accountability measures. You know, you just start slicing the Parmesan, I'll use that, thinner and thinner and it gets difficult to do.

Mr. Boyles: And, Monica, thank you for that, and I suspect, John, this gets back to the discussion that we had back in April, I guess it was, of this where the Snapper Grouper

Committee presumably would get to the idea of a non-allocation to the conservation sector; I mean, a de facto allocation in terms of how we monitor that quota or how they monitor that allocation and how we manage to it.

Mr. Cheuvront: I can see this being a really, really helpful tool to that Snapper Grouper Committee. We've done a lot of homework basically for them and now they have to come in and discuss the issues because we have – well, I say we – staff has done all the hard work to provide us with the numbers, but it is going to make it much easier for the Snapper Grouper Committee. Does anybody else have any other comment about this?

Mac had said he wanted to make a couple of comments before we finished up, but I can't see that we have anything else that this committee needs to discuss. We are not going to meet early in the September meeting as we had kind of discussed yesterday. I don't see any reason for us to do that. We're just going to be the first thing on the agenda with full council. Mac.

Mr. Currin: Thank you, Brian. I want, on behalf of the Snapper Grouper Committee – some of you sit around this table well, but thanks very much to everybody, staff and the allocation committee for coming up with what I think will prove to be an extremely useful tool for not only snapper grouper but for others as well. I appreciate that very much.

The other thing that I would just ask that everybody give some thought to, as you meet again and refine this model, is just a couple of things that occurred to me in talking to George last night some. As you work toward refining what Fs of whatever it is, how that's derived or set up, a couple of things that you might look at or consider.

One is look at trends in effort. It's going to be different, perhaps, from the landings, but it's going to give you maybe a different picture, so some function of a trend in efforts and whether that might warrant analysis of the slope of that line or just an average in some measure of effort. But I think consideration of the slopes of some these lines, either of effort or landings, may well give you a little different picture, a little more refined.

It's going to make our equation a little more complex and maybe not quite so understandable to the public because these formulas are getting more complicated, but perhaps if the analysis is done and it proves to be useful, we can figure out some more lay-friendly way to express that without overwhelming people with these calculus functions that go into this equation.

Mr. Cheuvront: Mac, my fear is that this is going to become like stock assessments where sort of there is this little black box thing, you know, and people put their numbers in and run it and they come out with an answer, and we're happy to understand the answer, but we don't all understand how the math occurred to get from the beginning to the very end. All we see are the results. Right now with the linear algebra we're okay. If we get into the calculus, even I get scared at calculus sometimes.

Mr. Currin: I understand that, Brian, and I'm scared of it, too, because I don't understand it. I should but I don't. I've spent enough time sitting on my butt in calculus classes, but I don't

Allocation Committee North Charleston, SC July 8-9, 2008

carry much of that with me. But I think the concepts are relatively easy to explain if you have to just because you're dealing with taking a curve and expressing it as a line basically.

I think the explanation can be made, but people will certainly be intimidated by a mathematical formula that may or may not be present in the document. Just a couple of things for consideration as you move forward, and, hopefully, there will be others that – and additional data that will become available to be analyzed as well to help refine that future vision function.

Mr. Cheuvront: Anybody else? Well, seeing no other questions and activities that this committee needs to do, this committee is adjourned.

(Whereupon, the meeting was adjourned at 9:25 o'clock a.m., July 9, 2008.)

Certified By:	Date:
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Transcribed By: Graham Transcriptions, Inc. August 4, 2008

## SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL ALLOCATION COMMITTEE MEETING

Southern Wesleyan University North Charleston, SC

July 8-9, 2008

#### **TABLE OF MOTIONS**

PAGE 55: Motion that we recommend to council that the Snapper Grouper Committee consider these five alternative allocation scenarios for allocating ACLs among the sectors in Amendment 17. Motion carried on Page 56.

PAGE 86: Move to apply these five allocation alternatives. Motion carried on Page 86.

#### South Atlantic Fishery Management Council 2007 - 2008 Committees

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Staff Contact: Kate Quigley

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Staff contact: Roger Pugliese- FEP Gregg Waugh- FEP Comprehensive

Amendment

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Representative

Staff contact: Gregg Waugh

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Mac Currin, Vice Chair

Columbus Brown George Geiger

Duane Harris

Brian Sullivan

Staff contact: Gregg Waugh

### South Atlantic Fishery Management Council **Staff**

**Executive Director** 

Robert K. Mahood robert.mahood@safmc.net

**Deputy Executive Director** 

Gregg T. Waugh gregg.waugh@safmc.net

**Public Information Officer** 

Kim Iverson

kim.iverson@safmc.net

Senior Fishery Biologist

Roger Pugliese

roger.pugliese@safmc.net

Staff Economist

Kathryn (Kate) Quigley kate.quigley@safmc.net

**Cultural Anthropologist** 

Open Position

Environmental impact Scientisty

Rick DeVictor

richard,devictor@safmc.net

Science and Statistics Program Manager

John Carmichael

john.carmichael@safmc.net

**SEDAR Coordinators** 

Julie Neer - julie.neer@safmc.net

Dale Theiling - dale.theiling@safmc.net

**Graduate Student Intern** 

Gregg Swanson-gregg.swanson@safmc.net

Fishery Biologist

Andi Stephens

Andi.Stephens@safmc.net

**Coral Reef Biologist** 

Myra Brouwer

myra.brouwer@safmc.net

**Administrative Officer** 

Mike Collins

mike.collins@safmc.net

**Financial Secretary** 

Debra Buscher

deb.buscher@safmc.net

Admin. Secretary /Travel Coordinator

Cindy Chaya

cindy.chaya@safmc.net

Purchasing/Adm. Assistant

Julie O'Dell

julie.odell@safmc.net

SEDAR/ Staff Administrative Assistant

Rachael Lindsay

rachael.lindsay@safmc.net

### South Atlantic Fishery Management Council **2007-2008 Council Membership**

#### **COUNCIL CHAIRMAN:**

#### George J. Geiger

566 Ponoka Street Sebastian, FL 32958 772/388-3183 (ph) georgejgeiger@bellsouth.net

#### **COUNCIL VICE-CHAIRMAN**

#### **Charles Duane Harris**

105 Demere Retreat Lane St. Simons Island, GA 31522 912/638-9430 (ph) seageorg@bellsouth.net

#### Deirdre Warner-Kramer

Office of Marine Conservation OES/OMC 2201 C Street, N.W. Department of State, Room 5806 Washington, DC 20520 202/647-3228 (ph); 202/736-7350 (f) Warner-KramerDM@state.gov

#### Robert H. Boyles, Jr.

S.C. Dept. of Natural Resources Marine Resources Division P.O. Box 12559 (217 Ft. Johinson Road) Charleston, SC 29422-2559 843/953-9304 (ph) 843/953-9159 (fax) boylesr@dnr.sc.gov

#### Wilson Laney

U.S. Fish and Wildlife Service
South Atlantic Fisheries Coordinator
NCSU Campus
P.O. Box 33683
Raleigh, NC 27695-7617
(110 Brooks Ave
237 David Clark Laboratories,
Raleigh, NC 27695-7617)
919/515-5019 (ph)
919/515-4415 (f)
Wilson\_Laney@fws.gov

#### Dr. Brian Cheuvront

N.C. Division of Marine Fisheries P.O. Box 769 (3441 Arendell St.) Morehead City, NC 28557 252/726-7021 Ext. 8015 (ph) 252/726-6187 brian.cheuvront@ncmail.net

#### Dr. Roy Crabtree

Regional Administrator NOAA Fisheries, Southeast Region 263 13th Avenue South St. Petersburg, FL 33701 727/824-5301 (ph); 727/824-5320 (f) roy.crabtree@noaa.gov

#### David M. Cupka

P.O. Box 12753 Charleston, SC 29422 843/795-8591 (hm) 843/870-5495 (cell) dkcupka@bellsouth.net

#### Benjamin M. "Mac" Currin

801 Westwood Drive Raleigh, NC 27607 919/881-0049 (ph) mcurrin1@bellsouth.net

#### Anthony L. larocci

236 Guava Avenue Grassy Key, FL 33050 305/743-7162 (ph); 305/743-2697(f)

#### Rita G. Merritt

38 Pelican Drive Wrightsville Beach, NC 28480 910/256-3197 (ph); 910/256-3689 (f) miridon@ec.rr.com

#### John V. O'Shea

Executive Director Atlantic States Marine Fisheries Commission 1444 Eye Street, N.W., 6th Floor Washington, D.C. 20005 202/289-6400 (ph); 202/289-6051 (f) voshea@asmfc.org

#### Lt. Brian Sullivan

U.S. Coast Guard Brickell Plaza Federal Building 909 S.E. First Avenue Room 876/ DRE Miami, FL 33131-3050 305/415-6781 (ph) 305/415-6791 (f) Brian.A.Sullivan@uscg.mil

#### Mark Robson

Director, Division of Marine Fisheries Florida Fish and Wildlife Conservation Commission 620 S. Meridian Street Tallahassee, FL 32399 850/487-0554 (ph); 850/487-4847(f) mark.robson@myfwc.com

#### Susan Shipman

Director, Coastal Resources Division GA Dept. of Natural Resources One Conservation Way, Suite 300 Brunswick, GA 31520-8687 912/264-7218 (ph); 912/262-2318 (f) sshipman@dnr.state.ga.us

#### Tom Swatzel

P.O. Box 1311 Murrells Inlet, SC 29576 (C/O Capt. Dick's Marina 4123 Hwy 17 Business, Murrells Inlet, SC 29576) 843/357-1673 (ph) tom@captdicks.com

#### John A. Wallace

5 Buddy Beckham Road P.O. Box 88 Meridian, GA 31319 912/437-6797 (ph); 912/437-3635 (f) Ga\_shrimp@darientel.net

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# Allocation Committee Meeting North Charleston, SC Wednesday, July 9, 2008

NAME & ORGANIZATION		AREA CODE & PHONE NUMBER	P.O. BOX/STREET CITY, STATE & ZIP
Michelle Owen	EDF	941-309-5397	Sarasota FL 34236
Zikan Dauphoity	FDF		Charleston, SC
PICK BOAME	CCA	910-338-0012	(DILMOIDITON, NC
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South Atlantic Fishery Management Council 4055 Faber Place Drive, Suite 201 North Charleston, SC 29405 843-571-4366 or Toll Free 866/SAFMC-10

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Allocation Committee Meeting North Charleston, SC Tuesday, July 8, 2008

			Michelle Owen	Lipen Daughenty	NAME & ORGANIZATION
			EDF	Dauahenty FDF R43-737-4460	AREA CODE & PHONE NUMBER
			Sarasota , FL	Muleson, SC	P.O. BOX/STREET CITY, STATE & ZIP

South Atlantic Fishery Management Council 4055 Faber Place Drive, Suite 201 North Charleston, SC 29405 843-571-4366 or Toll Free 866/SAFMC-10

		Alt T. Status Quo		Avg of 1991-2007	Alt.3, Avg	Alt 3. Avg of 2005-2007	Alt 4. Catch h Outlook	Ait 4. Catch history and Future Outlook Approach	Ait 5. Split allocation equally among the firee sectors	ation equally ee sectors
SPECIES and ABC	Sector		sql	%	lbs	%	sql	%	sq	%
Warsaw				:						
(OFL=unknown, ABC=0)	Commercial	<u> </u>	ō	23%	0	8%	0	21%		33%
	MRFSS	Ϋ́	Ö	%69	0	46%	0	67%		33%
1	Headboat		0	8%	0	46%	0	12%	0	33%
Speckled Hind										
(OFL=unknown, ABC=0)	Commercial		0	%92	0	955%	0	%02	٠	33%
	MRFSS	NA	0	10%	0	12%	0	10%	0	33%
	Headboat		0	14%	0	36%	0	19%	0	33%
Red Snapper										
(ABC=42,000)	Commercial		14,221	34%	606'2	19%	13,023	31%	14,000	33%
	MRFSS	NA	22,501	54%	19,674	47%	21,965	92%	14,000	33%
	Headboat		5,277	13%	14,418	34%	7,012	17%	14,000	33%
Snowy Grouper					-					
(ABC=102,960)	Commercial	95%	93,886	91%	74,765	73%	91,702	%68		33%
	MRFSS	2%	669'8	%8	26,137	722%	10,691	10%		33%
	Headboat		375	%0	2,058	2%	299	1%		33%
Black Seabass										
(ABC=847,000)	Commercial	43%	417,821	49%	201,659	24%	375,178	44%		33%
	MRFSS	57%	297,936	32%	269,359	32%	292,299	32%		33%
	Headboat			15%	375,982	44%	179,523	21%	282,333	33%
Golden Tilefish										
	Commercial	98%	319,257	%86	292,009	89%	316,417	%26	108,851	33%
	MRFSS	2%	7,266	2%	34,405	11%	10,095	3%	108,851	33%
alfocation used in Amd	:		,	į		1				
130)	Headboat		31	%0	139	%0	42	%0	108,851	33%
Black Grouper										
(ABC=187,697)	Commercial		156,187	83%	138,448	74%	154,067	82%		33%
	MRFSS	NA N	23,005	12%	7,117	4%	21,107	11%	62,566	33%
	Headboat	·	8,504	9%	42,132	25%	12,523	%/_		33%
Red Grouper										
(ABC=744,053)	Commercial		509,330	%89	313,931	42%	464,547	62%	248,018	33%
	MRFSS	NA	180,511	24%	318,594	43%	212,159	29%		33%
	Headboat		54,211	%2	111,527	15%	67,348	%6	248,018	33%
Gag					_					
(ABC=694,000)	Commercial	51%	442,543	64%	313,909	45%	421,353	61%		33%
	MRFSS	49%	200,747	29%	210,193	30%	202,303	29%		33%
	Headboat		50,710	%2	169,898	24%	70,344	10%	231,333	33%
Vermilion Snapper										
	Commercial	%89	424,990	%89	247,423	36%	386,191	61%		33%
	MRFSS	32%	66,775	11%	76,144	12%	68,822	11%		33%
	Headboat		137,694	22%	305,892	49%	174,446	28%	209,820	33%

Note: The data used in this table will likely change in the future. The following items will be changed for the September 2008 Council meeting: 1) charter boat landings will be summed with headboat landings to create a "For Hire" sector; 2) the data used for the longest catch range will be 1986-2007 instead of 1991-2007. Also, the 2007 data used in the above table is incomplete. Complete 2007 data will be used in the table in September 2008. Also, the golden tilefish status quo allocations were used in Amd 13C. However, these are not official interim or permanent allocations.

			Ält 1. Avg	of 1991-2007	Alt 2. Ave	Alt.2. Avg of 2005-2007	Alt 3, Catch Outlo	Att 3. Catch history and Future. Cutlook Approach		Att4; Split allocation equally among the three sectors
SPECIES	Sector	Status Quo	: sql	%	sql	%	sq!		sql	%
Warsaw										
	Commercial		6,673	23%		8%				33%
	MRFSS	AN	20,339	69%	1,574	46%	1	%29		33%
	Headboat		2,467	%8	1,590	46%	2,029	12%	0	33%
Speckled Hind										
	Commercial		8,351	%91	1,675	52%	5,013	%02	0	33%
	MRFSS	¥	1,101	10%	383	12%	742	10%	0	33%
	Headboat	<b></b>	1,564	14%	1,171	%98	1,368	19%	0	33%
Red Snapper										
	Commercial		144,245	34%	18,788	19%	81,516		14,000	33%
	MRFSS	ΨN	228,228	54%	46,737	47%		25%	14,000	33%
	Headboat		53,528	13%	34,252	34%	43,890	17%	14,000	33%
Snowy Grouper										
	Commercial	95%	364,775	91%	37,463	73%	201,119	89%	34,320	33%
	Recreational	2%	33,798	%8	13,097	25%	23,448	10%		33%
			1,457	%0	1,031	2%	1,244	1%	34,320	33%
Black Seabass										
	Commercial	43%	673,433	49%	79,877	24%	376,655	44%	282,333	33%
	Recreational	22%	480,206		106,693	32%	293,450			33%
			211,533			44%				33%
Golden Tilefish										
	Commercial	%86	586,348	%86	62,395	88%	324,371	97%		33%
	Recreational	7%	13,345	5%	7,352	11%	10,348		108,851	33%
			22	%0	30	%0	43	%0	108,851	33%
Black Grouper										
	Commercial		189,598	83%	22,809	74%	106,204	82%	62,566	33%
	MRFSS	ΝΑ	27,927	12%	1,172	4%	14,550	11%		33%
	Headboat		10,324	2%	6,941	22%	8,632	%/	62,566	33%
Red Grouper										
	Commercial		378,371	98%	69,343	42%				33%
	MRFSS	NA	134,098	24%	70,373	43%		29%		33%
	Headboat		40,273	%2	24,635	15%	32,454	%6	248,018	33%
Gag										
	Commercial	21%	766,827	64%	107,273	45%	437,050	61%		33%
	Recreational	49%	347,848	79%		30%	C			33%
			87,869	7%	090'85	24%	72,964	10%	231,333	33%
Vermilion Snapper										
	Commercial	%89	1,012,683	%89	1					33%
	Recreational	32%	159,114	11%	62,729	12%				33%
			328,103	22%	203,795	46%		%87	209,820	33%
Note: The data used in this table will likely channe in the future. The following items will be changed for the September 2008 Council meeting: 1) charter boat landings will be summed with headboat	table will likely c	hange in the future	The followir	o items will be	thanged for the	September 2008	Council meetir	ng: 1) charter boat lan	idings will be sur	med with headboat

Note: The data used in this table will likely change in the future. The following items will be changed for the September 2008 Council meeting: 1) charter boat landings will be summed with headboat landings to create a "For Hire" sector; 2) the data used for the longest catch range will be 1986-2007 instead of 1991-2007. Also, the 2007 data used in the above table in incomplete. Complete 2007 data will be used in the table in September 2008.

1 SEDAR A 2 Snowy Grouper 3 Golden Tilefish (	A	В	U	Q	
	SEDAR Assessed Species	OFL	ABC		Γ
	uper (whole weight)	116,845	102,960	102,960 OFL=Yield@Fmsy; ABC=Yield@75%Fmsy	T .
	Golden Tilefish (whole weight)	336,425	326,554	326,554 OFL=Yield@Fmsy; ABC=Yield@75%Fmsy	Γ.
4 Black Sea B	Black Sea Bass (whole weight)	912,713	847,000	847,000 OFL=Yield@Fmsy; ABC=Yield@75%Fmsy	
5 Gag (gutted weight)	d weight)	903,000	694,000	694,000 OFL=Yield@Fmsy; ABC=Yield@75%Fmsy	1
6 Vermilion S	Vermilion Snapper (whole weight)	789,602	629,459	629,459 OFL=Yield@Fmsy; ABC=Yield@75%Fmsy	
7 Red Snapper (wh	er (whole weight)	55,000	42,000	42,000 OFL=Yield@Fmsy; ABC=Yield@75%Fmsy	
8 Non-SEDAR	EDAR Assessed Species				
9 Black Grouper	per	208,552	187,697	187,697 OFL=avg. of 2003-07 landings; ABC=90%OFL	
10 Red Grouper	er	783,214	744,053	744,053 OFL=avg. of 2003-07 landings; ABC=95%OFL	1
11 Speckled Hind	pui	unknown	0		
12 Warsaw Groupe	ouper	unknown	0		
T was saw of	odbo.	CHINOWII	)		
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