DRAFT
SNAPPER GROUPER AMENDMENT 16
(GAG AND VERMILION SNAPPER)
INCLUDING A DRAFT ENVIRONMENTAL IMPACT STATEMENT, INITIAL REGULATORY FLEXIBILITY ANALYSIS, DRAFT REGULATORY IMPACT REVIEW AND DRAFT SOCIAL IMPACT ASSESSMENT/FISHERY IMPACT STATEMENT

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ABBREVIATIONS AND ACRONYMS

ABC	Allowable biological catch
ACCSP	Atlantic Coastal Cooperative Statistics Program
ACL	Annual Catch Limits
APA	Administrative Procedures Act
ASMFC	Atlantic States Marine Fisheries Commission
B	A measure of stock biomass either in weight or other appropriate unit
B_{MSY}	The stock biomass expected to exist under equilibrium conditions when fishing at F_{MSY}
B_{OY}	The stock biomass expected to exist under equilibrium conditions when fishing at F_{OY}
B_{CURR}	The current stock biomass
CEA	Cumulative Effects Analysis
CEQ	Council on Environmental Quality
CFMC	Caribbean Fishery Management Council
CPUE	Catch per unit effort
CRP	Cooperative Research Program
CZMA	Coastal Zone Management Act
DEIS	Draft Environmental Impact Statement
EA	Environmental Assessment
EEZ	Exclusive Economic Zone
EFH	Essential Fish Habitat
EFH-HAPC	Essential Fish Habitat - Habitat Area of Particular Concern
EIS	Environmental Impact Statement
ESA	Endangered Species Act of 1973
F	A measure of the instantaneous rate of fishing mortality
$F_{30\%SPR}$	Fishing mortality that will produce a static SPR = 30%.
$F_{45\%SPR}$	Fishing mortality that will produce a static SPR = 45%.
F_{CURR}	The current instantaneous rate of fishing mortality
F_{MSY}	The rate of fishing mortality expected to achieve MSY under equilibrium conditions and a corresponding biomass of B_{MSY}
F_{OY}	The rate of fishing mortality expected to achieve OY under equilibrium conditions and a corresponding biomass of B_{OY}
FEIS	Final Environmental Impact Statement
FMP	Fishery management plan
FMU	Fishery management unit
FONSI	Finding of No Significant Impact
GFMC	Gulf of Mexico Fishery Management Council
IFQ	Individual fishing quota
M	Natural mortality rate
MARFIN	Marine Fisheries Initiative
MARMAP	Marine Resources Monitoring Assessment and Prediction Program
MBTA	Migratory Bird Treaty Act
MFMT	Maximum Fishing Mortality Threshold
MMPA	Marine Mammal Protection Act of 1972

MRFSS	Marine Recreational Fisheries Statistics Survey
MSFCMA	Magnuson-Stevens Fishery Conservation and Management Act
MSST	Minimum Stock Size Threshold
MSY	Maximum Sustainable Yield
NEPA	National Environmental Policy Act of 1969
NMFS	National Marine Fisheries Service
NMSA	National Marine Sanctuary Act
NOAA	National Oceanic and Atmospheric Administration
OY	Optimum Yield
PQBM	Post Quota Bycatch Mortality
R	Recruitment
RFA	Regulatory Flexibility Act
RIR	Regulatory Impact Review
SAFE Report	Stock Assessment and Fishery Evaluation Report
SAMFC	South Atlantic Fishery Management Council
SDDP	Supplementary Discard Data Program
SEDAR	Southeast Data, Assessment, and Review
SEFSC	Southeast Fisheries Science Center
SERO	Southeast Regional Office
SFA	Sustainable Fisheries Act
SIA	Social Impact Assessment
SSC	Scientific and Statistical Committee
TAC	Total allowable catch
TL	Total length
T_{MIN}	The length of time in which a stock could rebuild to B_{MSY} in the absence of fishing mortality
USCG	U.S. Coast Guard

AMENDMENT 16 TO THE FISHERY MANAGEMENT PLAN FOR THE SNAPPER GROUPER FISHERY OF THE SOUTH ATLANTIC REGION

INCLUDING A DRAFT ENVIRONMENTAL IMPACT STATEMENT, INITIAL REGULATORY FLEXIBILITY ANALYSIS, DRAFT REGULATORY IMPACT REVIEW AND DRAFT SOCIAL IMPACT ASSESSMENT/FISHERY IMPACT STATEMENT

Proposed actions:	SFA parameters and measures to end overfishing of gag and vermilion snapper.
Lead agency:	FMP Amendment – South Atlantic Fishery Management Council EIS - NOAA Fisheries Service
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ABSTRACT

The need for action through Amendment 16 is to end overfishing of gag and vermilion snapper. Species in the fishery management unit are assessed on a routine basis and stock status may change as new information becomes available. In addition, changes in management regulations, fishing techniques, social/economic structure, etc. can result in shifts in the percentage of harvest between user groups over time. More specifically, these proposed actions for gag and vermilion snapper would:

- Define interim allocations;
- Update management reference points; and
- Implement measures to end overfishing.

This Draft Environmental Impact Statement (DEIS) has been prepared to analyze the effects of implementing regulations as listed above. Comments on this DEIS will be accepted for 45 days from publication of the Notice of Availability (NOA) in the Federal Register.

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SUMMARY

The need for action through Amendment 16 is to end overfishing of gag and vermilion snapper. Species in the fishery management unit are assessed on a routine basis and stock status may change as new information becomes available. In addition, changes in management regulations, fishing techniques, social/economic structure, etc. can result in shifts in the percentage of harvest between user groups over time. More specifically, these proposed actions for gag and vermilion snapper would:

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1 Introduction

Management of the Federal snapper grouper fishery located off the South Atlantic in the 3-200 nautical mile (nm) U.S. Exclusive Economic Zone (EEZ) is conducted under the Fishery Management Plan (FMP) for the Snapper Grouper Fishery (SAFMC 1983) (Figure 1-1). The fishery management plan (FMP) and its amendments are developed under the Reauthorized Magnuson-Stevens Fishery Conservation and Management Act (RMSA), other applicable Federal laws and executive orders (E.O.s), and affect the management of 73 species (Table 1-1). The purpose of the FMP is to manage the snapper grouper fishery for optimum yield (OY) and to allocate harvest among user groups while preventing overfishing and conserving marine resources.

Stock assessments in the South Atlantic are performed through the Southeast Data, Assessment, and Review (SEDAR) program. The assessments provide an evaluation of stock health and directionality of overall stock health under the current management regime and other potential future harvest conditions. More specifically, the assessments provide an estimation of the maximum sustainable yield (MSY) and a determination of the stock status (whether overfishing is occurring and whether the stock is overfished). Following the assessment, the Council's Scientific and Statistical Committee (SSC) review the stock assessment information and advise the Council on whether the stock assessment was performed utilizing the best available data and whether the outcome of the assessment is suitable for management purposes.

Between 2006 and 2007, gag and vermilion snapper stocks in the South Atlantic were assessed through the SEDAR process (Table 1-2). The assessments provided an estimation of MSY for each stock and determined that both stocks were undergoing overfishing. On June 12, 2007, the SSC approved both assessments as being based upon the best available science. On that same date, the Council received notification from the NMFS Southeast Regional Office Regional Administrator that both stocks were undergoing overfishing and that the Council is required to prepare a plan amendment or proposed regulations to end overfishing within one year of the notification.

Table 1-2. Assessment information for the subject stocks.

	Source & Year Completed	**Data Thru**	**Date SSC Approved**	**Overfishing?**	**Overfished?**
Gag	SEDAR #10 (2006)	2004	6/12/07	Yes	No
Vermilion snapper	SEDAR Update #3 (2007)	2006	6/12/07	Yes	Unknown

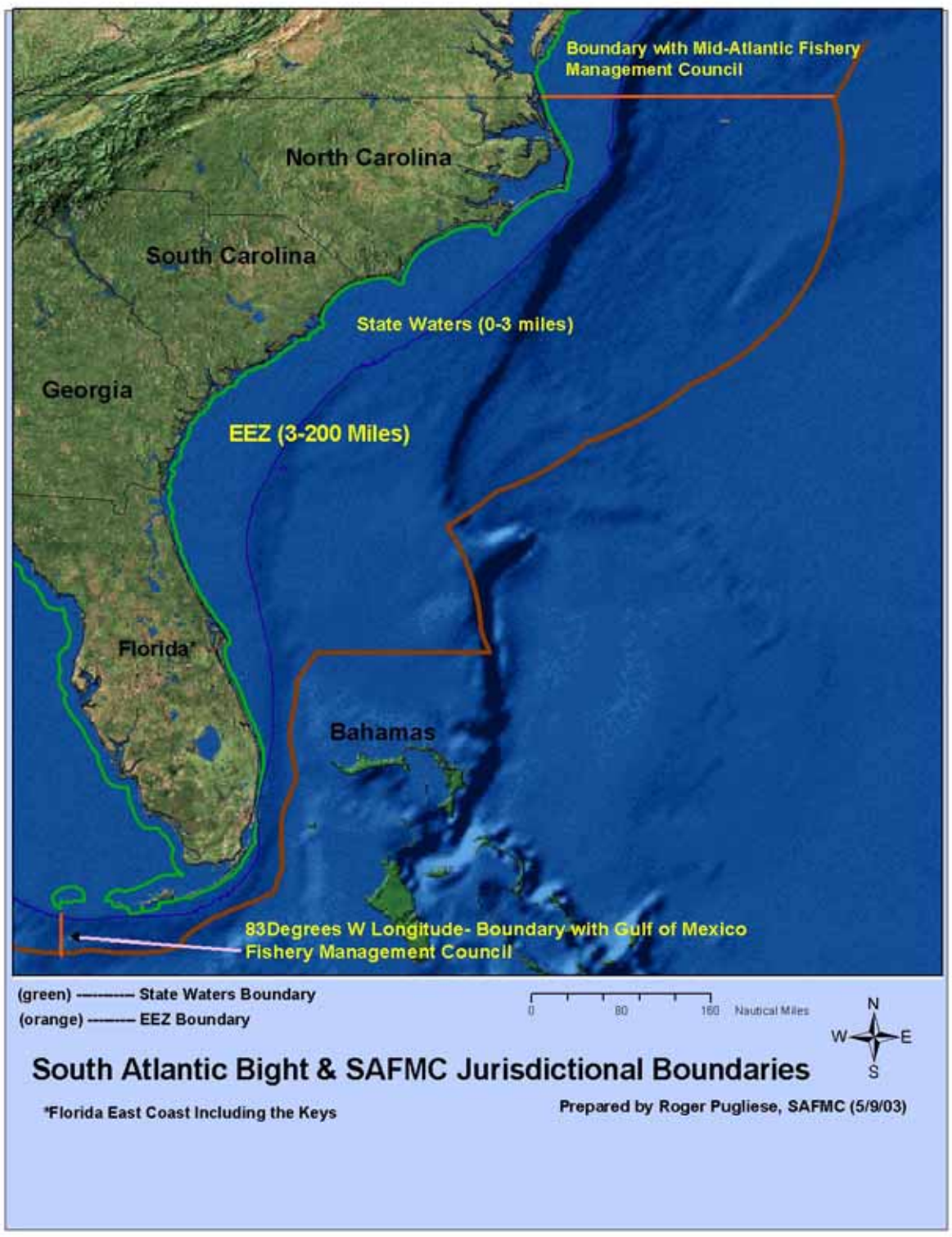


Figure 1-1. Jurisdictional Boundaries of the South Atlantic Fishery Management Council.

Table 1-1. Species in the Snapper Grouper Fishery Management Unit (FMU).

Almaco jack, *Seriola rivoliana*
Atlantic spadefish, *Chaetodipterus faber*
Banded rudderfish, *Seriola zonata*
Bank sea bass, *Centropristis ocyurus*
Bar jack, *Caranx ruber*
Black grouper, *Mycteroperca bonaci*
Black margate, *Anisotremus surinamensis*
Black sea bass, *Centropristis striata*
Black snapper, *Apsilus dentatus*
Blackfin snapper, *Lutjanus buccanella*
Blue runner, *Caranx crysos*
Blueline tilefish, *Caulolatilus microps*
Bluestriped grunt, *Haemulon sciurus*
Coney, *Cephalopholis fulva*
Cottonwick, *Haemulon melanurum*
Crevalle jack, *Caranx hippos*
Cubera snapper, *Lutjanus cyanopterus*
Dog snapper, *Lutjanus jocu*
French grunt, *Haemulon flavolineatum*
Gag, *Mycteroperca microlepis*
Golden tilefish, *Lopholatilus chamaeleonticeps*
Goliath grouper, *Epinephelus itajara*
Grass porgy, *Calamus arctifrons*
Gray (mangrove) snapper, *Lutjanus griseus*
Gray triggerfish, *Balistes capriscus*
Graysby, *Cephalopholis cruentata*
Greater amberjack, *Seriola dumerili*
Hogfish, *Lachnolaimus maximus*
Jolthead porgy, *Calamus bajonado*
Knobbed porgy, *Calamus nodosus*
Lane snapper, *Lutjanus synagris*
Lesser amberjack, *Seriola fasciata*
Longspine porgy, *Stenotomus caprinus*
Mahogany snapper, *Lutjanus mahogoni*
Margate, *Haemulon album*
Misty grouper, *Epinephelus mystacinus*
Mutton snapper, *Lutjanus analis*
Nassau grouper, *Epinephelus striatus*
Ocean triggerfish, *Canthidermis sufflamen*
Porkfish, *Anisotremus virginicus*
Puddingwife, *Halichoeres radiatus*
Queen snapper, *Etelis oculatus*
Queen triggerfish, *Balistes vetula*
Red grouper, *Epinephelus morio*
Red hind, *Epinephelus guttatus*
Red porgy, *Pagrus pagrus*
Red snapper, *Lutjanus campechanus*
Rock hind, *Epinephelus adscensionis*
Rock Sea Bass, *Centropristis philadelphica*
Sailors choice, *Haemulon parra*
Sand tilefish, *Malacanthus plumieri*
Saucereye porgy, *Calamus calamus*
Scamp, *Mycteroperca phenax*
Schoolmaster, *Lutjanus apodus*
Scup, *Stenotomus chrysops*
Sheepshead, *Archosargus probatocephalus*
Silk snapper, *Lutjanus vivanus*
Smallmouth grunt, *Haemulon chrysargyreum*
Snowy grouper, *Epinephelus niveatus*
Spanish grunt, *Haemulon macrostomum*
Speckled hind, *Epinephelus drummondhayi*
Tiger grouper, *Mycteroperca tigris*
Tomtate, *Haemulon aurolineatum*
Yellow jack, *Caranx bartholomaei*
Yellowedge grouper, *Epinephelus flavolimbatus*
Yellowfin grouper, *Mycteroperca venenosa*
Yellowmouth grouper, *Mycteroperca interstitialis*
Yellowtail snapper, *Ocyurus chrysurus*
Vermilion snapper, *Rhomboplites aurorubens*
Warsaw grouper, *Epinephelus nigritus*
White grunt, *Haemulon plumieri*
Whitebone porgy, *Calamus leucosteus*
Wreckfish, *Polyprion americanus*

1.1 *Purpose and Need*

The purpose of this amendment is implement new status determination criteria for gag and vermilion snapper, including Maximum Sustainable Yield (MSY), Optimum Yield (OY), and Minimum Stock Size Threshold (MSST), which reflect current scientific information as provided by the assessments and approved by the SSC. In addition, this amendment would either alter current management measures or implement new management measures that would reduce current harvest levels to yields associated with the optimum yield and end overfishing of both stocks in the South Atlantic. The Council will also specify future allocations between the commercial and recreational sectors.

The underlying need for the proposed actions in this amendment is to achieve OY on a more consistent basis by adjusting the current management of gag and vermilion snapper based upon new scientific information. Of paramount importance to the fishery is a need to end overfishing. Overfishing, as stated in the Magnuson-Stevens Act, "occurs whenever a stock or stock complex is subjected to a rate or level of fishing mortality that jeopardizes the capacity of a stock or stock complex to produce maximum sustainable yield (MSY) on a continuing basis." In a fishery where MSY is not being achieved on a consistent basis, the full extent of social and economic benefits is not realized. For example, in the snapper grouper fishery, low stock levels translate into a loss of catch possibilities for commercial and recreational fishermen. Revenues are reduced when fishermen have to fish longer and harder, which may eventually cause participants to exit the fishery. Ending overfishing and rebuilding overfished stocks would allow fishermen to catch more fish with less effort, resulting in higher economic returns in the long-term as long as effort in the fishery is limited.

The specification of an allocation for a stock is needed to divide the future allowable harvest between the commercial and recreational sectors. Without the designation of an allocation, the Council is unable to identify the allowable catch in the recreational sector. The Council's objective when setting an allocation is to ensure the adverse socioeconomic impacts of ending overfishing and rebuilding overfished stocks are fairly and equitable distributed. The Council is considering basing future allocations on the historical commercial and recreational landings.

For gag and vermilion snapper, these proposed actions would:

- Define interim allocations;
- Update management reference points; and
- Implement measures to end overfishing.

The species affected by these actions are listed in Table 1-1.

Management Reference Points

The Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act) requires each FMP define four **management reference points.** Reference points are biological signposts against which the status of a stock can be judged and allow managers to measure fishery status and performance. More specifically, by evaluating the current stock biomass (B) and fishing mortality rate (F) in relation to these reference points, fishery managers can determine whether a fishery is overfished or undergoing overfishing, and whether current management measures are sufficient to prevent overfishing and achieve the OY.

Definitions
MSST. The biomass level below which a stock is considered overfished
MFMT. The maximum level of fishing mortality that a stock or complex can withstand, while still producing MSY on a continuing basis.

The four reference points are **MSY, OY, minimum stock size threshold (MSST), maximum fishing mortality threshold (MFMT)**. MSY and OY were described in the previous section. MSST and MFMT are benchmarks used by fishery managers to indicate if a fishery is overfished and if overfishing is occurring, respectively (see box for definitions). When the rate of mortality on a stock caused by fishing activities exceeds MFMT, overfishing is occurring. When the stock biomass is below MSST, the stock is considered overfished.

In the past for snapper grouper species, the Council has specified either numeric values, proxies, or nothing at all for the four reference points described above. Recent stock assessments have provided numerical values for the benchmarks. The Council is proposing the following changes based on the gag and vermilion snapper assessments.

- Biomass-based management reference points based on the best available scientific information;
- OY definitions to be more consistent with the National Standard Guidelines related to that parameter; and,

For more detail on the Council's reference points…

The Secretary approved the numerical MSY, MSST, and MFMT estimates proposed in Snapper Grouper Amendments 11 (SAFMC 1999) and 12 (SAFMC 2000) for black sea bass and red porgy, respectively. However, OY has not been estimated for black sea bass or red porgy, and none of the four management reference points has been estimated for the remaining snapper grouper stocks. The Snapper Grouper FMP currently defines MSY and OY for all other snapper grouper stocks as the yield produced by fishing at fixed exploitation rates (F_{MSY} and F_{OY}, respectively), which are designed to remove a constant fraction of the stocks each year. When F_{MSY} has not been estimated by a stock assessment, it is approximated as the fishing mortality rate that would reduce the long-term average level of spawning per recruit (static SPR) to 30-40% of the long-term average that would be expected in the absence of fishing. Similarly, F_{OY} is estimated as a rate of fishing that would reduce the long-term average level of static SPR to 40-50% of that which would be expected for a virgin stock. The MSST of snapper grouper stocks is defined as one-half of the stock biomass at MSY (B_{MSY}), or the product of that biomass and one minus the natural mortality rate, whichever is greater. This definition is designed to specify a higher overfished threshold for less productive stocks relative to those stocks that are highly productive and capable of increasing in biomass more quickly. However, when the estimate of the natural mortality rate is small (i.e. snowy grouper and golden tilefish), the overfished threshold can be very close to the rebuilding goal of B_{MSY}. The Council currently defines MFMT as F_{MSY} or fishing mortality that will produce the MSY.

1.2 *History of Management*

The snapper grouper fishery is highly regulated; some of the species included in this amendment have been regulated since 1983. The original Fishery Management Plan (1983) included size limits for black sea bass (8"). Trawl gear, primarily targeting vermilion snapper, was prohibited starting in January 1989. Fish traps (not including black sea bass pots) and entanglement nets were prohibited starting in January 1992. Bag limits (10 vermilion snapper; 5 groupers) and size limits (10" recreational vermilion snapper; 12" commercial vermilion snapper; 12" recreational/commercial red porgy) were also implemented in January 1992. Quotas and trip limits for snowy grouper and golden tilefish were implemented in July 1994; tilefish were also added to the 5-grouper aggregate bag limit. A controlled access program for the commercial fishery was implemented fully beginning in 1999. In February 1999, red porgy regulations were 14" size limit and 5 fish bag limit and commercial closure during March and April; black sea bass size limit increased to 10" and a 20-fish bag limit was included. All harvest of red porgy was prohibited from September 8, 1999 until August 28, 2000. Beginning on August 29, 2000 red porgy regulations included a January through April commercial closure, 1 fish bag limit, and 50 pound commercial bycatch allowance May through December.

Most recently, Amendment 13C implemented the following regulatory actions to end or phase out overfishing of the snowy grouper, golden tilefish, vermilion snapper, and black sea bass stocks, and to increase catches of red porgy to a level consistent with the approved stock rebuilding plan in federal waters of the South Atlantic.

Snowy Grouper: Decrease the annual commercial quota over three years from 151,000 pounds gutted weight (lbs gw) to 84,000 lbs gw in year 3; decrease the commercial trip limit over three years from 275 lbs gw to 100 lbs gw in year 3; and limit possession to 1 per person per day within the 5-grouper per person per day aggregate recreational bag.

Golden Tilefish: Reduce the annual commercial quota to 295,000 lbs gw; reduce the commercial trip limit to 4,000 lbs gw, which would decrease to 300 lbs gw if 75 percent of the quota were taken by September 1; and limit possession to 1 per person per day within the 5-grouper per person per day aggregate recreational bag limit.

Vermilion Snapper: Establish an annual commercial quota of 1,100,000 lbs gw; and increase the recreational minimum size limit from 11-inch total length (TL) to 12-inch TL.

Black Sea Bass: Establish and decrease an annual commercial quota, over three years from 477,000 lbs gw to 309,000 lbs gw in year 3; require the use of at least 2-inch mesh for the entire back panel of pots; remove pots from the water once the commercial quota is met; change commercial and recreational fishing years from the calendar year to June 1 through May 31; establish a recreational allocation which would decrease over three years from 633,000 lbs gw to 409,000 lbs

gw in year 3; increase the recreational size limit from 10-inch TL to 12-inch TL over two years; and reduce the recreational bag limit from 20 to 15 per person per day.

Red Porgy: Increase the commercial trip limit during May through December to 120 fish; establish a commercial quota of 127,000 lbs gw; and increase the recreational bag limit from 1 to 3 red porgy per person per day.

Specific details on these and all the other regulations implemented in the snapper grouper fishery are shown below in Table 1-3.

Table 1-3. History of management.

Document	All Actions Effective By:	Proposed Rule Final Rule	Major Actions. Note that not all details are provided here. Please refer to Proposed and Final Rules for all impacts of listed documents.
FMP (1983)	08/31/83	PR: 48 FR 26843 FR: 48 FR 39463	-12" limit – red snapper, yellowtail snapper, red grouper, Nassau grouper -8" limit – black sea bass -4" trawl mesh size -Gear limitations – poisons, explosives, fish traps, trawls -Designated modified habitats or artificial reefs as Special Management Zones (SMZs)
Regulatory Amendment #1 (1986)	03/27/87	PR: 51 FR 43937 FR: 52 FR 9864	-Prohibited fishing in SMZs except with hand-held hook-and-line and spearfishing gear. -Prohibited harvest of goliath grouper in SMZs.
Amendment #1 (1988)	01/12/89	PR: 53 FR 42985 FR: 54 FR 1720	-Prohibited trawl gear to harvest fish south of Cape Hatteras, NC and north of Cape Canaveral, FL. -Directed fishery defined as vessel with trawl gear and ≥200 lbs s-g on board. -Established rebuttable assumption that vessel with s-g on board had harvested such fish in EEZ.
Regulatory Amendment #2 (1988)	03/30/89	PR: 53 FR 32412 FR: 54 FR 8342	-Established 2 artificial reefs off Ft. Pierce, FL as SMZs.
Notice of Control Date	09/24/90	55 FR 39039	-Anyone entering federal wreckfish fishery in the EEZ off S. Atlantic states after 09/24/90 was not assured of future access if limited entry program developed.
Regulatory Amendment #3 (1989)	11/02/90	PR: 55 FR 28066 FR: 55 FR 40394	-Established artificial reef at Key Biscayne, FL as SMZ. Fish trapping, bottom longlining, spear fishing, and harvesting of Goliath grouper prohibited in SMZ.
Amendment #2 (1990)	10/30/90	PR: 55 FR 31406 FR: 55 FR 46213	-Prohibited harvest/possession of goliath grouper in or from the EEZ -Defined overfishing for goliath grouper and other species

Document	All Actions Effective By:	Proposed Rule Final Rule	Major Actions. Note that not all details are provided here. Please refer to Proposed and Final Rules for all impacts of listed documents.
Emergency Rule	8/3/90	55 FR 32257	-added wreckfish to the FM -fishing year beginning 4/16/90 -commercial quota of 2 million pounds -commercial trip limit of 10,000 pounds per trip
Fishery Closure Notice	8/8/90	55 FR 32635	-the fishery was closed because the commercial quota of 2 million pounds was reached
Emergency Rule Extension	11/1/90	55 FR 40181	-extended the measures implemented via emergency rule on 8/3/90
Amendment #3 (1990)	01/31/91	PR: 55 FR 39023 FR: 56 FR 2443	-Add wreckfish to the FMU; -Defined optimum yield and overfishing -Required permit to fish for, land or sell wreckfish; -Required catch and effort reports from selected, permitted vessels; -Established control date of 03/28/90; -Established a fishing year for wreckfish starting April 16; -Established a process to set annual quota, with initial quota of 2 million pounds; provisions for closure; -Established 10,000 pound trip limit; -Established a spawning season closure for wreckfish from January 15 to April 15; and -Provided for annual adjustments of wreckfish management measures;
Notice of Control Date	07/30/91	56 FR 36052	-Anyone entering federal snapper grouper fishery (other than for wreckfish) in the EEZ off S. Atlantic states after 07/30/91 was not assured of future access if limited entry program developed.

Document	All Actions Effective By:	Proposed Rule Final Rule	Major Actions. Note that not all details are provided here. Please refer to Proposed and Final Rules for all impacts of listed documents.
Amendment #4 (1991)	01/01/92	PR: 56 FR 29922 FR: 56 FR 56016	-Prohibited gear: fish traps except bsb traps north of Cape Canaveral, FL; entanglement nets; longline gear inside 50 fathoms; bottom longlines to harvest wreckfish**; powerheads and bangsticks in designated SMZs off S. Carolina. -defined overfishing/overfished and established rebuilding timeframe: red snapper and groupers ≤ 15 years (year 1 = 1991); other snappers, greater amberjack, bsb, red porgy ≤ 10 years (year 1 = 1991) -Required permits (commercial & for-hire) and specified data collection regulations -Established an assessment group and annual adjustment procedure (framework) -Permit, gear, and vessel id requirements specified for bsb traps. -No retention of snapper grouper spp. caught in other fisheries with gear prohibited in snapper grouper fishery if captured snapper grouper had no bag limit or harvest was prohibited. If had a bag limit, could retain only the bag limit. -8" limit – lane snapper -10" limit – vermilion snapper (recreational only) -12" limit – red porgy, vermilion snapper (commercial only), gray, yellowtail, mutton, schoolmaster, queen, blackfin, cubera, dog, mahogany, and silk snappers -20" limit – red snapper, gag, and red, black, scamp, yellowfin, and yellowmouth groupers. -28" FL limit – greater amberjack (recreational only) -36" FL or 28" core length – greater amberjack (commercial only) -bag limits – 10 vermilion snapper, 3 greater amberjack -aggregate snapper bag limit – 10/person/day, excluding vermilion snapper and allowing no more than 2 red snappers -aggregate grouper bag limit – 5/person/day, excluding Nassau and goliath grouper, for which no retention (recreational & commercial) is allowed -spawning season closure – commercial harvest greater amberjack > 3 fish bag prohibited in April south of Cape Canaveral, FL -spawning season closure – commercial harvest mutton snapper >snapper aggregate prohibited during May and June -charter/headboats and excursion boat possession limits extended

Document	All Actions Effective By:	Proposed Rule Final Rule	Major Actions. Note that not all details are provided here. Please refer to Proposed and Final Rules for all impacts of listed documents.
Amendment #5 (1991)	04/06/92	PR: 56 FR 57302 FR: 57 FR 7886	-Wreckfish: established limited entry system with ITQs; required dealer to have permit; rescinded 10,000 lb. trip limit; required off-loading between 8 am and 5 pm; reduced occasions when 24-hour advance notice of offloading required for off-loading; established procedure for initial distribution of percentage shares of TAC
Emergency Rule	8/31/92	57 FR 39365	-Black Sea Bass: modified definition of bsb pot; allowed multi-gear trips for bsb; allowed retention of incidentally-caught fish on bsb trips
Emergency Rule Extension	11/30/92	57 FR 56522	-Black Sea Bass: modified definition of bsb pot; allowed multi-gear trips for bsb; allowed retention of incidentally-caught fish on bsb trips
Regulatory Amendment #4 (1992)	07/06/93	FR: 58 FR 36155	-Black Sea Bass: modified definition of bsb pot; allowed multi-gear trips for bsb; allowed retention of incidentally-caught fish on bsb trips
Regulatory Amendment #5 (1992)	07/31/93	PR: 58 FR 13732 FR: 58 FR 35895	-Established 8 SMZs off S. Carolina, where only hand-held, hook-and-line gear and spearfishing (excluding powerheads) was allowed.
Amendment #6 (1993)	07/27/94	PR: 59 FR 9721 FR: 59 FR 27242	-commercial quotas for snowy grouper, golden tilefish -commercial trip limits for snowy grouper, golden tilefish, speckled hind, and warsaw grouper -include golden tilefish in grouper recreational aggregate bag limits -prohibited sale of warsaw grouper and speckled hind -100% logbook coverage upon renewal of permit -creation of the *Oculina* Experimental Closed Area -data collection needs specified for evaluation of possible future IFQ system
Amendment #7 (1994)	01/23/95	PR: 59 FR 47833 FR: 59 FR 66270	-12" FL – hogfish -16" limit – mutton snapper -required dealer, charter and headboat federal permits -allowed sale under specified conditions -specified allowable gear and made allowance for experimental gear -allowed multi-gear trips in N. Carolina -added localized overfishing to list of problems and objectives -adjusted bag limit and crew specs. for charter and head boats -modified management unit for scup to apply south of Cape Hatteras, NC -modified framework procedure
Regulatory Amendment #6 (1994)	05/22/95	PR: 60 FR 8620 FR: 60 FR 19683	Established actions which applied only to EEZ off Atlantic coast of FL: Bag limits – 5 hogfish/person/day (recreational only), 2 cubera snapper/person/day > 30" TL; 12" TL – gray triggerfish
Notice of Control Date	04/23/97	62 FR 22995	-Anyone entering federal bsb pot fishery off S. Atlantic states after 04/23/97 was not assured of future access if limited entry program developed.

Document	All Actions Effective By:	Proposed Rule Final Rule	Major Actions. Note that not all details are provided here. Please refer to Proposed and Final Rules for all impacts of listed documents.
Amendment #8 (1997)	12/14/98	PR: 63 FR 1813 FR: 63 FR 38298	-established program to limit initial eligibility for s-g fishery: Must demonstrate landings of any species in SG FMU in 1993, 1994, 1995 or 1996; AND have held valid SG permit between 02/11/96 and 02/11/97. -granted transferable permit with unlimited landings if vessel landed ≥ 1,000 lbs. of snapper grouper spp. in any of the years -granted non-transferable permit with 225 lb. trip limit to all other vessels -modified problems, objectives, OY, and overfishing definitions -expanded Council's habitat responsibility -allowed retention of snapper grouper spp. in excess of bag limit on permitted vessel with a single bait net or cast nets on board -allowed permitted vessels to possess filleted fish harvested in the Bahamas under certain conditions.
Regulatory Amendment #7 (1998)	01/29/99	PR: 63 FR 43656 FR: 63 FR 71793	-Established 10 SMZs at artificial reefs off South Carolina.
Interim Rule Request	1/16/98		-Council requested all Amendment 9 measures except black sea bass pot construction changes be implemented as an interim request under MSA
Action Suspended	5/14/98		-NMFS informed the Council that action on the interim rule request was suspended
Emergency Rule Request	9/24/98		-Council requested Amendment 9 be implemented via emergency rule
Request not Implemented	1/22/99		-NMFS informed the Council that the final rule for Amendment 9 would be effective 2/24/99; therefore they did not implement the emergency rule

Document	All Actions Effective By:	Proposed Rule Final Rule	Major Actions. Note that not all details are provided here. Please refer to Proposed and Final Rules for all impacts of listed documents.
Amendment #9 (1998)	2/24/99	PR: 63 FR 63276 FR: 64 FR 3624	-red porgy: 14" length (recreational and commercial); 5 fish rec. bag limit; no harvest or possession > bag limit, and no purchase or sale, in March and April. -bsb: 10" length (recreational and commercial); 20 fish rec. bag limit; required escape vents and escape panels with degradable fasteners in bsb pots -greater amberjack: 1 fish rec. bag limit; no harvest or possession > bag limit, and no purchase or sale, during April; quota = 1,169,931 lbs; began fishing year May 1; prohibited coring. Vermilion snapper: 11" length (recreational) Gag: 24" length (recreational); no commercial harvest or possession > bag limit, and no purchase or sale, during March and April Black grouper: 24" length (recreational and commercial); no harvest or possession > bag limit, and no purchase or sale, during March and April. Gag and Black grouper: within 5 fish aggregate grouper bag limit, no more than 2 fish may be gag or black grouper (individually or in combination) All SG without a bag limit: aggregate recreational bag limit 20 fish/person/day, excluding tomtate and blue runners Vessels with longline gear aboard may only possess snowy, Warsaw, yellowedge, and misty grouper, and golden, blueline and sand tilefish.
Amendment #9 (1998) resubmitted	10/13/00	PR: 63 FR 63276 FR: 65 FR 55203	-Commercial trip limit for greater amberjack
Regulatory Amendment #8 (2000)	11/15/00	PR: 65 FR 41041 FR: 65 FR 61114	-Established 12 SMZs at artificial reefs off Georgia; revised boundaries of 7 existing SMZs off Georgia to meet CG permit specs; restricted fishing in new and revised SMZs
Emergency Interim Rule	09/08/99, expired 08/28/00	64 FR 48324 and 65 FR 10040	-Prohibited harvest or possession of red porgy.
Emergency Action	9/3/99	64 FR 48326	-Reopened the Snapper Grouper Amendment 8 permit application process
Amendment #10 (1998)	07/14/00	PR: 64 FR 37082 and 64 FR 59152 FR: 65 FR 37292	-Identified EFH and established HAPCs for species in the SG FMU.

Document	All Actions Effective By:	Proposed Rule Final Rule	Major Actions. Note that not all details are provided here. Please refer to Proposed and Final Rules for all impacts of listed documents.
Amendment #11 (1998)	12/02/99	PR: 64 FR 27952 FR: 64 FR 59126	-MSY proxy: goliath and Nassau grouper = 40% static SPR; all other species = 30% static SPR -OY: hermaphroditic groupers = 45% static SPR; goliath and Nassau grouper = 50% static SPR; all other species = 40% static SPR -Overfished/overfishing evaluations: BSB: overfished (MSST=3.72 mp, 1995 biomass=1.33 mp); undergoing overfishing (MFMT=0.72, F1991-1995=0.95) Vermilion snapper: overfished (static SPR = 21-27%). Red porgy: overfished (static SPR = 14-19%). Red snapper: overfished (static SPR = 24-32%) Gag: overfished (static SPR = 27%) Scamp: no longer overfished (static SPR = 35%) Speckled hind: overfished (static SPR = 8-13%) Warsaw grouper: overfished (static SPR = 6-14%) Snowy grouper: overfished (static SPR = 5=15%) White grunt: no longer overfished (static SPR = 29-39%) Golden tilefish: overfished (couldn't estimate static SPR) Nassau grouper: overfished (couldn't estimate static SPR) Goliath grouper: overfished (couldn't estimate static SPR) -overfishing level: goliath and Nassau grouper = F>F40% static SPR; all other species: = F>F30% static SPR Approved definitions for overfished and overfishing. MSST = [(1-M) or 0.5 whichever is greater]*Bmsy. MFMT = Fmsy
Amendment #12 (2000)	09/22/00	PR: 65 FR 35877 FR: 65 FR 51248	-Red porgy: MSY=4.38 mp; OY=45% static SPR; MFMT=0.43; MSST=7.34 mp; rebuilding timeframe=18 years (1999=year 1); no sale during Jan-April; 1 fish bag limit; 50 lb. bycatch comm. trip limit May-December; modified management options and list of possible framework actions.
Amendment #13A (2003)	04/26/04	PR: 68 FR 66069 FR: 69 FR 15731	-Extended for an indefinite period the regulation prohibiting fishing for and possessing snapper grouper spp. within the *Oculina* Experimental Closed Area.
Notice of Control Date	10/14/05	70 FR 60058	-The Council is considering management measures to further limit participation or effort in the commercial fishery for snapper grouper species (excluding Wreckfish).
Amendment #13C (2006)	10/23/06	PR: 71 FR 28841 FR: 71 FR 55096	- End overfishing of snowy grouper, vermilion snapper, black sea bass, and golden tilefish. Increase allowable catch of red porgy.
Notice of Control Date	3/8/07	72 FR 60794	-The Council may consider measures to limit participation in the snapper grouper for-hire fishery

Document	All Actions Effective By:	Proposed Rule Final Rule	Major Actions. Note that not all details are provided here. Please refer to Proposed and Final Rules for all impacts of listed documents.
Amendment #14 (2007)	TBD	TBD	-Establish eight deepwater Type II marine protected areas (MPAs) to protect a portion of the population and habitat of long-lived deepwater snapper grouper species. -Sent to NMFS 7/18/07
Amendment #15A (TBD)	TBD	TBD	
Amendment #15B (TBD)	TBD	TBD	

1.3 *Management Objectives*

The following are the fishery management plan objectives for the snapper grouper fishery as specified by the Council. These were last updated in Snapper Grouper FMP Amendment 8 (June 1996).

1. Prevent overfishing.
2. Collect necessary data.
3. Promote orderly utilization of the resource.
4. Provide for a flexible management system.
5. Minimize habitat damage.
6. Promote public compliance and enforcement.
7. Mechanism to vest participants.
8. Promote stability and facilitate long-rub planning.
9. Create market-driven harvest pace and increase product continuity.
10. Minimize gear and area conflicts among fishermen.
11. Decrease incentives for overcapitalization.
12. Prevent continual dissipation of returns from fishing through open access.
13. Evaluate and minimize localized depletion.

2 Alternatives

Section 2.1 outlines alternatives considered by the Council in this amendment and Section 2.2 compares their environmental consequences (environmental consequences of the alternatives are described in detail in Section 4.0). These alternatives were identified and developed through multiple processes, including the scoping process, public hearings and/or comments, interdisciplinary plan team meetings, and meetings of the Council, the Council's Snapper Grouper Committee, Snapper Grouper Advisory Panel, and Scientific and Statistical Committee. Alternatives the Council considered but eliminated from detailed study during the development of this amendment are described in Appendix A.

Each alternative retained for analysis is designed to accomplish one of the following general categories of actions for gag and vermilion snapper:

- Specify management measures to end overfishing;
- Define interim allocations;
- Update management reference points.

2.1 *Description of Alternatives*

2.1.1 Gag

2.1.1.1 Management Reference Point Alternatives

Maximum Sustainable Yield (MSY) for Gag
Alternatives are shown because the current definition for MSY is being replaced (Table 2-1). In the future, this will not be an action item unless the Council decides to change how MSY is calculated; the value will be updated from the most recent SEDAR assessment.

Optimum Yield (OY) for Gag
Alternatives are shown because the current definition for OY is being replaced (Table 2-1). In the future, this will not be an action item unless the Council decides to change the way OY is calculated; the value will be updated from the most recent SEDAR assessment.

Table 2-1. MSY and OY alternatives for gag.

Alternatives	Equation	F_{MSY} & F_{OY} Values	MSY & OY Values
Alternative 1 (no action)	MSY equals the yield produced by F_{MSY}. $F_{30\%SPR}$ is used as the F_{MSY} proxy for all stocks. OY equals the yield produced by F_{OY}. $F_{45\%SPR}$ is used as the F_{OY} proxy.	**F_{MSY}** = 0.18* **F_{OY}** = 0.11*	Not specified Not specified
Alternative 2 (preferred)	MSY equals the yield produced by F_{MSY}. MSY and F_{MSY} are defined by the most recent SEDAR. OY equals the yield produced by F_{OY}. If a stock is overfished, F_{OY} equals the fishing mortality rate specified by the rebuilding plan designed to rebuild the stock to SSB_{MSY} within the approved schedule. After the stock is rebuilt, F_{OY} = a fraction of F_{MSY}. Gag are not overfished.	0.237** See subalts. below	1,238,000 lbs gutted weight
Alternative 2a		(65%)(F_{MSY})	1,188,000 lbs gutted weight**
Alternative 2b (preferred)		(75%)(F_{MSY})	1,217,000 lbs gutted weight**
Alternative 2c		(85%)(F_{MSY})	1,230,000 lbs gutted weight**
*Source: Powers 1999 ** Source: Table 36. SEDAR 10 (2007)			

The Council has specified the Minimum Stock Size Threshold (MSST) as the biomass using the formula MSST = (1-M)*SSB_{MSY}. This formula is recommended in the Technical Guidance Document developed by NMFS and represents 1 minus the natural mortality multiplied by the spawning stock biomass at maximum sustainable yield. This value from Table 36 in SEDAR 10 (2007) is 6,816,000 pounds gutted weight (Table 2-2).

Table 2-2. Criteria used to determine the overfished and overfishing status of gag. Source: Tables 36 and 44 in SEDAR 10 (2007).

DETERMINATION	SSB_{2005}	MSST	F_{2004}	MFMT	STATUS
OVERFISHED?	7,470,000	6,816,000			Not Overfished (B_{2005}/MSST = 1.096)
OVERFISHING?			0.310	0.237	Overfishing (F_{2004}/MFMT = 1.309)

2.1.1.2 Gag Catch Levels To End Overfishing

The Council's Scientific and Statistical Committee (SSC) recommended the Council restrict harvest to the F_{OY} equal to the yield associated with 75% of F_{MSY}. This would correspond to a total allowable catch (TAC) of 694,000 pounds gutted weight for all sectors in 2008 (Table 2-3).

Table 2-3. Gag catch levels to end overfishing.

Alternatives	**Catch Levels** at F_{OY} **(pounds gutted weight)**
Alternative 1 (no action)	Do not specify a catch level to end overfishing.
Alternative 2 (preferred)	Set the catch level* = 694,000 pounds gutted weight for 2009 onwards
*Source: SEDAR 10 (2007)	

2.1.1.3 Interim Gag Allocation Alternatives and Resulting Commercial Quota & Recreational Allocation

Alternative 1 (no action). Do not define interim allocations for gag. Status quo based on landings from 2004-2005.

Alternative 2 (preferred). Define interim allocations for gag based upon landings from the ALS, MRFSS, and headboat databases. The allocation would be based on landings from the years 1999-2003. The allocation would be 51% commercial and 49% recreational (Table 2-4). This alternative would establish a commercial quota of 353,940 pounds gutted weight and a recreational allocation of 340,060 pounds gutted weight.

Alternative 3. Define interim allocations for gag based upon landings from the ALS, MRFSS, and headboat databases. The allocation would be based on landings from the years 1986-1998. The allocation would be 66% commercial and 34% recreational (Table 2-4). This alternative would establish a commercial quota of 458,040 pounds gutted weight and a recreational allocation of 235,960 pounds gutted weight.

Alternative 4. Define allocations for gag based upon landings from the ALS, MRFSS, and headboat databases. The allocation would be based on landings from the years 1986-2005. The allocation would be 61% commercial and 39% recreational (Table 2-4). This alternative would establish a commercial quota of 423,340 pounds gutted weight and a recreational allocation of 270,660 pounds gutted weight.

Table 2-4. Commercial quotas and recreational allocations* for gag (pounds gutted weight) based on the TAC associated with the yield at 75% of F_{MSY}.

		Alternative 2 (preferred)		Alternative 3		Alternative 4	
Year	Catch Level	Comm	Rec	Comm	Rec	Comm	Rec
2009 Onwards	694,000	353,940	340,060	458,040	235,960	423,340	270,660

Allocation Alternatives 2-4 are compared to the average 2004-2006 landings in Table 2-5 to determine the percentage reduction to each sector (Table 2-6).

Table 2-5. Historical gag landings.

Gag Landings (gutted weight)				Total	Total
Year	Commercial	Headboat	MRFSS	Recreational	Landings
2001	532,000	53,000	455,000	508,000	1,040,000
2002	534,000	51,000	266,000	317,000	851,000
2003	560,000	32,000	519,000	551,000	1,111,000
2004	551,000	82,000	517,000	599,000	1,150,000
2005	568,681	71,736	468,814	540,550	1,109,231
2006	520,824	46,537	425,071	471,608	992,432
Avg 04-06	546,835	66,758	470,295	537,053	1,083,888

Note: 2001-2004 data are from the SSC based on gutted weight in the SEDAR Assessment; 2005 and 2006 data are from ALS and converted to gutted weight.

Table 2-6. Percentage reductions by sector across the alternative gag allocations.

Alternative	Commercial Reduction	Recreational Reduction
2 (Preferrd)	35%	37%
3	16%	56%
4	23%	50%

2.1.1.4 Management Alternatives

[Note: More than one alternative can be chosen from the list below. The Council has no preferred alternatives at this time.]

Alternative 1. No action. **Current Regulations:**

(i) Current gag commercial regulations = 24 inch total length size limit; March & April - no harvest above bag limit & no sale; vessels with longlines may only possess deepwater species; limited entry program with 2 for 1provision.

(ii) Current gag recreational regulations = 24 inch total length size limit; within 5 grouper bag limit only 2 may be gag or black grouper; March & April – no sale.

Alternative 2. Establish a gag spawning season closure January through April that applies to both the commercial (18% reduction) and recreational (31% reduction) sectors; no fishing for and/or possession of gag would be allowed. In addition, no fishing for and/or possession of the following species would be allowed: black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney.

Alternative 3. Directed Commercial Quota. Establish the following directed quota (quota after PQBM has been subtracted) for 2009 onwards until modified. *Different PQBM scenarios were presented to the Council and SSC at the 2007 Council meeting; Jack McGovern will contact Snapper Grouper AP members and others to verify the most likely level of PQBM. PQBM is a function of many different factors including magnitude of harvest reduction and management measures needed to end overfishing.* After the commercial quota is met, all purchase and sale of the following species is prohibited and harvest and/or possession is limited to the bag limit: gag, black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney.

Table 2-7. Commercial quotas associated with allocation alternatives for gag taking into consideration estimate of PQBM.

With Jan-April Gag Seasonal Closure			
	Allocation Alt 2	Allocation Alt 3	Allocation Alt 4
Commercial quota	353,940	458,040	423,340
PQBM	1,000	0	0
Directed quota	**352,940**	**458,040**	**423,340**
With no Jan-April Gag Seasonal Closure			
	Allocation Alt 2	Allocation Alt 3	Allocation Alt 4
Commercial quota	353,940	458,040	423,340
PQBM	7,000	1,000	1,000
Directed quota	**346,940**	**457,040**	**422,340**

Notes: Allocation Alternative 2 is preferred. Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in pounds gutted weight.

Alternative 4. Divide the directed commercial quota into two regions: Allocate 63.3% to North and South Carolina (~~129,896~~ 224,044 pounds gutted weight) and 36.7% to Georgia and Florida (~~224,044~~ 129,896 pounds gutted weight). Each region's directed quota (after adjustment for PQBM) would be monitored from state trip ticket and logbook data based on state of landing. After the commercial quota is met in either region, all purchase and sale is prohibited in that region and harvest and/or possession is limited to the bag limit in that region.

Alternative 5. Recreational measures:

Alternative 5a. Reduce the 5-grouper aggregate bag limit to a 3-grouper aggregate bag limit, reduce the existing bag limit from 2 gag or black grouper to 1 gag or black grouper within the grouper aggregate bag limit, and exclude the captain and crew on for-hire vessels from possessing a bag limit for **groupers**. This, plus the January through April spawning closure would be sufficiently close to the required 37% recreational reduction.

Alternative 5b. Close the month of December, in addition to January through April, to recreational harvest and/or possession of gag, black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney. This alternative would retain the existing 5-grouper aggregate bag limit and 2 gag or black grouper bag limit. The December through April closure would result in a 38% reduction.

2.1.2 Vermilion Snapper

2.1.2.1 Management Reference Point Alternatives

Maximum Sustainable Yield (MSY) for Vermilion Snapper
Alternatives are shown because the current definition for MSY is being replaced (Table 2-8). In the future, this will not be an action item unless the Council decides to change how MSY is calculated; the value will be updated from the most recent SEDAR assessment.

Optimum Yield (OY) for Vermilion
Alternatives are shown because the current definition for OY is being replaced (Table 2-8). In the future, this will not be an action item unless the Council decides to change the way OY is calculated; the value will be updated from the most recent SEDAR assessment.

The value specified for MSY at equilibrium has not been endorsed by the SSC. OY Values for 65% and 85% F_{MAX} (Alternatives 2a and 2c) were determined using the Baranov equation just as the SSC did to calculate the yield at 75% of F_{MAX}. These MSY and OY values will be modified after the new assessment is completed in 2008.

Table 2-8. MSY and OY alternatives for vermilion snapper.

Alternatives	Equation	F_{MSY} & F_{OY} Values	MSY & OY Values
Alternative 1 (no action)	MSY equals the yield produced by F_{MSY}. $F_{30\%SPR}$ is used as the F_{MSY} proxy for all stocks. OY equals the yield produced by F_{OY}. $F_{40\%SPR}$ is used as the F_{OY} proxy.	**F_{MSY}** = 0.35* **F_{OY}** = 0.25*	Not specified Not specified
Alternative 2 (preferred)	MSY equals the yield produced by F_{MSY}. MSY and F_{MSY} are defined by the most recent SEDAR. OY equals the yield produced by F_{OY}. If a stock is overfished, F_{OY} equals the fishing mortality rate specified by the rebuilding plan designed to rebuild the stock to SSB_{MSY} within the approved schedule. After the stock is rebuilt, F_{OY} = a fraction of F_{MSY}. The overfished status of vermilion snapper is unknown.	**F_{MSY}** = 0.355** See subalts. below	2,699,957 lbs whole weight (2,432,394 lbs gutted weight)
Alternative 2a		(65%)(F_{MSY})	547,887 lbs whole weight** (493,592 lbs gutted weight)
Alternative 2b (preferred)		(75%)(F_{MSY})	628,459 lbs whole weight** (566,179 lbs gutted weight)
Alternative 2c		(85%)(F_{MSY})	692,916 lbs whole weight** (624,249 lbs gutted weight)

*Source: Powers 1999 **Source: Recommendation from SEFSC based on the results from SEDAR Update (2007). F_{MAX} used as a proxy for F_{MSY}. *** The Council's SSC did not endorse the estimate of MSY from the vermilion snapper SEDAR Update (2007).

The Council has specified the Minimum Stock Size Threshold (MSST) as the biomass using the formula MSST = (1-M)*SSB_{MSY}. This formula is recommended in the Technical Guidance Document developed by NMFS and represents 1 minus the natural mortality multiplied by the spawning stock biomass at maximum sustainable yield. **This value is unknown at this time given the high level of uncertainty with the biomass values (Table 2-9).** A new age-based stock assessment will be available in late 2008 and that should provide an estimate of the MSST.

Table 2-9. Criteria used to determine the overfished and overfishing status of vermilion snapper.
Source: SEDAR Update #3 (2007).

DETERMINATION	SSB_{CURR}	MSST	F_{CURR} (Average of 2004-2006)	MFMT	STATUS
OVERFISHED?	Unknown	Unknown			Unknown (B_{CURR}/MSST = Unknown)
OVERFISHING?			0.729*	0.355**	Overfishing (F_{CURR}/MFMT = 2.05)

*F_{CURR} represents the geometric mean of the fishing mortality during 2004-2006.
** F_{MAX} is used as a proxy for F_{MSY} as recommended by the SSC for the SEDAR Assessment Update #3 (2007).

2.1.2.2 Vermilion Snapper Catch Levels To End Overfishing

The Council's SSC recommended the Council restrict harvest to the F_{OY} equal to the yield associated with 75% of F_{MSY}. This would correspond to a TAC of 628,459 pounds whole weight (566,179 pounds gutted weight) for all sectors in 2008 (Table 2-10).

Table 2-10. Vermilion snapper catch levels to end overfishing.

Alternatives	Catch Levels to end Overfishing (pounds whole weight)
Alternative 1 (no action)	Do not specify a catch level to end overfishing.
Alternative 2 (preferred)	Set the catch level = 628,459 pounds whole weight* (566,179 pounds gutted weight) for 2009 onwards.

*Source: SSC.

2.1.2.3 Interim Vermilion Snapper Allocation Alternatives and Resulting Commercial Quota & Recreational Allocation

Alternative 1 (no action). Do not define interim allocations for vermilion snapper.

Alternative 2 (preferred). Define interim allocations for vermilion snapper based upon landings from the NMFS landings (ALS), NMFS Marine Recreational Fisheries Statistics Survey (MRFSS), and NMFS headboat databases. The allocation would be based on landings from the years 1986-2005. The allocation would be 68% commercial and 32% recreational. This alternative would establish a commercial quota of 385,002 pounds gutted weight (427,352 pounds whole weight) and a recreational allocation of 181,177 pounds gutted weight (201,107 pounds whole weight).

Allocation Alternative 2 is compared to the average 2004-2005 landings in Table 2-11 to determine the percentage reduction to each sector. The commercial quota represents a 58% reduction from average 2004-06 landings and the recreational allocation represents a 69% reduction from average 2004-06 landings.

Table 2-11. Historical vermilion snapper landings (gutted weight).

Vermilion Snapper Landings (pounds gutted weight)				**Total**	**Total**
Year	**Commercial**	**Headboat**	**MRFSS**	**Recreational**	**Landings**
2001	1,515,535	362,718	222,690	585,408	2,100,943
2002	1,228,928	294,094	159,450	453,544	1,682,472
2003	686,586	258,957	187,733	446,690	1,133,276
2004	1,001,297	342,138	247,219	589,357	1,590,654
2005	1,009,300	281,059	244,385	525,444	1,534,744
2006	765,216	362,476	262,328	624,804	1,390,021
Avg 04-06	925,271	328,558	251,311	579,868	1,505,139
Note: 2001 thru 2005 from SEDAR Update (2007).					

Source: ALS, MRFSS Web site; Headboat survey. Data do not include dead discards and MRFSS data are A+B1; weight not converted from numbers.

2.1.2.4 Management Alternatives

[Note: More than one alternative can be chosen from the list below. The Council does not have any preferred alternatives at this stage.]
[Yield per recruit analyses from SEFSC has been added (Appendix G) and Section 4.2.4. Material will be added here in Section 2 based on Council action at March 2008 meeting]

Alternative 1. No action. **Current Regulations:**

(i) Current vermilion snapper commercial regulations = 12 inch size limit; commercial quota = 1,100,000 pounds gutted weight (1,221,000 pounds whole weight); vessels with longlines may only possess deepwater species; limited entry program with 2 for 1 provision.

(ii) Current vermilion snapper recreational regulations = 12 inch size limit; 10 vermilion snapper bag limit.

Alternative 2. Directed Commercial Quota. Establish a directed commercial quota based on an interim allocation of 68% commercial and 32% recreational (Table 2-12. *Different PQBM scenarios were presented to the Council and SSC at the 2007 Council meeting; Jack McGovern will contact Snapper Grouper AP members and others to verify the most likely level of PQBM. PQBM is a function of many different factors including magnitude of harvest reduction and management measures needed to end overfishing.* After the commercial quota is met, all purchase and sale is prohibited and harvest and/or possession is limited to the bag limit.

Table 2-12. Commercial quota taking into consideration estimate of PQBM.

Commercial quota	385,002
PQBM	57,000
Directed quota	**328,002**

Notes: Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in lbs gutted weight.

Alternative 3. Divide the directed commercial quota into the following seasons:

Alternative 3a. Allocate the directed commercial quota 50% to the period January 1st through June 30th and 50% to the period July 1st through December 31st (Table 2-13). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Table 2-13. Commercial quotas for January-June (50%) and July-December (50%) taking into consideration estimate of PQBM.

Commercial quota	**385,002**
Jan-June 50%	192,501
PQBM	24,000
Directed quota Jan-June	**168,501**
July-Dec 50%	192,501
PQBM	37,000
Directed quota July-Dec	**155,501**

Notes: Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in pounds gutted weight.

Alternative 3b. Allocate the directed commercial quota 40% to the period January 1st through June 30th and 60% to the period July 1st through December 31st (Table 2-14). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Table 2-14. Commercial quotas for January-June (40%) and July-December (60%) taking into consideration estimate of PQBM.

Commercial quota	385,002
Jan-June 40%	154,001
PQBM	27,000
Directed quota Jan-June	**127,001**
July-Dec 60%	231,001
PQBM	35,000
Directed quota July-Dec	**196,001**

Notes: Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in pounds gutted weight.

Alternative 3c. Allocate the directed commercial quota 50% to the period January 1st through August 31th and 50% to the period September 1st through December 31st (Table 2-15). Any remaining quota from period 1 would transfer to period 2 Any remaining quota from period 2 would not be carried forward.

Table 2-15. Commercial quotas for January-August (50%) and September-December (50%) taking into consideration estimate of PQBM.

Commercial quota	385,002
Jan-Aug 50%	192,501
PQBM	43,000
Directed quota Jan-Aug	**149,501**
Sept-Dec 50%	192,501
PQBM	21,000
Directed quota Sept-Dec	**171,501**

Notes: Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in pounds gutted weight.

Alternative 4. Adjust recreational bag/size limit and establish a recreational closed season; no fishing for and/or possession of vermilion snapper would be allowed during the closed season; and captain crew on for-hire vessels would not be able to retain vermilion snapper. [Note: Effects of excluding captain and crew on for-hire vessels is described in the biological effects section (Section 4.2.4.1). The effectiveness of seasonal closure was recalculated. Values formerly used assumed 100% effectiveness (wrong table was used earlier). New values assume 88% effectiveness of closure.]

Alternative 4a. Increase the recreational size limit to 14" and reduce the bag limit to 3 vermilion snapper (Total Reduction = 71%).

Alternative 4b. Increase the recreational size limit to 13" and reduce the bag limit to 1 vermilion snapper (Total Reduction = 73%).

Alternative 4c. Increase the recreational size limit to 13" and reduce the bag limit to 6 vermilion snapper (53% reduction) and close September & October (16% reduction) (Total Reduction = 61%).

Alternative 4d. Reduce the bag limit from 10 to 4 vermilion snapper (45% reduction) and a season closure (no fishing for and/or possession) of October through April (32% reduction) (Total reduction = 63%).

Alternative 5. Reduce recreational and commercial bycatch mortality by requiring the following for a person on board a vessel to fish for snapper grouper species in the South Atlantic EEZ: (a) use of venting and dehooking tools and (b) use of non-offset, non-stainless steel circle hooks when using natural baits to fish for snapper grouper species in one of the following South Atlantic EEZ fisheries:

Alternative 5a. Commercial snapper grouper fishery.

Alternative 5b. Recreational snapper grouper fishery.

Alternative 5c. Both commercial and recreational snapper grouper fisheries.

HERE ARE HOW THE REGS WILL BE WRITTEN FOR THIS ACTION IN THE GULF THROUGH AMENDMENT 14/27:

(m) Required gear in the Gulf reef fish fishery. For a person on board a vessel to fish for Gulf reef fish in the Gulf EEZ, the vessel must possess on board and such person must use the gear as specified in paragraphs (m)(1) through (m)(3) of this section.

(1) Non-stainless steel circle hooks. Non-stainless steel circle hooks are required when fishing with natural baits.

(2) Dehooking device. At least one dehooking device is required and must be used to remove hooks embedded in Gulf reef fish with minimum damage. The hook removal device must be constructed to allow the hook to be secured and the barb shielded without re-engaging during the removal process. The dehooking end must be blunt, and all edges rounded. The device must be of a size appropriate to secure the range of hook sizes and styles used in the Gulf reef fish fishery.

(3) Venting tool. At least one venting tool is required and must be used to deflate the swim bladders of Gulf reef fish to release the fish with minimum damage. This tool must be a sharpened, hollow instrument, such as a hypodermic syringe with the plunger removed, or a 16-gauge needle fixed to a hollow wooden dowel. A tool such as a knife or an ice-pick may not be used. The venting tool must be inserted into the fish at a 45-degree angle approximately 1 to 2 inches (2.54 to 5.08 cm) from the base of the pectoral fin. The tool must be inserted just deep enough to release the gases, so that the fish may be released with minimum damage.

Alternative 6. Allow the Regional Administrator to make adjustments to the recreational management measures based on the outcome of the new vermilion snapper benchmark assessment.

Alternative 6a. Change measures in the following order: (1) Reduce or eliminate closed season, (2) reduce size limit, and (3) increase the bag limit.

Alternative 6b. Change measures in the following order: (1) Reduce or eliminate closed season, (2) increase the bag limit, and (3) reduce size limit.

Alternative 6c. Change measures in the following order: (1) Reduce size limit, (2) reduce or eliminate closed season, and (3) increase the bag limit.

THE COUNCIL DIRECTED THE TEAM AND REGION DEVELOP AN APPROACH TO DEAL WITH THIS; ALTERNATIVES 6 AND 7 ADDRESS THIS REQUEST.

Table 2-16. Reduction from size limit, bag limit, and seasonal closure.

closure	open	9 fish	8 fish	7 fish	6 fish	5 fish	4 fish	3 fish	2 fish	1 fish
sept-may	June-Aug	65.99%	66.87%	68.37%	69.82%	71.54%	73.44%	75.82%	78.63%	82.31%
sept-april	May-Aug	57.69%	58.78%	60.65%	62.46%	64.59%	66.95%	69.92%	73.42%	77.99%
oct-april	May-Sept	52.06%	53.29%	55.41%	57.46%	59.88%	62.55%	65.91%	69.88%	75.06%
nov-april	May-Oct	46.14%	47.53%	49.90%	52.21%	54.93%	57.93%	61.70%	66.16%	71.98%
nov-mar	April-Oct	40.86%	42.39%	45.00%	47.53%	50.51%	53.81%	57.96%	62.85%	69.24%
dec-mar	April-Nov	38.11%	39.70%	42.43%	45.08%	48.21%	51.66%	55.99%	61.11%	67.80%
dec-feb	Mar-Nov	34.77%	36.45%	39.33%	42.12%	45.41%	49.05%	53.62%	59.02%	66.06%
jan-feb	Mar-Dec	33.30%	35.02%	37.96%	40.82%	44.18%	47.90%	52.58%	58.09%	65.30%
jan-mar	Apr-Dec	36.64%	38.27%	41.07%	43.78%	46.98%	50.51%	54.95%	60.19%	67.04%
jan-apr	May-Dec	41.91%	43.41%	45.97%	48.46%	51.39%	54.63%	58.70%	63.50%	69.78%
sept-oct	nov-aug	40.97%	42.49%	45.09%	47.62%	50.60%	53.89%	58.03%	62.91%	69.29%
no closure	All year	29.41%	31.23%	34.35%	37.37%	40.93%	44.87%	49.81%	55.65%	63.28%

Notes: Assumes 25% release mortality, non-compliance with size limit, and excludes captain and crew. Vermilion Snapper 12" TL size limit; 88% effectiveness of seasonal closure.

Table 2-17. Reduction from size limit, bag limit, and seasonal closure.

closure	open	9 fish	8 fish	7 fish	6 fish	5 fish	4 fish	3 fish	2 fish	1 fish
sept-may	June-Aug	74.51%	75.16%	75.16%	77.38%	78.67%	80.09%	81.87%	83.98%	86.74%
sept-april	May-Aug	68.28%	69.10%	69.10%	71.86%	73.46%	75.23%	77.45%	80.07%	83.50%
oct-april	May-Sept	64.06%	64.99%	64.99%	68.11%	69.93%	71.93%	74.45%	77.42%	81.30%
nov-april	May-Oct	59.62%	60.67%	60.67%	64.18%	66.21%	68.46%	71.29%	74.63%	79.00%
nov-mar	April-Oct	55.67%	56.82%	56.82%	60.67%	62.91%	65.38%	68.48%	72.15%	76.94%
dec-mar	April-Nov	53.61%	54.80%	54.80%	58.84%	61.18%	63.76%	67.01%	70.85%	75.86%
dec-feb	Mar-Nov	51.10%	52.36%	52.36%	56.61%	59.08%	61.81%	65.23%	69.28%	74.56%
jan-feb	Mar-Dec	50.00%	51.29%	51.29%	55.64%	58.16%	60.95%	64.45%	68.59%	73.99%
jan-mar	Apr-Dec	52.50%	53.73%	53.73%	57.86%	60.25%	62.90%	66.23%	70.16%	75.29%
jan-apr	May-Dec	56.46%	57.58%	57.58%	61.36%	63.56%	65.99%	69.04%	72.64%	77.35%
sept-oct	nov-aug	55.75%	56.89%	56.89%	60.74%	62.97%	65.44%	68.54%	72.20%	76.98%
no closure	All year	47.09%	48.45%	48.45%	53.05%	55.72%	58.67%	62.38%	66.76%	72.47%

Notes: Assumes 25% release mortality, non compliance with size limit, and excludes captain and crew. Vermilion Snapper 13" TL size limit; 88% effectiveness of seasonal closure.

Table 2-18. Reduction from size limit, bag limit, and seasonal closure.

closure	open	9 fish	8 fish	7 fish	6 fish	5 fish	4 fish	3 fish	2 fish	1 fish
sept-may	June-Aug	80.09%	80.60%	80.60%	82.33%	83.34%	84.45%	85.84%	87.49%	89.64%
sept-april	May-Aug	75.23%	75.87%	75.87%	78.02%	79.27%	80.65%	82.39%	84.44%	87.11%
oct-april	May-Sept	71.93%	72.65%	72.65%	75.09%	76.51%	78.08%	80.04%	82.36%	85.40%
nov-april	May-Oct	68.47%	69.28%	69.28%	72.02%	73.61%	75.37%	77.58%	80.19%	83.60%
nov-mar	April-Oct	65.38%	66.27%	66.27%	69.28%	71.03%	72.96%	75.39%	78.25%	81.99%
dec-mar	April-Nov	63.77%	64.70%	64.70%	67.85%	69.68%	71.70%	74.24%	77.23%	81.15%
dec-feb	Mar-Nov	61.81%	62.79%	62.79%	66.11%	68.04%	70.17%	72.85%	76.01%	80.13%
jan-feb	Mar-Dec	60.95%	61.96%	61.96%	65.35%	67.32%	69.50%	72.24%	75.47%	79.68%
jan-mar	Apr-Dec	62.90%	63.86%	63.86%	67.09%	68.96%	71.03%	73.63%	76.69%	80.70%
jan-apr	May-Dec	65.99%	66.87%	66.87%	69.83%	71.54%	73.44%	75.82%	78.63%	82.31%
sept-oct	nov-aug	65.44%	66.33%	66.33%	69.33%	71.08%	73.00%	75.43%	78.29%	82.02%
no closure	All year	58.68%	59.74%	59.74%	63.33%	65.42%	67.72%	70.62%	74.04%	78.50%

Notes: Assumes 25% release mortality, non compliance with size limit, and excludes captain and crew. Vermilion Snapper 14" TL size limit; 88% effectiveness of seasonal closure.

Alternative 7. Allow the Regional Administrator to make adjustments to the commercial quotas based on outcome of the new vermilion snapper benchmark assessment.

The directed commercial quota would be calculated using the 68% commercial, 32% recreational allocations specified in Alternative 2; the same estimate of post quota bycatch mortality (PQBM) is to be used.

Alternative 7a. Allocate the directed commercial quota 50% to the period January 1st through June 30th and 50% to the period July 1st through December 31st (Table 2-13). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Alternative 7b. Allocate the directed commercial quota 40% to the period January 1st through June 30th and 60% to the period July 1st through December 31st (Table 2-14). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Alternative 7c. Allocate the directed commercial quota 50% to the period January 1st through August 31th and 50% to the period September 1st through December 31st (Table 2-15). Any remaining quota from period 1 would transfer to period 2 Any remaining quota from period 2 would not be carried forward.

2.2 *Comparison of Alternatives*

2.2.1 Gag

Will be added after completion of Section 4 with preferred alternatives.

2.2.2 Vermilion Snapper

Will be added after completion of Section 4 with preferred alteratives.

3 Affected Environment

3.1 *Habitat*

3.1.1 Inshore/Estuarine Habitat

Many deepwater snapper grouper species utilize both pelagic and benthic habitats during several stages of their life histories; larval stages of these species live in the water column and feed on plankton. Most juveniles and adults are demersal and associate with hard structures on the continental shelf that have moderate to high relief (e.g., coral reef systems and artificial reef structures, rocky hard-bottom substrates, ledges and caves, sloping soft-bottom areas, and limestone outcroppings). Juvenile stages of some snapper grouper species also utilize inshore seagrass beds, mangrove estuaries, lagoons, oyster reefs, and embayment systems. In many species, various combinations of these habitats may be utilized during diurnal feeding migrations or seasonal shifts in cross-shelf distributions. More detail on these habitat types is found in Sections 3.2.1 and 3.2.2 of the Council's Habitat Plan (SAFMC 1998a).

3.1.2 Offshore Habitat

Predominant snapper grouper offshore fishing areas are located in live bottom and shelf-edge habitats, where water temperatures range from 11° to 27° C (52^{o} to 81^{o} F) due to the proximity of the Gulf Stream, with lower shelf habitat temperatures varying from 11° to 14° C (52^{o} to 57^{o} F). Water depths range from 16 to 27 meters (54 to 90 feet) or greater for live-bottom habitats, 55 to 110 meters (180 to 360 feet) for the shelf-edge habitat, and from 110 to 183 meters (360 to 600 feet) for lower-shelf habitat areas.

The exact extent and distribution of productive snapper grouper habitat on the continental shelf north of Cape Canaveral is unknown. Current data suggest from 3 to 30 percent of the shelf is suitable habitat for these species. These live-bottom habitats may include low relief areas, supporting sparse to moderate growth of sessile invertebrates, moderate relief reefs from 0.5 to 2 meters (1.6 to 6.6 feet), or high relief ridges at or near the shelf break consisting of outcrops of rock that are heavily encrusted with sessile invertebrates such as sponges and sea fan species. Live-bottom habitat is scattered irregularly over most of the shelf north of Cape Canaveral, Florida, but is most abundant offshore from northeastern Florida. South of Cape Canaveral, the continental shelf narrows from 56 to 16 kilometers (35 to 10 miles) wide, thence reducing off the southeast coast of Florida and the Florida Keys. The lack of a large shelf area, presence of extensive, rugged living fossil coral reefs, and dominance of a tropical Caribbean fauna are distinctive benthic characteristics of this area.

Rock outcroppings occur throughout the continental shelf from Cape Hatteras, North Carolina to Key West, Florida (MacIntyre and Milliman 1970; Miller and Richards 1979; Parker *et al*. 1983), which are principally composed of boarded limestone and carbonate

sandstone (Newton *et al*. 1971), and exhibit vertical relief ranging from less than 0.5 to over 10 meters (33 feet). Ledge systems formed by rock outcrops and piles of irregularly sized boulders are also common. Parker *et al*. (1983) estimated that 24% (9,443 km^2) of the area between the 27 and 101 meters (89 and 331 feet) isobaths from Cape Hatteras to Cape Canaveral is reef habitat. Although the benthic communities found in water depths between 100 and 300 meters (328 and 984 feet) from Cape Hatteras to Key West is relatively small compared to the whole shelf, this area, based upon landing information of fishers, constitutes prime reef fish habitat and probably significantly contributes to the total amount of reef habitat in this region.

Man-made artificial reef structures are also utilized to attract fish and increase fish harvests; however, research on man-made reefs is limited and opinions differ as to whether or not these structures promote an increase of ecological biomass or merely concentrate fishes by attracting them from nearby, natural unvegetated areas of little or no relief.

The distribution of coral and live hard bottom habitat as presented in the SEAMAP Bottom Mapping Project is a proxy for the distribution of the species within the snapper grouper complex. The method used to determine hard bottom habitat relied on the identification of reef obligate species including members of the snapper grouper complex. The Florida Fish and Wildlife Research Institute (FWRI) showing the best available information on the distribution of hard bottom habitat in the south Atlantic region prepared ArcView maps for the four-state project. These maps, which consolidate known distribution of coral, hard/live bottom, and artificial reefs as hard bottom, are included in Appendix E of the Habitat Plan (SAFMC 1998a). These maps are also available on the Internet at the Council's following Internet Mapping System website: http://ocean.floridamarine.org/efh_coral/ims/viewer.htm.

The South Carolina Department of Natural Resources, NOAA/Biogeographic Characterization Branch, and the South Atlantic Fishery Management Council cooperatively generated additional information on managed species' use of offshore fish habitat. Plots of the spatial distribution of offshore species were generated from the Marine Resources Monitoring, Assessment, and Prediction Program (MARMAP) data (Figures 35-41) in the Habitat Plan (SAFMC 1998a). The plots should be considered as point confirmation of the presence of each species within the scope of the sampling program. These plots, in combination with the hard bottom habitat distributions presented in Appendix E of the Habitat Plan (SAFMC 1998a), can be employed as proxies for offshore snapper grouper complex distributions in the south Atlantic region. Maps of the distribution of snapper grouper species by gear type based on MARMAP data can be generated through the Council's Internet Mapping System at the following web address: http://ocean.floridamarine.org/efh_coral/ims/viewer.htm.

3.1.3 Essential Fish Habitat

Essential fish habitat (EFH) is defined in the Magnuson-Stevens Fishery Conservation and Management Act as "those waters and substrates necessary to fish for spawning, breeding, feeding, or growth to maturity" (16 U.S. C. 1802(10)). Specific categories of EFH identified in the South Atlantic Bight which are utilized by federally managed fish and invertebrate species include both estuarine/inshore and marine/offshore areas. Specifically, estuarine/inshore EFH includes: Estuarine emergent and mangrove wetlands, submerged aquatic vegetation, oyster reefs and shell banks, intertidal flats, palustrine emergent and forested systems, aquatic beds, and estuarine water column. Additionally, marine/offshore EFH includes: Live/hard bottom habitats, coral and coral reefs, artificial and manmade reefs, *Sargassum* species, and marine water column.

EFH utilized by snapper grouper species in this region includes coral reefs, live/hard bottom, submerged aquatic vegetation, artificial reefs and medium to high profile outcroppings on and around the shelf break zone from shore to at least 183 meters [600 feet (but to at least 2,000 feet for wreckfish)] where the annual water temperature range is sufficiently warm to maintain adult populations of members of this largely tropical fish complex. EFH includes the spawning area in the water column above the adult habitat and the additional pelagic environment, including *Sargassum*, required for survival of larvae and growth up to and including settlement. In addition, the Gulf Stream is also EFH because it provides a mechanism to disperse snapper grouper larvae.

For specific life stages of estuarine dependent and near shore snapper grouper species, EFH includes areas inshore of the 30 meters (100-foot) contour, such as attached macroalgae; submerged rooted vascular plants (seagrasses); estuarine emergent vegetated wetlands (saltmarshes, brackish marsh); tidal creeks; estuarine scrub/shrub (mangrove fringe); oyster reefs and shell banks; unconsolidated bottom (soft sediments); artificial reefs; and coral reefs and live/hard bottom habitats.

3.1.3.1 Habitat Areas of Particular Concern

Areas which meet the criteria for essential fish habitat-habitat areas of particular concern (EFH-HAPCs) for species in the snapper grouper management unit include medium to high profile offshore hard bottoms where spawning normally occurs; localities of known or likely periodic spawning aggregations; near shore hard bottom areas; The Point, The Ten Fathom Ledge, and Big Rock (North Carolina); The Charleston Bump (South Carolina); mangrove habitat; seagrass habitat; oyster/shell habitat; all coastal inlets; all state-designated nursery habitats of particular importance to snapper grouper (e.g., Primary and Secondary Nursery Areas designated in North Carolina); pelagic and benthic *Sargassum*; Hoyt Hills for wreckfish; the *Oculina* Bank Habitat Area of Particular Concern; all hermatypic coral habitats and reefs; manganese outcroppings on the Blake Plateau; and Council-designated Artificial Reef Special Management Zones (SMZs). Areas that meet the criteria for designating essential fish habitat-habitat areas of particular concern include habitats required during each life stage (including egg, larval, postlarval, juvenile, and adult stages).

In addition to protecting habitat from fishing related degradation though FMP regulations, the Council in cooperation with NOAA Fisheries, actively comments on non-fishing projects or policies that may impact essential fish habitat. The Council adopted a habitat policy and procedure document that established a four-state Habitat Advisory Panel and adopted a comment and policy development process. With guidance from the Advisory Panel, the Council has developed and approved habitat policies on: energy exploration, development, transportation and hydropower re-licensing; beach dredging and filling and large-scale coastal engineering; protection and enhancement of submerged aquatic vegetation; and alterations to riverine, estuarine and nearshore flows (Appendix C).

3.2 *Biological/Ecological Environment*

3.2.1 Species Most Impacted By This FMP Amendment

3.2.1.1 Gag, Mycteroperca microlepis

Gag occur in the Western Atlantic from North Carolina to the Yucatan Peninsula, and throughout the Gulf of Mexico. Juveniles are sometimes observed as far north as Massachusetts (Heemstra and Randall 1993). Gag commonly occur at depths of 39-152 m (131-498 ft) (Heemstra and Randall 1993) and prefer inshore-reef and shelf-break habitats (Hood and Schlieder 1992). Bullock and Smith (1991) indicated gag probably do not move seasonally between reefs in the Gulf of Mexico, but show a gradual shift toward deeper water with age. McGovern *et al.* (2005) reported extensive movement of gag along the Southeast United States. In a tagging study, 23% of the 435 recaptured gag moved distances greater that 185 km (100 nautical miles). Most of these individuals were tagged off South Carolina and were recaptured off Georgia, Florida, and in the Gulf of Mexico (McGovern *et al.* 2005).

Gag are probably estuarine dependent (Keener *et al.* 1988; Ross and Moser 1995; Koenig and Coleman 1998; Strelcheck *et al.* 2003). Juveniles (age 0) occur in shallow grass beds along Florida's east coast during the late spring and summer (Bullock and Smith 1991). Sea grass is also an important nursery habitat for juvenile gag in North Carolina (Ross and Moser 1995). Post-larval gag enter South Carolina estuaries when they are 13 mm (0.5 inches) TL and 40 days old during April and May each year (Keener *et al.* 1988), and utilize oyster shell rubble as nursery habitat. Juveniles remain in estuarine waters throughout the summer and move offshore as water temperatures cool during September and October. Adults are often seen in shallow water 5-15 m (16-49 ft) above the reef (Bullock and Smith 1991) and as far as 40-70 km (22-38 nautical miles) offshore.

Huntsman *et al.* (1999) indicated gag are vulnerable to overfishing since they are long-lived, late to mature, change sex, and aggregate to spawn. The estimated natural mortality rate is 0.14 (SEDAR 10 2007). Maximum reported size for gag is 145 cm (57.5 inches) TL and 36.5 kg (81 pounds) (Heemstra and Randall 1993), and maximum reported age is 26 years (Harris and Collins 2000). Gag is a sequential hermaphrodite,

changing sex from female to male with increased size and age (Coleman *et al.* 1996; McGovern *et al.* 1998; Coleman *et al.* 2000). All individuals less than 87.5 cm (34.7 inches) TL are females. At 105.0 cm (41.6 inches) TL, 50% of fishes are males. Almost all gag are males at sizes greater than 120.0 cm (47.5 inches) TL (McGovern *et al.* 1998).

Along the southeastern United States (1994-1995), size at first maturity is 50.8 cm (20.2 inches) TL, and 50% of gag females are sexually mature at 62.2 cm (24.7 inches) (McGovern *et al.* 1998). According to Harris and Collins (2000), age-at-first-maturity is 2 years, and 50% of gag are mature at 3 years. For data collected during 1978-1982 off the southeastern United States, McGovern *et al.* (1998) reported the smallest mature females were 58.0 cm (22.9 inches) TL and 3 years old. Hood and Schlieder (1992) indicated most females reach sexual maturity at ages 5-7 in the Gulf of Mexico. Off the southeastern United States, gag spawn from December through May, with a peak in March and April (McGovern *et al.* 1998). Duration of planktonic larvae is about 42 days (Keener *et al.* 1988; Koenig and Coleman 1998; Lindemen *et al.* 2000). McGovern *et al.* (1998) reported the percentage of male gag landed by commercial fishermen decreased from 20% during 1979-1981 to 6% during 1995-1996. This coincided with a decrease in the mean length of fish landed. A similar decrease in the percentage of males was reported in the Gulf of Mexico (Hood and Schleider 1992; Coleman *et al.* 1996).

Adults are sometimes solitary, and can occur in groups of 5 to 50 individuals. They feed primarily on fishes, crabs, shrimp, and cephalopods (Heemstra and Randall 1993), and often forage in small groups far from the reef ledge (Bullock and Smith 1991). Juveniles feed primarily on crustaceans, and begin to consume fishes when they reach about 25 mm (1 inch) in length (Bullock and Smith 1991; Mullaney 1994).

3.2.1.2 Red grouper, Epinephelus morio

Red grouper is primarily a continental species, mostly found in broad shelf areas (Jory and Iversen 1989). Red grouper occur in the Western Atlantic, from North Carolina to southeastern Brazil, including the eastern Gulf of Mexico and Bermuda, but can occasionally be found as far north as Massachusetts (Heemstra and Randall 1993). Red grouper is uncommon around coral reefs; it generally occurs over flat rock perforated with solution holes (Bullock and Smith 1991), and is commonly found in the caverns and crevices of limestone reef in the Gulf of Mexico (Moe 1969). It also occurs over rocky reef bottoms (Moe 1969).

Adult red grouper are sedentary fish that are usually found at depths of 5-300 m (16-984 ft). Fishermen off North Carolina commonly catch red grouper at depths of 27-76 m (88-249 ft) for an average of 34 m (111 ft). Fishermen off southeastern Florida also catch red grouper in depths ranging from 27-76 m (88-249 ft) with an average depth of 45 m (148 ft) (Burgos 2001; McGovern *et al.* 2002a). Moe (1969) reported that juveniles live in shallow water nearshore reefs until they are 40.0 cm (16 inches) and 5 years of age, when they become sexually mature and move offshore. Spawning occurs during February-June, with a peak in April (Burgos 2001). In the eastern Gulf of Mexico, ripe females are found December through June, with a peak during April and May (Moe 1969). Based on the presence of ripe adults (Moe 1996) and larval red grouper (Johnson and Keener 1984)

spawning probably occurs offshore. Coleman *et al*. (1996) found groups of spawning red grouper at depths between 21-110 m (70-360 feet). Red grouper do not appear to form spawning aggregations or spawn at specific sites (Coleman *et al.* 1996). They are reported to spawn in depths of 30-90 m (98-295 ft) off the Southeast Atlantic coast (Burgos 2001; McGovern *et al.* 2002a).

Red grouper are protogynous, changing sex from female to male with increased size and age. Off North Carolina, red grouper first become males at 50.9 cm (20.1 inches) TL and males dominate size classes greater than 70.0 cm (27.8 inches) TL. Most females transform to males between ages 7 and 14. Burgos (2001) reported that 50% of the females caught off North Carolina are undergoing sexual transition at age 8. Maximum age reported by Heemstra and Randall (1993) was 25 years. Burgos (2001) and McGovern *et al.* (2002a) indicated red grouper live for at least 20 years in the Southeast Atlantic and a maximum age of 26 years has been reported for red grouper in the Gulf of Mexico (L. Lombardi, NMFS Panama City, personal communication). Natural mortality rate is estimated to be 0.20 (Potts and Brennan 2001). Maximum reported size is 125.0 cm (49.2 inches) TL (male) and 23.0 kg (51.1 pounds). For fish collected off North Carolina during the late 1990s, age at 50% maturity of females is 2.4 years and size at 50% maturity is 48.7 cm (19.3 inches) TL. Off southeastern Florida, age at 50% maturity was 2.1 years and size at 50% maturity was 52.9 cm (21.0 inches) TL (Burgos 2001; McGovern *et al.* 2002a). These fish eat a wide variety of fishes, octopi, and crustaceans, including shrimp, lobsters, and stomatopods (Bullock and Smith 1991, Heemstra and Randall 1993).

3.2.1.3 Scamp, Mycteroperca phenax

Scamp occur in the Western Atlantic, from North Carolina to Key West, in the Gulf of Mexico, and in the southern portion of the Caribbean Sea. Juveniles are sometimes encountered as far north as Massachusetts (Heemstra and Randall 1993). Its reported depth range is 30-100 m (98-328 ft) (Heemstra and Randall 1993). Juveniles are found in estuarine and shallow coastal waters (Bullock and Smith 1991; Heemstra and Randall 1993).

Scamp are protogynous, with females dominating sizes less than 70.0 cm (27.8 in) (Harris *et al.* 2002). Scamp live for at least 30 years (Harris *et al.* 2002), and attain sizes as great as 107.0 cm (42.4 inches) TL and 14.2 kg (31.3 pounds) (Heemstra and Randall 1993, in Froese and Pauly 2003). Natural mortality rate is estimated to be 0.15 (Potts and Brennan 2001). Harris *et al.* (2002) report the length and age at first spawning of females off North Carolina to southeast Florida was 30.0-35.0 cm (11.9-13.8 inches) TL and age 1. Length and age at 50% maturity was 35.3 cm (13.9 in) TL and 1.28 years, respectively (Harris *et al.* 2002). In a study conducted in the eastern Gulf of Mexico, all fish larger than 35.0 cm TL were sexually mature (M. Godcharles and L. Bullock, unpublished data).

Spawning occurs from February through July in the South Atlantic Bight and in the Gulf of Mexico, with a peak in March to mid-May (Harris *et al.* 2002). Hydration of eggs occurs primarily during the morning and late afternoon, which indicates scamp spawn

during late afternoon and evening. Spawning individuals have been captured off South Carolina and St. Augustine, Florida at depths of 33 to 93 m (108-305 ft). Scamp aggregate to spawn. Spawning locations and time of spawning overlaps with gag (Gilmore and Jones 1992). Fish are the primary prey of this species (Matheson *et al.* 1986).

3.2.1.4 Black grouper, Mycteroperca bonaci

The black grouper occurs in the Western Atlantic, from North Carolina to Florida, Bermuda, the Gulf of Mexico, West Indies, and from Central America to Southern Brazil (Crabtree and Bullock 1998). Adults are found over hard bottom such as coral reefs and rocky ledges. Black grouper occur at depths of 9 to 30 m (30 to 98 ft). Juveniles sometimes occur in estuarine seagrass and oyster rubble habitat in North Carolina and South Carolina (Keener *et al.* 1988; Ross and Moser 1995). In the Florida Keys, juveniles settle on patch reefs (Sluka *et al.* 1994). Commercial landings of black grouper exceed landings of any other grouper in the Florida Keys.

Natural mortality (M) is estimated to be 0.15 (Potts and Brennan 2001). Crabtree and Bullock (1998) found black grouper live for at least 33 years and attain sizes as great as 151.8 cm (60.1 inches) TL. Females range in length from 15.5 to 131.0 cm (6.1-51.9 inches) TL and males range in length from 94.7 to 151.8 cm (38.3-60.1 in) TL. Black grouper are protogynous. Approximately 50% of females are sexually mature by 82.6 cm (32.7 inches) TL and 5.2 years of age. At a length of 121.4 cm (48.1 inches) TL and an age of 15.5 years, approximately 50% of the females have become males. Black grouper probably spawn throughout the year, however, peak spawning of females occurs from January to March.

Off Belize, black grouper are believed to spawn in aggregations at the same sites used by Nassau grouper (Carter and Perrine 1994). Eklund *et al.* (2000) describe a black grouper spawning aggregation discovered during winter 1997-1998, less than 100 m outside a newly designated marine reserve. Adults feed primarily on fishes.

3.2.1.5 Rock hind, Epinephelus adscensionis

Rock hind are found in the western Atlantic from Massachusetts to southern Brazil, Bermuda, the Gulf of Mexico, and the Caribbean, (Smith 1997). They also occur in the eastern Atlantic from Ascension Island and St. Helena Island (Smith 1997). Rock hind is a demersal species, inhabiting rocky reef habitat to depths of 120 m (394 ft). It is usually solitary.

Maximum reported size is 61.0 cm (24.2 inches) TL (male) and 4.1 kg (9.1 pounds) (Heemstra and Randall 1993). Size at maturity and age at first maturity are estimated as 28.0 cm (11.1 inches) TL and 6.1 years, respectively. Maximum reported age is 12 years (Potts and Manooch 1995). The natural mortality rate is estimated as 0.25 (Ault *et al.* 1998).

Heemstra and Randall (1993) indicated that rock hind in the Gulf of Mexico are protogynous. This fish has been observed to spawn in aggregations near the shelf edge

off the southwest coast of Puerto Rico in January at depths of 20-30 m (66 – 98 ft) (Rielinger 1999). Off Cuba, rock hind spawn during January through March (García-Cagide *et al.* 1994). Off South Carolina, females in spawning condition (hydrated oocytes or postovulatory follicles) have been collected during May through August (Unpublished MARMAP data)**.** Crabs comprise the majority of their diet, but rock hind have also been observed to feed on fishes and young sea turtles (Heemstra and Randall).

3.2.1.6 Red hind, Epinephelus guttatus

Red hind is found in the Western Atlantic from North Carolina to Venezuela and is the most common species of *Epinephelus* in Bermuda and the West Indies (Smith 1997). Red hind is found in shallow reefs and rocky bottoms, at depths of 2-100 m (7 – 328 ft; Froese and Pauly 2003). It is usually solitary and territorial.

Maximum reported size is 76.0 cm (30.0 inches) TL (male) and 25.0 kg (55.5 pounds) (Heemstra and Randall 1993). Natural mortality rate is estimated to be 0.18 (Ault *et al.* 1998). Potts and Manooch (1995) examined 146 otoliths of red hind collected from North Carolina to the Dry Tortugas during 1980-1992 and report a maximum age of 11 years and maximum sizes of 49.0 cm (19.4 inches) TL. Sadovy *et al.* (1992) conducted an age and growth study of red hind from Puerto Rico (n = 624) and St. Thomas, USVI (n = 162) and report a maximum age of 18 and a maximum size of 47.5 cm (18.8 inches) TL. Luckhurst *et al.* (1992) captured a red hind off Bermuda that was 72.0 cm (28.5 in) TL and 22 years old.

Sadovy *et al.* (1994) found that red hind collected off Puerto Rico are protogynous. Females (n = 390) become sexually mature at 21.5 cm (9.7 in) TL, the size at 50% maturity is 28.5 cm (11.3 inches) TL, and they range in size from 11.0 to 48.0 cm (4.4 to 19.0 inches) TL. Males (n = 120) range in size from 27.3 to 51.0 cm (10.8 to 20.2 inches) TL and transitional individuals (n = 7) were from 27.5 to 34.5 cm (10.9 to 13.7 in) TL. Annual spawning aggregations occur during the full moon in January and February off the southwest coast of Puerto Rico, and during the summer in Bermuda with no relation to lunar periodicity (Shapiro *et al.* 1993; Sadovy *et al.* 1994). Spawning off Jamaica, Puerto Rico, and USVI occurs from December to February (Thompson and Munro 1978; Colin *et al.* 1987; Sadovy *et al.* 1992; Sadovy *et al.* 1994). Burnett-Herkes (1975) report that red hind spawn from April to July off Bermuda. Red hind spawn during the summer off the southeastern United States (MARMAP unpublished data).

Red hind feeds mainly on crabs and other crustaceans, fishes, such as labrids and haemulids, and octopus (Heemstra and Randall 1993).

3.2.1.7 Graysby, Cephalopholis cruentata

Graysby occurs from North Carolina to south Florida and in the Gulf of Mexico, Caribbean and Bermuda. The graysby inhabits seagrass (*Thalassia*) beds and coral reefs, and is found as deep as 170 m (557 ft). It is sedentary, solitary, and secretive, usually hiding during the day, and feeding at night. This small grouper is rarely landed off the southeast United States, and is more commonly seen in the Caribbean (Potts and

Manooch 1999). Graysby are probably most often landed as unclassified grouper by commercial fishermen off the southeastern United States.

Maximum reported size is 42.6 cm (16.9 inches) TL (male) and 1.1 kg (2.4 pounds). In the northeastern Caribbean, individuals in spawning condition have been observed in March, and from May to July (Erdman 1976). Nagelkerken (1979) determined that graysby collected in the Caribbean spawn from July through October. Graysby spawn during summer off the Southeastern United States (MARMAP unpublished data). Size at maturity and age at first maturity are estimated as 14.0 cm (5.5 inches) TL and 3.5 years (Nagelkerken 1979). The graysby is protogynous (Nagelkerken 1979). Sexual transition occurs at sizes ranging from 14.0 to 26.0 cm (5.5-10.3 inches) TL with most transitional individuals occurring between the sizes of 20.0-23.0 cm (7.9-9.1 inches) TL and ages 4-5.

Potts and Manooch (1999) examined otoliths from 118 graysby collected during 1979 to 1997. Maximum reported age is 13 years and maximum size is 40.5 cm (16.0 inches) TL. Juveniles feed on shrimp, while adults eat primarily fishes. Natural mortality rate is estimated as 0.20 (Ault *et al.* 1998). Adult graysby eat bony fish, shrimp, stomatopods, crabs, and gastropods (Randall 1967).

3.2.1.8 Yellowfin grouper, Mycteroperca venenosa

Yellowfin grouper occur in the Western Atlantic, ranging from Bermuda to Brazil and the Guianas, including the Gulf of Mexico and Caribbean Sea at depths of 2-137 m (7-449 ft). Juveniles are commonly found in shallow sea grass beds, while adults occur over rocky areas and coral reefs.

Maximum reported size is 100.0 cm (39.6 inches) TL (male) and 18.5 kg (41.1 pounds) (Heemstra and Randall 1993). Thompson and Munro (1978) reported that yellowfin grouper off Jamaica are 4 years old between 46.0-57.0 cm (18.1-22.4 inches) TL, and by 80.0 cm (31.5 inches) TL, they are 10 years of age. Manooch (1987) reported a maximum age of 15 years for yellowfin grouper. Natural mortality rate (M) is estimated to be 0.18 (Ault *et al.* 1998). This fish is believed to be protogynous. Yellowfin grouper aggregate at some of the same sites utilized by tiger grouper, Nassau grouper, and black grouper (Sadovy *et al.* 1994). Spawning occurs during March in the Florida Keys (Taylor and McMichael 1983), and from March and May to August in the Gulf of Mexico (Bullock and Smith 1991). Most spawning occurs in Jamaican waters between February and April (Thompson and Munro 1978), and during July off Bermuda (Smith 1958). Yellowfin grouper feed mainly on fishes (especially coral reef species) and squids (Heemstra and Randall 1993).

3.2.1.9 Coney, Cephalopholis fulva

Coney is a small grouper that occurs in the Western Atlantic, ranging from South Carolina (USA) and Bermuda to southern Brazil, including Atol das Rocas. The coney is a sedentary species. It prefers coral reefs and clear water, and can be found to depths as great as 150 m (492 ft). Coney are most commonly taken in the Caribbean, where they are found associated with patch reefs. Most commercial landings of coney are off southeast Florida and are often labeled as unclassified grouper.

Maximum reported length is 41.0 cm (16.2 inches) TL (male). This species is protogynous (Heemstra and Randall 1993). Size at 50% maturity for females sampled off the west coast of Puerto Rico was 13.0 cm (5.1 inches) FL (Figuerola and Torrez Ruiz 2000). Heemstra and Randall (1993) report that females mature at 16.0 (6.3 inches) cm TL and transform to males at about 20.0 (7.9 inches) cm TL.

Potts and Manooch (1999) examined the otoliths from 55 coney collected during 1979-1997 from North Carolina to the Dry Tortugas, Florida. The maximum reported age is 11 years and maximum size is 39.7 cm (15.7 inches) TL. Natural mortality rate is estimated as 0.18 (Ault *et al.* 1998).

Spawning occurs in small groups composed of one male and multiple females. Although ripe ovaries are found from November to March off the west coast of Puerto Rico, spawning activity appears to be limited to several days around the last quarter and new moon phases during January and February (Figuerola *et al.* 1997). The diet is composed primarily of small fishes and crustaceans (Randall 1967).

3.2.1.10 Yellowmouth grouper, Mycteroperca interstitialis

Yellowmouth grouper occur along the eastern U.S. coast, Bermuda, Bahamas, Gulf of Mexico, and in the Caribbean south to Brazil (Smith 1971). Adults are found over rocky hard bottom and coral reefs near the shoreline as deep as 55 m (100 ft). Individuals have been found as deep as 150 m (275 ft). Juveniles commonly occur in mangrove line lagoons.

The maximum reported size of yellowmouth grouper is 84.0 cm (33.2 inches) TL (male) and 10.2 kg (22.6 pounds) (Froese and Pauly 2003). In the Gulf of Mexico, maximum reported age for yellowmouth grouper was 28 years (Bullock and Murphy 1994), while in Trinidad and Tobago the maximum reported age was 41 years (Maninckhand-Heilman and Phillip 2000). Males (2-28 years) are generally older than females (2-17 years). Females become sexually mature between 40.0-45.0 cm (15.8-17.7 inches) TL and ages 2-4 years. Fifty percent are males at 60.0-64.9 cm (23.6-25.6 inches) TL. Fish undergo sexual transition from female to male at lengths from 50.3 to 64.3 cm (19.8-25.3 inches) TL, between the ages of 5 and 14 years. Yellowmouth grouper may spawn all year, but peak spawning of females in the Gulf of Mexico occurs during March to May (Bullock and Murphy 1994). Finfish constitute a large part of the diet of yellowmouth grouper (Randall 1967).

3.2.1.11 Tiger grouper, Mycteroperca tigris

Tiger grouper occur in the Western Atlantic, ranging from Bermuda and south Florida (USA) to Venezuela and, possibly Brazil, including the Gulf of Mexico and the Caribbean Sea. It inhabits coral reefs and rocky areas at depths of 10 to 40 m (33-131 ft).

Maximum reported size is 101.0 cm (40.0 inches) TL (male) and 10 kg (22.2 pounds) (Heemstra and Randall 1993 in Froese and Pauly 2003). Approximate life span is 26 years, and natural mortality (M) is estimated at 0.12 (Ault *et al.* 1998).

The size-sex ratios described in a study conducted off Bermuda indicate this fish is probably protogynous (Heemstra and Randall 1993). It forms aggregations at specific times and locations each year, but only during the spawning season (Coleman *et al*. 2000; White *et al.* 2002). White *et al.* (2002) reported that spawning aggregations of tiger grouper occurred one week after the full moon during January through April off Puerto Rico. Tiger grouper spawn from December through April off southwest Cuba (García-Cagide *et al*. 1999). The tiger grouper preys on a variety of fishes, and frequents cleaning stations (Heemstra and Randall 1993).

3.2.1.12 Vermilion Snapper, Rhomboplites aurorubens

Vermilion snapper occur in the Western Atlantic, from North Carolina to Rio de Janeiro. It is most abundant off the southeastern United States and in the Gulf of Campeche (Hood and Johnson 1999). The vermilion snapper is demersal, commonly found over rock, gravel, or sand bottoms near the edge of the continental and island shelves (Froese and Pauly 2003). It occurs at depths from 18 to 122 m (59 to 400 ft), but is most abundant at depths less than 76 m (250 ft). Individuals often form large schools. This fish is not believed to exhibit extensive long range or local movement (SEDAR2 2003).

The maximum size of a male vermilion snapper, reported by Allen (1985), in Froese and Pauly (2003), was 60.0 cm (23.8 in) TL and 3.2 kg (7.1 lbs). Maximum reported age in the South Atlantic Bight was 14 years (Zhao *et al.* 1997; Potts *et al.* 1998b). SEDAR 2-SAR2 (2003) recommends that natural mortality (M) be defined as 0.25/yr, with a range of 0.2-0.3/yr.

This species spawns in aggregations (Lindeman *et al.* 2000) from April through late September in the southeastern United States (Cuellar *et al.* 1996). Zhao *et al.* (1997) indicated that most spawning in the South Atlantic Bight occurs from June through August. Eggs and larvae are pelagic.

Vermilion snapper are gonochorists meaning that all vermilion snapper are mature at 2 years of age and 20.0 cm (7.9 in) (SEDAR 2 2003b). Cuellar *et al.* (1996) collected vermilion snapper off the southeastern United States and found that all were mature. The smallest female was 16.5 cm (6.5 in) FL and the smallest male was 17.9 cm (7.1 in) FL (Cuellar *et al.* 1996). Zhao and McGovern (1997) reported that 100% of males that were collected after 1982 along the southeastern United States were mature at 14.0 cm (5.6 in) TL and age 1. All females collected after 1988 were mature at 18.0 cm (7.1 in) TL and age 1.

This species preys on fishes, shrimp, crabs, polychaetes, and other benthic invertebrates, as well as cephalopods and planktonic organisms (Allen 1985). Sedberry and Cuellar (1993) reported that small crustaceans (especially copepods), sergestid decapods, barnacle larvae, stomatopods, and decapods dominated the diets of small (< 50 mm (2 in)

SL) vermilion snapper off the Southeastern United States. Larger decapods, fishes, and cephalopods are more important in the diet of larger vermilion snapper.

3.2.2 Science Underlying the Management of Snapper Grouper Species Most Impacted By This FMP Amendment

The status of gag and vermilion snapper has been recently assessed through the Southeast Data, Assessment, and Review (SEDAR) process. The SEDAR process consists of a series of workshops aimed at ensuring that each assessment is based on the best available scientific information.

First, representatives from NOAA Fisheries Service, state agencies, and the South Atlantic Council, as well as experts from non-governmental organizations and academia, participate in a data workshop. The purpose of a data workshop is to assemble and review available fishery-dependent and fishery-independent data and information on a stock, and to develop consensus about what constitutes the best available scientific information on the stock, how that information should be used in an assessment, and what type of stock assessment model should be employed.

Second, assessment biologists from these agencies and organizations participate in a stock assessment workshop, where data from the data workshop are input into one or more stock assessment models (e.g., production, age-structured, length structured, etc.) to generate estimates of stock status and fishery status. Generally, multiple runs of each model are conducted: base runs and a number of additional runs to examine sensitivity of results to various assumptions (e.g., different natural mortality rates, different data sets/catch periods, etc.).

Finally, a stock assessment review workshop is convened to provide representatives from the Center for Independent Experts the opportunity to peer review the results of the stock assessment workshop. Representatives from NOAA Fisheries Service, the South Atlantic Council, and constituent groups may attend and observe the review but the actual review is conducted by the Center for Independent Experts. The report of the stock assessment review workshop is then reviewed by the Council's Scientific and Statistical Committee (SSC).

The review portion of the SEDAR process has helped improve the acceptance of stock assessments. However, continued lack of basic fishery data has resulted in uncertainty in the assessment results. Each SEDAR Review Panel has identified significant shortcomings in data and research (see Section 4.3 for a detailed list of research and data needs). In addition, not all of the reviews have been completed with 100% consensus.

3.2.2.1 Gag assessment and stock status

SEDAR assessment

The stock of gag off the United States South Atlantic was assessed during a SEDAR assessment workshop, held at the Wyndham Grand Bay Hotel, Miami, Florida, on May 1–5, 2006. The workshop's objectives were to complete the SEDAR 10 benchmark assessment of gag and to conduct stock projections. Participants in the benchmark assessment included state, federal, and university scientists, as well as Council members and staff, and various observers. All decisions regarding stock assessment methods and acceptable data were made by consensus (SEDAR 10 2007).

Available data on the stock included abundance indices, recorded landings, and samples of annual size compositions and age compositions from fishery-dependent sources. Three fishery–dependent abundance indices were developed by the data workshop: one from the NOAA Fisheries Service headboat survey, one from the commercial logbook program, and one from the MRFSS survey. There were no usable fishery–independent abundance data for this stock of gag. Landings data were available from all recreational and commercial fisheries. The assessment included data through 2004.

A forward projecting statistical model of catch at age was used as the primary assessment model. In addition, an age-aggregated production model was used to investigate results under a different set of model assumptions. The assessment workshop developed two base runs; one assuming a time-varying catchability and one assuming constant catchability for the fishery dependent indices. Each base run of the catch-at-age model was used for estimation of benchmarks and stock status.

Stock projections were evaluated under five scenarios starting in 2008. Each scenario applied the current fishing mortality rate (F) in years 2005–2007. Starting in 2008, the five projection scenarios included: (1) current F, (2) F_{MSY}, (3) 85% of F_{MSY}, (4) 75% of F_{MSY}, and (5) 65% of F_{MSY}.

Status

The gag stock in the Atlantic is undergoing **overfishing** as of 2004 (last year of data in the stock assessment). This means fish are being removed more quickly than the stock can replace them such that the maximum sustainable yield (MSY) cannot be achieved. The Council compares the current fishing mortality rate (F) to the level of fishing mortality that would result in overfishing (maximum fishing mortality threshold or MFMT) and if the current F is greater than the MFMT, overfishing is occurring. For gag the most recent estimate of the fishing mortality rate (F) is from 2004 and was = 0.310. The Council is using the fishing mortality rate that would produce the maximum sustainable yield (F_{MSY} = 0.237) as the maximum fishing mortality threshold. Comparing these two numbers:

- F_{2004}/MFMT = 0.310/0.237 = 1.309

This comparison is referred to as the **overfishing ratio**. If the ratio is greater than 1, then overfishing is occurring.

The gag stock in the Atlantic was not **overfished** as of the start of 2005. This means that the spawning stock biomass (pounds of spawning fish in the water) has not been reduced below the level that could produce the maximum sustainable yield. The Council compares the current spawning stock biomass (SSB) to the level of spawning stock biomass that could be rebuilt to the level to produce the MSY in 10 years. This is referred to as the minimum spawning stock biomass or MSST. For gag the estimated level of spawning stock biomass in 2005 was 7,470,000 pounds gutted weight (gw). The Minimum stock size threshold (MSST) = 6,816,000 pounds gw. Comparing these two numbers:

- SSB_{2005}/MSST = 7,470,000/6,816,000 = 1.096

This comparison is referred to as the **overfished ratio**. If the ratio is less than 1, then the stock is overfished.

The Secretary of Commerce has notified the Council that gag are approaching an overfished status (June 2007).

Catch Limits To End Overfishing

The Council's SSC recommended the Council restrict harvest to the F_{OY} equal to the yield associated with 75% of F_{MSY}. This would correspond to a total allowable catch (TAC) of 694,000 pounds gutted weight for all sectors (Table 3-1).

Table 3-1. Gag catch levels to end overfishing.

Alternatives	Catch Levels to end Overfishing (pounds gutted weight)
Alternative 1 (no action)	Do not specify a catch level to end overfishing.
Alternative 2 (preferred)	Set the catch level* = 694,000 pounds gutted weight for 2009 onwards
*Source: SEDAR 10 (2007)	

3.2.2.2 Vermilion Snapper, stock status, and annual catch limits

SEDAR assessment

A SEDAR stock assessment workshop was convened at the NOAA Center for Coastal Fisheries and Habitat Research Beaufort, North Carolina, on Monday, April 4, 2007. The workshop's objectives were to conduct an update assessment of the vermilion snapper off the southeastern U.S. and to conduct stock projections based on possible management scenarios. Participants in the update assessment included state and federal scientists, Council AP and SSC members, and various observers. All decisions regarding stock assessment methods and acceptable data were made by consensus (SEDAR Assessment Update #3 2007).

Available data on the species included all those utilized for the benchmark assessment conducted in 2002; no additional data sources were identified during the scoping workshop. These data were abundance indices, recorded landings, and samples of annual size compositions from indices and landings. Four abundance indices were used in the benchmark assessment: one from the NMFS headboat survey and three from the SC MARMAP fishery-independent monitoring program. Landings data were available from

all recreational and commercial fisheries. While the MARMAP chevron trap index decreased in recent years, the remaining abundance indices showed neither marked increase nor decline during the assessment period (1976–2006).

The statistical model of catch at length as developed for the benchmark assessment was used as the only assessment model. The assessment workshop provided the base run of the model, identical to that used in the benchmark assessment. This base run was used for the estimation of benchmarks and stock status. The benchmark assessment concluded that the high degree of uncertainty in recruitment and spawning stock biomass estimates meant that reliable biomass based benchmarks could not be developed from the assessment, and this was found to be the case for the update assessment as well.

The ratio of fishing mortality in 2006 to F_{MAX} was 2.05, compared to 1.71 in the benchmark assessment, suggesting that overfishing continues. Projections were used to evaluate the potential of the stock to be rebuilt, but could only be conducted for constant F scenarios. Four projections were considered: $F=F_{MAX}$; $F=85\%F_{MAX}$; $F=75\%F_{MAX}$ and $F=65F_{MAX}$; the results of each were very similar.

Stock Status

The vermilion snapper stock in the Atlantic is undergoing **overfishing** as of 2006 (last year of data in the stock assessment update). This means fish are being removed more quickly than the stock can replace them such that the maximum sustainable yield (MSY) cannot be achieved. The Council compares the current fishing mortality rate (F) to the level of fishing mortality that would result in overfishing (maximum fishing mortality threshold or MFMT) and if the current F is greater than the MFMT, overfishing is occurring. For vermilion snapper the most recent estimate of the fishing mortality rate is from 2006 and was = 0.729. The Council is using the fishing mortality rate that produces the greatest yield per fish (F_{MAX} = 0.355) as the maximum fishing mortality threshold. F_{MAX} is being used as a proxy for F_{MSY} (F_{MSY} = Fishing mortality rate that would produce maximum sustainable yield) because the SSC did not have confidence in the calculated biomass reference points. The SSC does have confidence in the fishing mortality rate estimates from the SEDAR assessment. Comparing these two numbers:

- F_{2006}/MFMT = 0.729/0.355 = 2.05

This comparison is referred to as the **overfishing ratio**. If the ratio is greater than 1, then overfishing is occurring.

Whether the vermilion snapper stock in the Atlantic is currently **overfished** is unknown because the SSC did not have confidence in the biomass reference points from the SEDAR assessment. Recognizing the need for a new benchmark assessment, NMFS and the state of South Carolina began sampling available vermilion snapper otoliths to enable an age-based assessment. Further, the SEDAR steering committee replaced white grunt in the SEDAR schedule with vermilion snapper, which will be assessed during 2008. Results from an age-based assessment for vermilion snapper will be available in December 2008.

The Council was notified in June 2007 that vermilion snapper was undergoing overfishing. Therefore, the Council is obligated to develop an amendment to end overfishing by June 2008. Since efforts to reassess vermilion snapper are proceeding, NMFS should have the opportunity to review the new assessment results prior to implementing any vermilion snapper regulations proposed by the Council to address the June 2007 overfishing notification.

Catch Limits To End Overfishing

The Council's SSC recommended the Council restrict harvest to the F_{OY} equal to the yield associated with 75% of F_{MSY}. This would correspond to a total allowable catch (TAC) of 566,179 pounds gutted weight for all sectors (Table 3-2).

Table 3-2. Vermilion snapper catch levels to end overfishing.

Alternatives	Catch Levels to end Overfishing (pounds whole weight)
Alternative 1 (no action)	Do not specify a catch level to end overfishing.
Alternative 2 (preferred)	Set the catch level = 628,459 pounds whole weight* (566,179 pounds gutted weight) for 2009 onwards
*Source: SSC.	

3.2.3 Other Affected Council-Managed Species

Gag and vermilion snapper are targeted by fishermen and are commonly taken on trips together. Red grouper, scamp, blueline tilefish, red snapper, gray triggerfish, greater amberjack, white grunt, and others are also targeted by commercial fishermen and are taken trips with gag and vermilion snapper. Gag and vermilion snapper are commonly taken on trips by recreational fishermen with white grunt, black sea bass, gray triggerfish, and red porgy. Proposed actions that would end overfishing of gag and vermilion snapper would likely affect other target and non-target snapper grouper species through bycatch and effort shifting. A detailed description of the life history of these species is provided in the Snapper Grouper SAFE report (NMFS 2005).

3.2.4 Protected Species

There are 31 different species of marine mammals that may occur in the EEZ of the South Atlantic region. All 31 species are protected under the MMPA and six are also listed as endangered under the ESA (i.e., sperm, sei, fin, blue, humpback and North Atlantic right whales). Other species protected under the ESA occurring in the South Atlantic include five sea turtle species (green, hawksbill, Kemp's ridley, leatherback, and loggerhead,); the smalltooth sawfish, and two *Acropora* coral species (elkhorn [*Acropora palmata*] and staghorn [*A. cervicornis*]). Designated critical habitat for the Northern right whale also occurs within the South Atlantic region.

The impacts of the South Atlantic snapper grouper fishery on ESA-listed species were evaluated in a biological opinion on the continued authorization of snapper grouper fishing under the South Atlantic Snapper Grouper Fishery Management Plan and Amendment 13C (NMFS 2006). The opinion stated the fishery was not likely to adversely affect Northern right whale critical habitat, seabirds, or marine mammals (see NMFS 2006 for discussion on these species). However, the opinion did state that the snapper grouper fishery would adversely affect sea turtles and smalltooth sawfish. A discussion of these species is below.

NOAA Fisheries Service has also recently conducted an informal section 7 consultation evaluating the impacts of the South Atlantic snapper grouper fishery on ESA-listed *Acropora* species. The consultation concluded that the continued operation of the snapper grouper fishery was not likely to adversely affect newly listed *Acropora* species. A discussion of these species is below.

3.2.4.1 ESA-Listed Sea Turtles

Green, hawksbill, leatherback, loggerhead, and Kemp's ridley sea turtles are all highly migratory and travel widely throughout the South Atlantic. The following sections are a brief overview of the general life history characteristics of the sea turtles found in the South Atlantic region. Several volumes exist that cover more thoroughly the biology and ecology of these species (i.e., Lutz and Musick (eds.) 1997, Lutz et al. (eds.) 2002).

Green sea turtle hatchlings are thought to occupy pelagic areas of the open ocean and are often associated with *Sargassum* rafts (Carr 1987, Walker 1994). Pelagic stage green sea turtles are thought to be carnivorous. Stomach samples of these animals found ctenophores and pelagic snails (Frick 1976, Hughes 1974). At approximately 20 to 25 cm carapace length, juveniles migrate from pelagic habitats to benthic foraging areas (Bjorndal 1997). As juveniles move into benthic foraging areas a diet shift towards herbivory occurs. They consume primarily seagrasses and algae, but are also know to consume jellyfish, salps, and sponges (Bjornal 1980, 1997; Paredes 1969; Mortimer 1981, 1982). The diving abilities of all sea turtles species vary by their life stages. The maximum diving range of green sea turtles is estimated at 110 m (360 ft) (Frick 1976), but they are most frequently making dives of less than 20 m (65 ft.) (Walker 1994). The time of these dives also varies by life stage. The maximum dive length is estimated at 66 minutes with most dives lasting from 9 to 23 minutes (Walker 1994).

The **hawksbill's** pelagic stage lasts from the time they leave the nesting beach as hatchlings until they are approximately 22-25 cm in straight carapace length (Meylan 1988, Meylan and Donnelly 1999). The pelagic stage is followed by residency in developmental habitats (foraging areas where juveniles reside and grow) in coastal waters. Little is known about the diet of pelagic stage hawksbills. Adult foraging typically occurs over coral reefs, although other hard-bottom communities and mangrove-fringed areas are occupied occasionally. Hawksbills show fidelity to their foraging areas over several years (van Dam and Diéz 1998). The hawksbill's diet is

highly specialized and consists primarily of sponges (Meylan 1988). Gravid females have been noted ingesting coralline substrate (Meylan 1984) and calcerous algae (Anderes Alvarez and Uchida 1994), which are believed to be possible sources of calcium to aid in eggshell production. The maximum diving depths of these animals are not known, but the maximum length of dives is estimated at 73.5 minutes. More routinely dives last about 56 minutes (Hughes 1974).

Leatherbacks are the most pelagic of all ESA-listed sea turtles and spend most of their time in the open ocean. Although they will enter coastal waters and are seen over the continental shelf on a seasonal basis to feed in areas where jellyfish are concentrated. Leatherbacks feed primarily on cnidarians (medusae, siphonophores) and tunicates. Unlike other sea turtles, leatherbacks' diets do not shift during their life cycles. Because leatherbacks' ability to capture and eat jellyfish is not constrained by size or age, they continue to feed on these species regardless of life stage (Bjorndal 1997). Leatherbacks are the deepest diving of all sea turtles. It is estimated that these species can dive in excess of 1000 m (Eckert et al. 1989) but more frequently dive to depths of 50 m to 84 m (Eckert et al. 1986). Dive times range from a maximum of 37 minutes to more routines dives of 4 to 14.5 minutes (Standora et al. 1984, Eckert et al. 1986, Eckert et al. 1989, Keinath and Musick 1993). Leatherbacks may spend 74% to 91% of their time submerged (Standora et al. 1984).

Loggerhead hatchlings forage in the open ocean and are often associated with Sargassum rafts (Hughes 1974, Carr 1987, Walker 1994, Bolten and Balazs 1995). The pelagic stage of these sea turtles are known to eat a wide range of things including salps, jellyfish, amphipods, crabs, syngnathid fish, squid, and pelagic snails (Brongersma 1972). Stranding records indicate that when pelagic immature loggerheads reach 40-60 cm straight-line carapace length they begin to live in coastal inshore and nearshore waters of the continental shelf throughout the U.S. Atlantic (Witzell 2002). Here they forage over hard- and soft-bottom habitats (Carr 1986). Benthic foraging loggerheads eat a variety of invertebrates with crabs and mollusks being an important prey source (Burke et al. 1993). Estimates of the maximum diving depths of loggerheads range from 211 m to 233 m (692-764ft.) (Thayer et al. 1984, Limpus and Nichols 1988). The lengths of loggerhead dives are frequently between 17 and 30 minutes (Thayer et al. 1984, Limpus and Nichols 1988, Limpus and Nichols 1994, Lanyan et al. 1989) and they may spend anywhere from 80 to 94% of their time submerged (Limpus and Nichols 1994, Lanyan et al. 1989).

Kemp's ridley hatchlings are also pelagic during the early stages of life and feed in surface waters (Carr 1987, Ogren 1989). Once the juveniles reach approximately 20 cm carapace length they move to relatively shallow (less than 50m) benthic foraging habitat over unconsolidated substrates (Márquez-M. 1994). They have also been observed transiting long distances between foraging habitats (Ogren 1989). Kemp's ridleys feeding in these nearshore areas primarily prey on crabs, though they are also known to ingest mollusks, fish, marine vegetation, and shrimp (Shaver 1991). The fish and shrimp Kemp's ridleys ingest are not thought to be a primary prey item but instead may be scavenged opportunistically from bycatch discards or from discarded bait (Shaver 1991). Given their predilection for shallower water, Kemp's ridleys most routinely make dives

of 50 m or less (Soma 1985, Byles 1988). Their maximum diving range is unknown. Depending on the life stage a Kemp's ridleys may be able to stay submerged anywhere from 167 minutes to 300 minutes, though dives of 12.7 minutes to 16.7 minutes are much more common (Soma 1985, Mendonca and Pritchard 1986, Byles 1988). Kemp's ridleys may also spend as much as 96% of their time underwater (Soma 1985, Byles 1988).

3.2.4.2 ESA-Listed Marine Fish

The historical range of the **smalltooth sawfish** in the U.S. ranged from New York to the Mexico border. Their current range is poorly understood but believed to have contracted from these historical areas. In the South Atlantic region, they are most commonly found in Florida, primarily off the Florida Keys (Simpfendorfer and Wiley 2004). Only two smalltooth sawfish have been recorded north of Florida since 1963 (the first was captured off of North Carolina in 1999 (Schwartz 2003) and the other off Georgia 2002 [Burgess unpublished data]). Historical accounts and recent encounter data suggest that immature individuals are most common in shallow coastal waters less than 25 m (Bigelow and Schroeder 1953, Adams and Wilson 1995), while mature animals occur in waters in excess of 100 meters (Simpfendorfer pers comm. 2006). Smalltooth sawfish feed primarily on fish. Mullet, jacks, and ladyfish are believed to be their primary food resources (Simpfendorfer 2001). Smalltooth sawfish also prey on crustaceans (mostly shrimp and crabs) by disturbing bottom sediment with their saw (Norman and Fraser 1937, Bigelow and Schroeder 1953).

3.2.4.3 ESA-Listed Marine Invertebrates

Elkhorn (*Acropora palmata)* and staghorn (*A. cervicornis*) coral were listed as threatened under the ESA on May 9, 2006, based on a status review initiated in 2004. The Atlantic *Acropora* Status Review presents a summary of published literature and other currently available scientific information regarding the biology and status of both these species.

Elkhorn and **staghorn** corals are two of the major reef-building corals in the wider Caribbean. In the South Atlantic region, they are found most commonly in the Florida Keys; staghorn coral occurs the furthest north with colonies documented off Palm Beach, Florida (26º3'N). The depth range for these species ranges from <1 m to 60 m. The optimal depth range for elkhorn is considered to be 1 to 5 m depth (Goreau and Wells 1967), while staghorn corals are found slightly deeper, 5 to 15 m (Goreau and Goreau 1973).

All Atlantic *Acropora* species (including elkhorn and staghorn coral) are considered to be environmentally sensitive, requiring relatively clear, well-circulated water (Jaap et al. 1989). Optimal water temperatures for elkhorn and staghorn coral range from 25° to 29°C (Ghiold and Smith 1990, Williams and Bunkley-Williams 1990).[1] Both species are

[1] Bleaching refers to the loss of zooxanthellae

almost entirely dependent upon sunlight for nourishment, contrasting the massive, boulder-shaped species in the region (Porter 1976, Lewis 1977) that are more dependent on zooplankton. Thus, Atlantic *Acropora* species are much more susceptible to increases in water turbidity than some other coral species.

Fertilization and development of elkhorn and staghorn corals is exclusively external. Embryonic development culminates with the development of planktonic larvae called planulae (Bak et al. 1977, Sammarco 1980, Rylaarsdam 1983). Unlike most other coral larvae, elkhorn and staghorn planulae appear to prefer to settle on upper, exposed surfaces, rather than in dark or cryptic ones (Szmant and Miller 2006), at least in a laboratory setting. Studies of elkhorn and staghorn corals indicated that larger colonies of both species[2] had higher fertility rates than smaller colonies (Soong and Lang 1992).

3.2.4.4 South Atlantic Snapper Grouper Fishery Interactions with ESA-Listed Species

Sea turtles are vulnerable to capture by bottom longline and vertical hook-and-line gear. The magnitude of the interactions between sea turtles and the South Atlantic snapper grouper fishery was evaluated in NMFS (2006) using data from the Supplementary Discard Data Program (SDDP). Three loggerheads and three unidentified sea turtles were caught on vertical lines; one leatherback and one loggerhead were caught on bottom longlines, all were released alive (Table 3-3). The effort reported program represented between approximately 5% and 14% of all South Atlantic snapper grouper fishing effort. These data were extrapolated in NMFS (2006) to better estimate the number of interactions between the entire snapper grouper fishery and ESA-listed sea turtles. The extrapolated estimate was used to project future interactions (Table 3-2).

The SDDP does not provide data on recreational fishing interactions with ESA-listed sea turtle species. However, anecdotal information indicates that recreational fishermen occasionally take sea turtles with hook-and-line gear. The biological opinion also used the extrapolated data from the SDDP to estimate the magnitude of recreational fishing on sea turtles (Table 3-3).

Smalltooth sawfish are also considered vulnerable to capture by bottom longline and vertical hook-and-line gear based on their capture in other southeast fisheries using such gear (Poulakis and Seitz 2004; Simpfendorfer and Wiley 2004). SDDP data does not include any reports of smalltooth sawfish being caught in the South Atlantic commercial snapper grouper fishery. There are no other documented interactions between smalltooth sawfish and the South Atlantic commercial snapper grouper fishery. However, the potential for interaction, led NOAA Fisheries Service to estimate future interactions between smalltooth sawfish and the snapper grouper fishery in the biological opinion (Table 3-4).

[2] As measured by surface area of the live colony

Table 3-3. Sea turtle incidental take data from the supplementary discard data program (SDDP) for the Southeast U.S. Atlantic.

Reporting Period	Month	Logbook Statistical Grid	Species Caught	Number Caught	Discard Condition
Vertical Hook-and-Line Sea Turtle Catch Data					
8/1/01-7/31/02	April	2482	Unidentified	1	Alive
8/1/01-7/31/02	November	3377	Loggerhead	1	Alive
8/1/02-7/31/03	February	2780	Loggerhead	1	Alive
8/1/02-7/31/03	November	3474	Loggerhead	1	Alive
8/1/02-7/31/03	November	3476	Unknown	1	Alive
8/1/02-7/31/03	December	3476	Unknown	1	Alive
Bottom Longline Sea Turtle Catch Data					
8/1/01-7/31/02	August	3674	Leatherback	1	Alive
8/1/03-7/31/04	January	3575	Loggerhead	1	Unknown

Source: SEFSC Supplementary Discard Data Program

Table 3-4. Three year South Atlantic anticipated takes of ESA-Listed species for snapper grouper gears.

Species	Amount of Take	Total
Green	Total Take	39
	Lethal Take	14
Hawksbill	Total Take	4
	Lethal Take	3
Kemp's ridley	Total Take	19
	Lethal Take	8
Leatherback	Total Take	25
	Lethal Take	15
Loggerhead	Total Take	202
	Lethal Take	67
Smalltooth sawfish	Total Take	8
	Lethal Take	0

Source: NMFS 2006

3.3 *Administrative Environment*

3.3.1 The Fishery Management Process and Applicable Laws

3.3.1.1 Federal Fishery Management

Federal fishery management is conducted under the authority of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act) (16 U.S.C. 1801 et seq.), originally enacted in 1976 as the Fishery Conservation and Management Act. The Magnuson-Stevens Act claims sovereign rights and exclusive fishery management authority over most fishery resources within the U.S. Exclusive Economic Zone (EEZ), an area extending 200 nautical miles from the seaward boundary of each of the coastal states, and authority over U.S. anadromous species and continental shelf resources that occur beyond the U.S. EEZ.

Responsibility for Federal fishery management decision-making is divided between the U.S. Secretary of Commerce and eight regional fishery management councils that represent the expertise and interests of constituent states. Regional councils are responsible for preparing, monitoring, and revising management plans for fisheries needing management within their jurisdiction. The Secretary of Commerce (Secretary) is responsible for collecting and providing the data necessary for the councils to prepare fishery management plans and for promulgating regulations to implement proposed plans and amendments after ensuring that management measures are consistent with the M-Magnuson-Stevens Act and with other applicable laws summarized in Section 7.0. In most cases, the Secretary has delegated this authority to NOAA Fisheries Service.

The South Atlantic Fishery Management Council is responsible for conservation and management of fishery resources in Federal waters of the U.S. South Atlantic. These waters extend from 3 to 200 miles offshore from the seaward boundary of the States of North Carolina, South Carolina, Georgia, and east Florida to Key West. The Council has thirteen voting members: one from NOAA Fisheries Service; one each from the state fishery agencies of North Carolina, South Carolina, Georgia, and Florida; and eight public members appointed by the Secretary. On the South Atlantic Council there are two public members from each of the four South Atlantic States. Non-voting members include representatives of the U.S. Fish and Wildlife Service, U.S. Coast Guard, State Department, and Atlantic States Marine Fisheries Commission (ASMFC). The South Atlantic Council has adopted procedures whereby the non-voting members serving on the Council Committees have full voting rights at the Committee level but not at the full Council level. Council members serve three-year terms and are recommended by State Governors and appointed by the Secretary of Commerce from lists of nominees submitted by State governors. Appointed members may serve a maximum of three consecutive terms.

Public interests also are involved in the fishery management process through participation on Advisory Panels and through council meetings, which, with few

exceptions for discussing personnel matters, are open to the public. The Council uses a Scientific and Statistical Committee to review the data and science being used in assessments and fishery management plans/amendments. In addition, the regulatory process is in accordance with the Administrative Procedures Act, in the form of "notice and comment" rulemaking.

3.3.1.2 State Fishery Management

The state governments of North Carolina, South Carolina, Georgia, and Florida have the authority to manage fisheries that occur in waters extending three nautical miles from their respective shorelines. North Carolina's marine fisheries are managed by the Marine Fisheries Division of the North Carolina Department of Environment and Natural Resources. The Marine Resources Division of the South Carolina Department of Natural Resources regulates South Carolina's marine fisheries. Georgia's marine fisheries are managed by the Coastal Resources Division of the Department of Natural Resources. The Marine Fisheries Division of the Florida Fish and Wildlife Conservation Commission is responsible for managing Florida's marine fisheries. Each state fishery management agency has a designated seat on the South Atlantic Council. The purpose of state representation at the council level is to ensure state participation in Federal fishery management decision-making and to promote the development of compatible regulations in state and Federal waters.

The South Atlantic states are also involved through the Atlantic States Marine Fisheries Commission (ASMFC) in management of marine fisheries. This commission was created to coordinate state regulations and develop management plans for interstate fisheries. It has significant authority, through the Atlantic Striped Bass Conservation Act and the Atlantic Coastal Fisheries Cooperative Management Act, to compel adoption of consistent state regulations to conserve coastal species. The ASFMC also is represented at the Council level, but does not have voting authority at the Council level.

NOAA Fisheries Service' State-Federal Fisheries Division is responsible for building cooperative partnerships to strengthen marine fisheries management and conservation at the state, inter-regional, and national levels. This division implements and oversees the distribution of grants for two national (Inter-jurisdictional Fisheries Act and Anadromous Fish Conservation Act) and two regional (Atlantic Coastal Fisheries Cooperative Management Act and Atlantic Striped Bass Conservation Act) programs. Additionally, it works with the ASMFC to develop and implement cooperative State-Federal fisheries regulations.

3.3.2 Enforcement

Both the National Oceanic and Atmospheric Administration (NOAA) Fisheries Office for Enforcement (NOAA/OLE) and the United States Coast Guard (USCG) have the authority and the responsibility to enforce South Atlantic Council regulations. NOAA/OLE agents, who specialize in living marine resource violations, provide fisheries expertise and investigative support for the overall fisheries mission. The USCG is a multi-mission agency, which provides at-sea patrol services for the fisheries mission.

Neither NOAA/OLE nor the USCG can provide a continuous law enforcement presence in all areas due to the limited resources of NOAA/OLE and the priority tasking of the USCG. To supplement at-sea and dockside inspections of fishing vessels, NOAA entered into Cooperative Enforcement Agreements with all but one of the states in the Southeast Region (North Carolina), which granted authority to state officers to enforce the laws for which NOAA/OLE has jurisdiction. In recent years, the level of involvement by the states has increased through Joint Enforcement Agreements, whereby states conduct patrols that focus on Federal priorities and, in some circumstances, prosecute resultant violators through the state when a state violation has occurred.

NOAA General Counsel issued a revised Southeast Region Magnuson-Stevens Act Penalty Schedule in June 2003, which addresses all Magnuson-Stevens Act violations in the Southeast Region. In general, this Penalty Schedule increases the amount of civil administrative penalties that a violator may be subject to up to the current statutory maximum of $120,000 per violation.

3.4 *Human Environment*

3.4.1 Description of the Fishery

A more detailed description of the snapper-grouper fishery is contained in previous amendments [Amendment 13C (SAFMC 2006), Amendment 15A (SAFMC 2007), and Amendment 15B (SAFMC 2008)] and is incorporated herein by reference. The following sections summarize key information relevant to this amendment.

3.4.1.1 Commercial Fishery

3.4.1.1.1 Gear and Fishing Behavior

The commercial snapper-grouper fishery utilizes vertical lines, longlines, black sea bass pots/traps, spears, and powerheads (i.e., spears with spring-loaded firearms). Vertical lines are used from the North Carolina/Virginia border to the Atlantic side of Key West, Florida. The majority of hook and line fishermen use either electric or hydraulic reels (bandit gear) and generally have 2-4 bandit reels per boat. The majority of the bandit fleet fishes year round for snapper-grouper with the only seasonal differences in catch associated with the regulatory spawning season closures in March and April for gag. Most fluctuations in fishing effort in this fishery are a result of the weather. Trips can be limited during hurricane season and also during the winter months from December through March. Some fishermen stop bandit fishing to target king mackerel when they are running.

The Council allows the use of bottom longlines north of St. Lucie Inlet, Florida, in depths greater than 50 fathoms. Bottom longline gear is used to target snowy grouper and golden tilefish. Longline boats are typically bigger than bandit boats, their trips are longer, and they cost more to operate because they operate farther offshore. A longline spool generally holds about 15 miles of cable. Longlines are fished from daylight to dark because sea lice eat the flesh of hooked fish at night. The fishery is operated year long with little or no seasonal fluctuation barring hurricane disruption.

Spears or powerheads are most commonly used off Florida and are illegal for killing snapper-grouper species in South Carolina and Special Management Zones.

Black sea bass pots are used exclusively to target black sea bass, though bycatch of other snapper-grouper species is allowed. The pots have mesh size, material, and construction restrictions to facilitate bycatch reduction. All sea bass pots must have a valid identification tag attached and more than 87% of tags in April, 2003 were for vessels with home ports in North Carolina. Fishing practices vary by buoy practices, setting/pulling strategies, number of pots set, and length of set, with seasonal variations. The South Carolina pot fishery is mainly a winter fishery with short soak times (in some cases about an hour) and relatively few pots per boat. Most trips are day trips with pots being retrieved before heading to port. The North Carolina pot fishery also is primarily a

winter fishery with some fishermen continuing to pot through the summer. North Carolina fishermen tend to use more pots than those in South Carolina. Although most North Carolina trips with sea bass pots last one day, more pots are left to soak for several days than in South Carolina. Many participants in the black sea bass fishery are active in other fisheries, including the recreational charter fishery during the summer months. Many snapper-grouper permit holders maintain pot endorsements but are not active in the pot fishery.

3.4.1.1.2 *Landings, Ex-vessel Value, Price, and Effort*

Landings of all species in the snapper-grouper management unit averaged 6.77 million pounds from 2001 through 2006, with an average annual dockside value of $12.99 million in current year dollars and $13.55 million in constant 2005 dollars (Table 3-5).[3] The shallow water groupers and mid-shelf snappers are the largest species groups by volume and value within the snapper-grouper fishery. Vermilion snapper in the mid-shelf snapper group is the largest volume species in the fishery, and accounts for 13% of total landings and 17% of dockside revenues on trips with at least one pound of snapper-grouper species. Gag is the largest volume shallow water grouper, and accounts for 6% of total landings and 10% of dockside revenues on trips that landed at least one pound of snapper-grouper species. Fishermen also landed an average of 1.84 million pounds of non-snapper-grouper species worth $1.95 million in current year dollars on trips that landed at least one pound of species in the snapper-grouper management unit. These trips included trips that targeted species in the snapper-grouper management unit and trips that landed snapper-grouper species while targeting non-snapper-grouper species.

Landings and dockside revenues declined between 2001 and 2006 for species in the snapper-grouper management unit (Table 3-5). Part of the declines appear to be attributable to variation in landings of vermilion snapper, which experienced a significant decline in 2003 due to unusually cold water temperatures in the summer and fall of 2003. Landings of vermilion snapper recovered in 2004 and 2005, but not to the levels experienced in 2001 and 2002, and declined again in 2006.

[3] Fishermen are required to report their landings by species by trip to NOAA Fisheries Service Southeast Fisheries Science Center logbook program. However, they do not report prices or revenues on their logbook sheets. Therefore, trip revenues were approximated as reported landings from individual logbook reports multiplied by average monthly prices for each species as calculated from the NOAA Fisheries Service Accumulated Landings System.

Table 3-5. Annual landings and dockside (ex-vessel) revenues for trips with at least one pound of species in the snapper-grouper fishery management unit in the south Atlantic.

Item	2001	2002	2003	2004	2005	2006	Average
	Trips with at least one pound of snapper-grouper species						
Snapper-grouper landings (million pounds, whole wgt)	7.60	7.36	6.50	6.70	6.39	6.07	6.77
Dockside revenue from snapper-grouper species (million dollars)	$13.95	$13.55	$12.12	$12.70	$12.98	$12.63	$12.99
Dockside revenue in constant 2005 dollars (millions)*	$15.38	$14.71	$12.87	$13.13	$12.98	$12.23	$13.55
Price/lb (whole wgt) for snapper-grouper species	$1.83	$1.84	$1.86	$1.90	$2.03	$2.08	$1.92
Price/lb in constant 2005 dollars*	$2.02	$2.00	$1.98	$1.96	$2.03	$2.01	$2.00
Producer price index for #2 diesel fuel, adjusted to constant 2005 price levels (index=100 for 2005)	44.1	41.2	53.1	67.8	100.0	114.7	70.2
Landings of other species on these trips (million lbs)	1.71	1.76	2.10	1.65	1.74	2.06	1.84
Dockside revenue from other species on these trips (million $)	$1.97	$1.96	$1.92	$1.78	$1.92	$2.17	$1.95
Dockside revenue from other species in constant 2005 dollars (millions)	$2.17	$2.13	$2.04	$1.84	$1.92	$2.10	$2.03
Vermilion snapper landings (million pounds)	1.65	1.31	0.77	1.07	1.16	0.86	1.14
Gag landings (million pounds)	0.52	0.53	0.60	0.53	0.54	0.50	0.54

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007. *The Consumer Price Index for all Urban Consumers was used to adjust dockside revenues and average annual prices for inflation.

Also, participation in the snapper-grouper fishery has declined over time. The number of boats with snapper-grouper permits declined from 1,264 in 2001 to 1,007 in 2005 (Table 3-6). Two types of permits were created with the limited access program for the snapper-grouper fishery that was implemented in 1998. The number of transferable permits that allow an unlimited harvest per trip declined from 959 in 2001 to 801 in 2005, while the number of vessels with non-transferable permits with a 225 pound trip limit declined from 305 in 2001 to 206 in 2005. Preliminary information suggests additional declines in 2006. The number of permits declined, in part, because new entrants into the fishery must buy two permits and retire one as the condition for entry into the fishery. Furthermore, it is likely that the number of vessels in the snapper-grouper fishery declined for economic reasons. Average annual prices, as indexed by the ratio of annual commercial revenues to landings, for species in the snapper-grouper management unit remained relatively constant when adjusted for inflation, whereas fuel prices more than doubled since 2001 (Table 3-5). The net result has been a decline since 2001 in the number of vessels, trips and days fished for species in the snapper-grouper management unit (Table 3-6). The decline in the number of vessels is evident in all harvest categories except for the highest producing category of 50,000 pounds or more per year. The number of fish dealers with permits to operate in the snapper-grouper fishery reached a maximum in 2003 and has declined since then (Table 3-6).

From 2001 through 2006, an average of 922 boats averaged 15,500 trips per year on which at least one pound of snapper-grouper species was landed (Table 3-6). On average, 528 boats landed at least 1000 pounds of snapper-grouper species annually; 260 boats landed at least 5000 pounds; 173 boats landed at least 10,000 pounds; and 27 boats landed at least 50,000 pounds of snapper-grouper species.

Table 3-6. Fishing effort and distribution of catch for trips with at least one pound of species in the snapper-grouper fishery management unit in the south Atlantic.

Item	2001	2002	2003	2004	2005	2006	Average
	Trips with at least one pound of snapper-grouper species						
Number of trips	17,278	17,199	16,563	15,045	13,757	13,159	15,500
Days away from port	29,932	29,580	27,620	24,828	22,810	23,005	26,296
Number of vessels landing snapper-grouper species	1,002	976	931	905	858	857	922
Number of vessels with more than 100 lbs of snapper-grouper spp.	867	829	791	749	720	697	776
Number of vessels with more than 1,000 lbs of snapper-grouper spp.	593	589	546	524	476	442	528
Number of vessels with more than 5,000 lbs of snapper-grouper spp.	287	280	277	261	238	217	260
Number of vessels with more than 10,000 lbs of snapper-grouper spp.	195	198	173	165	153	154	173
Number of vessels with more than 50,000 lbs of snapper-grouper spp.	26	27	20	32	29	26	27
Number of permitted vessels	1,264	1,174	1,123	1,066	1,007	974	1,101
Number of vessels with transferable permits	959	907	879	841	801	783	862
Number of vessels with non-transferable permits	305	267	244	225	206	191	240
Number of dealer permits	252	246	271	269	268	251	260

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007 and NOAA Fisheries Service, Southeast Regional Office permits database.

3.4.1.1.3 *The Snapper Grouper Fishery by State*

The following discussion provides annual averages from 2001 to 2006. To maintain the confidentiality of individual reporting units, summaries are provided for regions defined as North Carolina, South Carolina, Georgia and northeast Florida combined, and central and south Florida combined. The northeast Florida region consists of trips landed in Nassau, Duval and St. Johns Counties, and the central and south Florida region consists of trips landed from Flagler through Miami-Dade Counties and trips from Atlantic waters off the Florida Keys and landed in Monroe County.

The average annual quantities of snapper-grouper species harvested from 2001-2006 included 1.86 million pounds worth $3.46 million per year in North Carolina, 1.64 million pounds worth $3.44 million in South Carolina, 0.81 million pounds worth $1.65 million in Georgia and northeast Florida, and 2.46 million pounds worth $4.44 million in central and south Florida (Table 3-7). Snapper-grouper landings by state were not proportional to total days fished in each state. Boats in central and south Florida made 72% of the trips that landed species in the snapper-grouper management unit and accounted for 36% of the total snapper-grouper harvest. Conversely, boats in other states accounted for relatively larger portions of the total snapper-grouper harvest. Boats in North Carolina made 18% of the trips and landed 27% of the snapper-grouper harvest. Boats in South Carolina made 6% of the trips and landed 24% of the harvest. And boats in Georgia and northeast Florida made 4% of the trips and landed 12% of the snapper-grouper harvest. Boats in South Carolina and Georgia and northeast Florida took fewer but longer trips than their counterparts in North Carolina or central and south Florida.

Gag and other shallow water groupers and vermilion snapper and other mid-shelf snappers tend to be landed in North Carolina, South Carolina, and Georgia and northeast Florida, while jacks and shallow water snappers tend to be landed in central and south Florida (Tables 3-8 and 3-9). The species groups that accounted for more than 10% of total landings and revenues in North Carolina include shallow water groupers with nearly 22% of total pounds landed and nearly 30% of total revenues on trips with at least one pound of snapper-grouper species, black sea bass with 20% of total landings and 19% of total revenues, and mid-shelf snappers with 18% of total landings and 25% of total revenues. In South Carolina, the shallow water groupers accounted for 27% of total pounds and 38% of total revenues, and the mid-shelf snappers accounted for 26% of total pounds and 30% of total revenues. In Georgia and northeast Florida, mid-shelf snappers accounted for 45% of total pounds and 52% of total revenues, shallow water groupers accounted for 18% of total pounds and nearly 25% of total revenues, and jacks accounted for 16% of total pounds and 6% of total revenues. In central and south Florida, the shallow water snappers accounted for 29% of total pounds and nearly 41% of total revenues, and jacks accounted for 17% of total pounds and 10% of total revenues on trips with at least one pound of snapper-grouper species. Fishermen in central and south Florida, especially in the Keys, tend to catch larger quantities of non-snapper-grouper species such as mackerels.

Table 3-7. Average annual landings and dockside revenues for trips with at least one pound of species in the snapper-grouper fishery, averages for 2001-2006 by state.

Item	North Carolina	South Carolina	Georgia and Northeast Florida	Central and South Florida	Total
	Trips with at least one pound of snapper-grouper species				
Snapper-grouper landings (million pounds, whole wgt)	1.86	1.64	0.81	2.46	6.77
Percent of total snapper-grouper pounds	27.4%	24.2%	12.0%	36.4%	100%
Dockside revenue from snapper-grouper species (million dollars)	$3.46	$3.44	$1.65	$4.44	$12.99
Percent of total snapper-grouper revenues	26.7%	26.5%	12.7%	34.2%	100%
Landings of other species on these trips (million lbs)	0.29	0.14	0.07	1.34	1.84
Dockside revenue from other species on these trips (million $)	$0.32	$0.18	$0.15	$1.30	$1.95
Number of boats*	170	66	50	650	922
Number of trips	2,801	956	560	11,183	15,500
Percent of trips	18.1%	6.2%	3.6%	72.1%	100%
Number of days	4,979	4,835	2,290	14,192	26,296
Trips per boat	16.5	14.5	11.2	17.2	16.8
Days per trip	1.8	5.1	4.1	1.3	1.7

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007. *Some boats land in more than one state.

Table 3-8. Average annual landings (in thousands of pounds, whole weights) on trips that landed at least one pound of snapper-grouper species: averages for 2001-2006 by state and species group.

Item	North Carolina		South Carolina		Georgia and Northeast Florida		Central and South Florida		Total	
	lbs, 1000s	column percent	lbs, 1000s	column percent	lbs, 1000s	column percent	lbs, 1000s	column percent	lbs, 1000s	column percent
Shallow water groupers	464	21.6%	480	26.9%	163	18.5%	225	5.9%	1,332	15.5%
Deep water groupers	95	4.5%	98	5.5%	7	0.8%	113	3.0%	313	3.6%
Tilefishes	105	4.9%	150	8.4%	3	0.3%	252	6.6%	509	5.9%
Shallow water snappers	12	0.6%	18	1.0%	23	2.7%	1,104	29.1%	1,157	13.4%
Mid-shelf snappers	385	18.0%	467	26.2%	400	45.4%	68	1.8%	1,320	15.3%
Triggerfish /Spadefish	117	5.4%	69	3.8%	51	5.8%	6	0.2%	242	2.8%
Jacks	118	5.5%	159	8.9%	142	16.1%	647	17.0%	1,066	12.4%
Grunts & porgies	126	5.9%	80	4.5%	16	1.8%	42	1.1%	265	3.1%
Sea basses	436	20.3%	120	6.7%	6	0.7%	5	0.1%	567	6.6%
Snapper-grouper	1,858	86.6%	1,641	91.9%	811	92.1%	2,462	64.8%	6,771	78.7%
Coastal pelagics	205	9.5%	55	3.1%	40	4.6%	907	23.9%	1,207	14.0%
Sharks	11	0.5%	19	1.1%	7	0.8%	319	8.4%	357	4.1%
Tunas	25	1.1%	2	0.1%	1	0.1%	1	0.0%	29	0.3%
Other species	46	2.1%	68	3.8%	21	2.4%	109	2.9%	244	2.8%
All species	2,145	100.0%	1,785	100.0%	881	100.0%	3,798	100.0%	8,608	100.0%
Vermilion snapper	365	17.0%	424	23.8%	330	37.5%	18	0.5%	1,138	13.2%
Gag	146	6.8%	206	11.5%	99	11.3%	86	2.3%	537	6.2%

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007.

Table 3-9. Average annual dockside revenues in thousands of constant 2005 dollars on trips that landed at least one pound of snapper-grouper species: averages for 2001-2006 by state and species group.

Item	North Carolina		South Carolina		Georgia and Northeast Florida		Central and South Florida		Total	
	dollars, 1000s	column percent	dollars, 1000s	column percent	dollars, 1000s	column percent	dollars, 1000s	column percent	dollars, 1000s	column percent
Shallow water groupers	1,165	29.5%	1,433	38.0%	463	24.6%	600	10.0%	3,661	23.5%
Deep water groupers	212	5.4%	247	6.6%	17	0.9%	276	4.6%	752	4.8%
Tilefishes	128	3.2%	255	6.8%	6	0.3%	511	8.5%	899	5.8%
Shallow water snappers	24	0.6%	43	1.1%	51	2.7%	2,435	40.7%	2,553	16.4%
Mid-shelf snappers	1,001	25.4%	1,110	29.5%	984	52.2%	173	2.9%	3,268	21.0%
Triggerfish /Spadefish	123	3.1%	73	1.9%	54	2.9%	7	0.1%	256	1.6%
Jacks	100	2.5%	143	3.8%	123	6.5%	593	9.9%	959	6.2%
Grunts and porgies	117	3.0%	78	2.1%	17	0.9%	37	0.6%	249	1.6%
Sea basses	737	18.7%	199	5.3%	9	0.5%	8	0.1%	953	6.1%
Snapper-grouper	3,607	91.5%	3,581	95.1%	1,724	91.5%	4,638	77.4%	13,550	86.9%
Coastal pelagics	262	6.7%	93	2.5%	69	3.7%	950	15.9%	1,375	8.8%
Sharks	3	0.1%	13	0.3%	2	0.1%	121	2.0%	139	0.9%
Tunas	33	0.8%	4	0.1%	1	0.1%	2	0.0%	40	0.3%
Other species	39	1.0%	76	2.0%	88	4.7%	278	4.6%	481	3.1%
All species	3,943	100.0%	3,767	100.0%	1,885	100.0%	5,989	100.0%	15,584	100.0%
Vermilion snapper	943	23.9%	984	26.1%	776	41.2%	40	0.7%	2,743	17.6%
Gag	400	10.1%	639	17.0%	290	15.4%	255	4.2%	1,583	10.2%

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007, and NOAA Fisheries Service, Southeast Fisheries Science Center Accumulated Landings System as of October 5, 2007.

3.4.1.1.4 *The Snapper Grouper Fishery by Gear*

The following discussion provides annual averages from 2001 to 2006. To maintain the confidentiality of individual reporting units, summaries are provided for vertical lines, longlines, black sea bass pots, and all other gears combined. The all-other-gear category includes trolling lines, diving gear, nets and other gears.

Most of the snapper-grouper harvest, including vermilion snapper and gag, is taken by some type of vertical hook-and-line gear. The exceptions include black sea bass, which is harvested primarily with black sea bass pots, and golden tilefish and yellowedge grouper, which are harvested primarily with bottom longlines. Some species, such as snowy grouper, are harvested by both vertical lines and longlines. Longlines also are used in the shark fishery and may catch species in the snapper-grouper management unit as secondary species.

The average quantities of snapper-grouper species harvested from 2001-2006 included 5.36 million pounds worth $10.48 million per year with vertical lines, 0.54 million pounds worth $1.02 million with longlines, 0.53 million pounds worth $0.83 million with black sea bass pots, and 0.34 million pounds worth $0.65 million with other gears (Table 3-10). Trips with vertical lines accounted for 78% of all trips that landed species in the snapper-grouper management unit and 79% of the total snapper-grouper harvest. Trips with longlines tend to be longer than trips with other gears and accounted for 2% of the trips and 8% of the snapper-grouper harvest. Trips with black sea bass pots represented 5% of the trips and accounted for 8% of the harvest, while trips with other gears represented 15% of the trips and 5% of the harvest.

Table 3-10. Average annual landings and dockside revenues for trips with at least one pound of species in the snapper-grouper fishery: averages for 2001-2006 by primary gear.

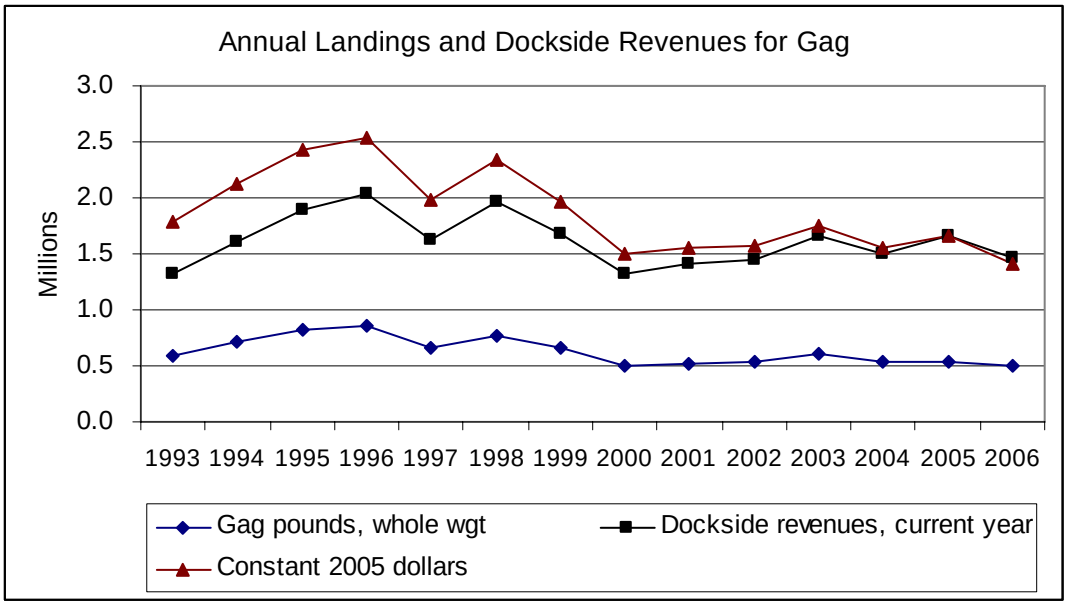
Item	Vertical Lines	Longlines	Traps / Pots	Other Gears	Total
	Trips with at least one pound of snapper-grouper species				
Vermilion snapper landings (million pounds, whole wgt)	1.13	0.00	0.00	0.01	1.14
Percent of total vermilion snapper pounds	99.3%	0.0%	0.1%	0.5%	100.0%
Gag landings (million pounds, whole wgt)	0.44	0.00	0.00	0.09	0.54
Percent of total gag pounds	81.7%	0.7%	0.2%	17.4%	100.0%
Snapper-grouper landings (million pounds, whole wgt)	5.36	0.54	0.53	0.34	6.77
Percent of total snapper-grouper pounds	79.2%	7.9%	7.8%	5.1%	100%
Dockside revenue from snapper-grouper species (million dollars)	$10.48	$1.02	$0.83	$0.65	$12.99
Percent of total snapper-grouper revenues	80.7%	7.9%	6.4%	5.0%	100%
Dockside revenue in constant 2005 dollars (millions)*	$10.93	$1.07	$0.87	$0.68	$13.55
Landings of other species on these trips (million lbs)	0.60	0.35	0.02	0.87	1.84
Dockside revenue from other species on these trips (million $)	$0.78	$0.19	$0.03	$0.96	$1.95
Dockside revenue from other species in constant 2005 dollars (millions)	$0.80	$0.20	$0.03	$1.01	$2.03
Number of boats*	749	33	53	304	922
Number of trips	12,065	286	793	2,357	15,500
Percent of trips	77.8%	1.8%	5.1%	15.2%	100%
Number of days	21,187	1,239	1,027	2,844	26,296
Trips per boat	16.1	8.7	15.0	7.8	16.8
Days per trip	1.8	4.3	1.3	1.2	1.7

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007. Some boats fish with more than one primary gear.

3.4.1.1.5 *The commercial fishery for gag*

Logbook data provide information about commercial landings for gag from 1993 through 2006. Between 1993 and 2006, commercial landings of gag ranged from a high of 0.85 million pounds (whole weight) worth approximately $2.03 million in 1996 to a low of 0.50 million pounds worth $1.32 million in 2000 (Figure 3-1). Preliminary data for 2006 indicate that landings of gag were approximately 0.50 million pounds worth $1.46 million. Dockside revenues and pounds landed fluctuate in the same direction, which suggests that ex-vessel demand is price elastic. The policy implication is that regulations that reduce industry landings in the short-term are expected to reduce dockside revenues in the short-term. Conversely, dockside revenues are expected to increase over time if regulation successfully increases biomass and landings.

Figure 3-1. Annual landings and dockside revenues for gag, 1993-2006.

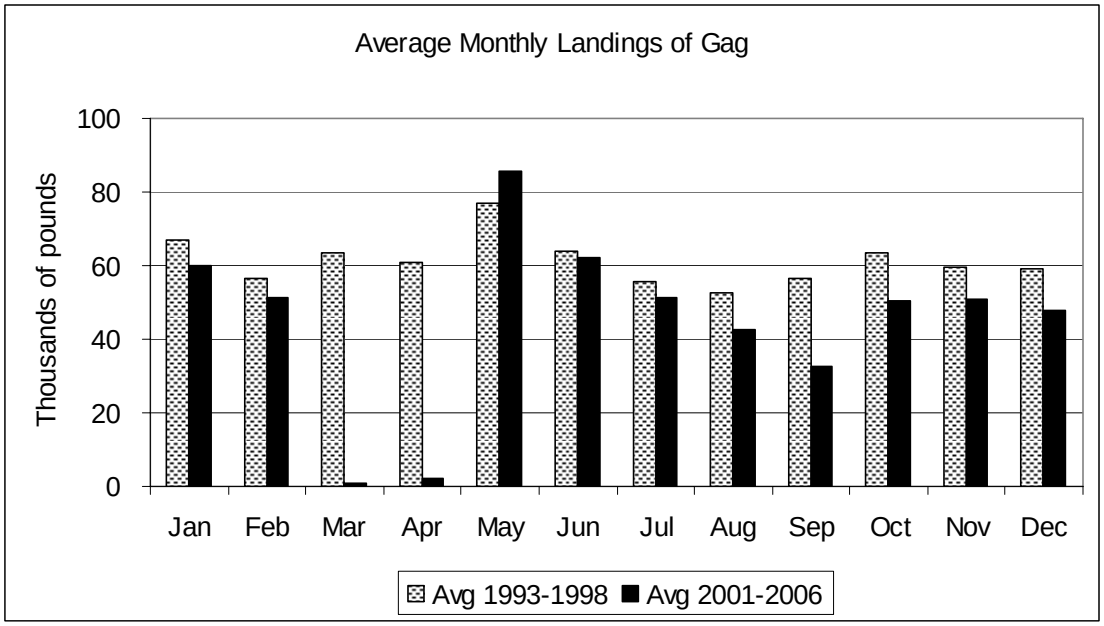


Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007, and NOAA Fisheries Service, Southeast Fisheries Science Center Accumulated Landings System as of October 5, 2007.

The time series for gag is defined by regulatory periods, with landings between 1993 and 1999 usually exceeding landings between 2000 and 2006. Between 1992 and 1998, the fishery for gag was regulated with a 20 inch minimum size limit. Beginning in 1999, the size limit was increased to 24 inches and the fishery was closed in March and April to protect the spawning stock. Prior to 1998, average monthly landings were highest in May and lowest in

August (Figure 3-2). After the closure and larger size limit were implemented, average monthly landings increased in May, but otherwise declined in the remaining open months when compared to the 1993-1998 period, especially in September.

Figure 3-2. Average monthly landings of gag for the 1993-1998 and 2001-2006 periods.



Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007.

On average from 2001-2006, there were 2,417 trips that landed at least one pound of gag, and totaled an annual average of 0.54 million pounds of gag worth $1.52 million in current year dollars and $1.58 million in constant 2005 dollars (Table 3-11). In addition, these trips annually produced an average of 2.13 million pounds of other species worth $3.98 million in current year dollars. Gag was the primary revenue species on some trips and a lesser source of revenue on other trips.

Table 3-11. Annual landings, dockside revenues and fishing effort on trips for gag, 2001-2006.

Item	2001	2002	2003	2004	2005	2006	Average
	Trips with at least one pound of gag						
Gag landings (million pounds, whole wgt)	0.52	0.53	0.60	0.53	0.54	0.50	0.54
Dockside revenue from gag (million dollars)	$1.41	$1.44	$1.66	$1.50	$1.65	$1.46	$1.52
Dockside revenue in constant 2005 dollars (millions)*	$1.55	$1.57	$1.76	$1.55	$1.65	$1.41	$1.58
Landings of other species on trips with gag (million lbs)	2.67	2.20	1.98	1.98	2.05	1.87	2.13
Dockside revenue from other species on trips with gag (mill $)	$4.87	$4.00	$3.52	$3.71	$4.03	$3.78	$3.98
Dockside revenue from other species in constant 2005 dollars	$5.36	$4.34	$3.73	$3.83	$4.02	$3.65	$4.16
Number of boats that landed gag	337	305	302	292	302	257	299
Number of boats landing 1000 lbs or more per year of gag	117	99	114	100	99	95	104
Number of boats landing 5000 lbs or more per year of gag	27	35	39	33	35	34	34
Number of boats landing 10,000 lbs or more per year of gag	10	10	13	13	13	14	12
Number of trips with at least one pound of gag	2,787	2,767	2,484	2,183	2,203	2,079	2,417

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007.

Gag was the primary source of trip revenue on an average of 1,062 trips per year and a lesser source of revenue on 1,355 trips per year (Table 3-12). Therefore, gag was the primary source of trip revenue on less than 45% of the total number of trips on which they were landed. However, these trips accounted for approximately 67% of the total commercial harvest of gag. Trips on which gag was the primary source of revenue accounted for an annual average of 0.36 million pounds of gag worth $1.03 million in current dollars and 0.43 million pounds of other species, including other groupers, snappers, jacks, grunts, porgies and non-snapper-grouper species, worth $0.78 million. Trips on which gag was a lesser source of revenue

accounted for an annual average of 0.17 million pounds of gag worth $0.49 million in current dollars and 1.70 million pounds of other species worth $3.20 million. Gag were caught as a lesser source of revenue on trips for vermilion snapper, scamp, red grouper, jacks and other species.

Table 3-12. Annual landings, dockside revenues and fishing effort on trips with gag as the primary source of trip revenue, 2001-2006.

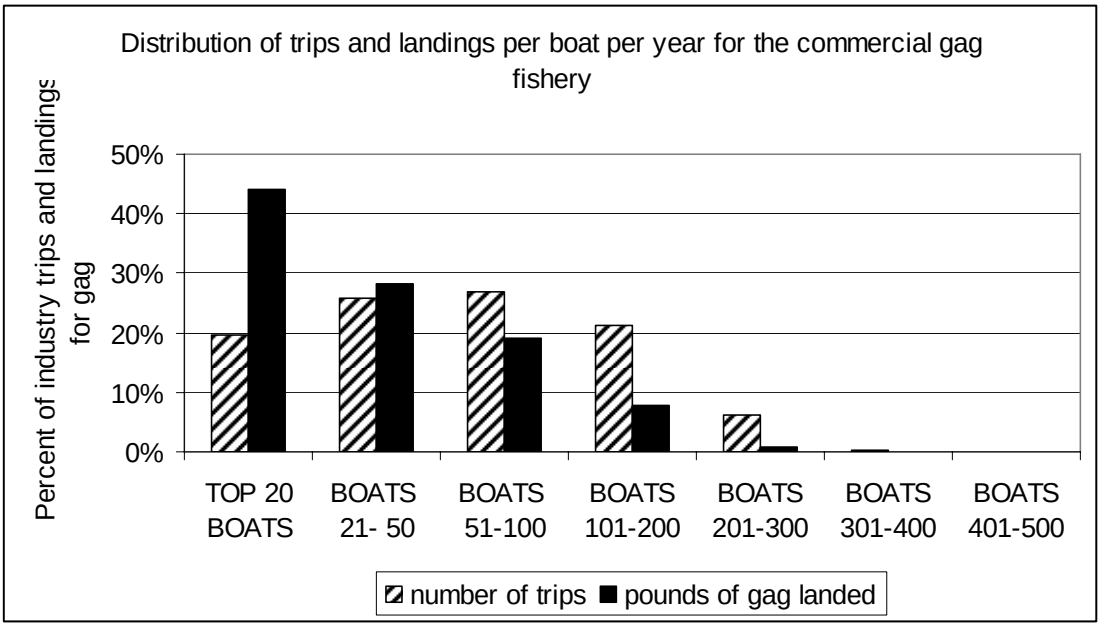
Item	2001	2002	2003	2004	2005	2006	Average
	Trips with gag as primary source of revenue						
Number of trips with at least one pound of gag	2,787	2,767	2,484	2,183	2,203	2,079	2,417
Number of trips with gag as primary source of trip revenue	1,084	1,194	1,192	993	1,026	885	1,062
Number of trips with gag as a lesser source of trip revenue	1,703	1,573	1,292	1,190	1,177	1,194	1,355
Landings of gag on trips with gag as primary source of revenue (million pounds)	0.32	0.36	0.42	0.38	0.37	0.34	0.36
Dockside revenue for gag on trips with gag as primary source of revenue (million $)	$0.86	$0.97	$1.16	$1.08	$1.13	$1.00	$1.03
Landings of other species on trips with gag as primary source of revenue	0.39	0.38	0.51	0.47	0.43	0.39	0.43
Dockside revenues for other species on trips with gag as the primary source of revenue	$0.67	$0.66	$0.91	$0.86	$0.83	$0.75	$0.78

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007.

The number of boats that reported landing at least one pound of gag declined from 337 in 2001 to 257 in 2006, and averaged 299 boats per year (Table 3-11). The fleet was not uniformly productive in the fishery for gag, which is consistent with the observation that gag was the primary source of trip revenue on some trips and a lesser source of revenues on other trips. On average for 2001-2006, the top 20 boats for gag production made 20% of the trips that landed gag and recorded 44% of the total commercial harvest of gag (Figure 3-3). The top 50 producing boats made 46% of the trips and recorded 72% of the total harvest, while the top 100 producing boats made 72% of the trips and landed 91% of the total harvest. On

average, 104 boats landed at least 1,000 pounds of gag per year, 34 boats landed at least 5,000 pounds per year, and 12 boats landed at least 10,000 pounds of gag per year (Table 3-11). Approximately 80% of gag is landed with vertical lines, and most of the remainder is landed with dive gear (Table 3-10).

Figure 3-3. Distribution of trips and landings per boat per year, based on trips that reported at least one pound of gag.

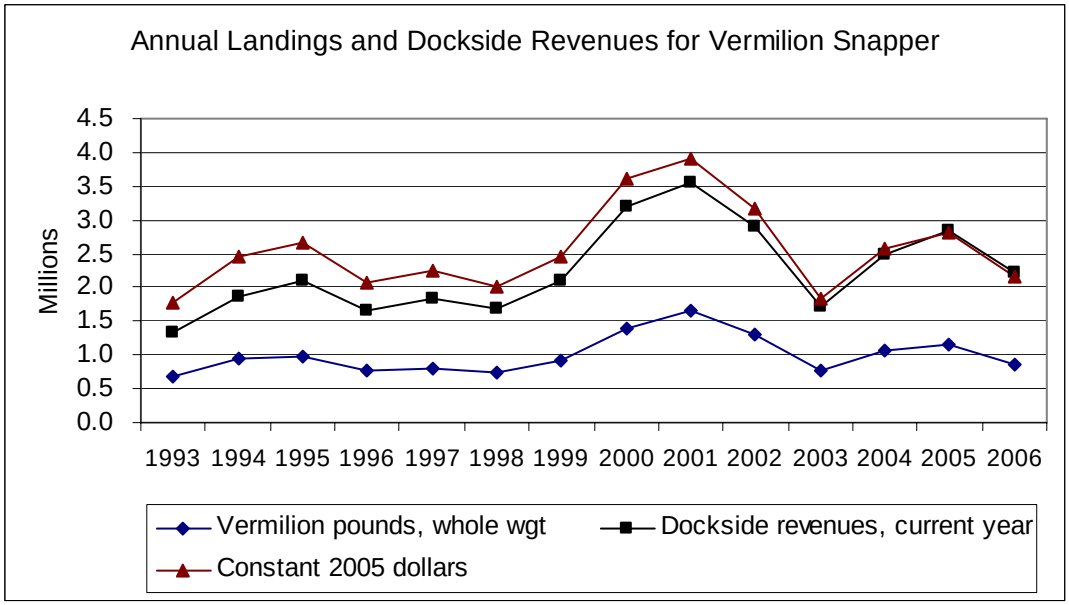


Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007.

3.4.1.1.6 *The commercial fishery for vermilion snapper*

Based on logbook data from 1993 through 2006, commercial landings of vermilion snapper ranged from a low of 0.68 million pounds (whole weight) worth $1.33 million in 1993 to a high of 1.65 million pounds worth approximately $3.54 million in 2001 (Figure 3-4). Landings of vermilion snapper began to increase in 1999 coincident with the implementation of more restrictive regulations for gag, peaked in 2001, and then declined through 2003 when unusually cold water temperatures reduced the availability of fish in the summer and fall of 2003. Landings of vermilion snapper recovered in 2004 and 2005, but not to the levels experienced in 2001 and 2002. Preliminary data for 2006 indicate that landings of vermilion snapper were approximately 0.86 million pounds worth $2.23 million. Dockside revenues generally displayed the same trend over time as commercial landings, which suggests that ex-vessel demand for vermilion snapper is price elastic. Hence, regulations that reduce industry landings in the short-term are expected to reduce dockside revenues in the short-term. Conversely, dockside revenues are expected to increase over time if regulation successfully increases biomass and landings.

Figure 3-4. Annual landings and dockside revenues for vermilion snapper, 1993-2006.

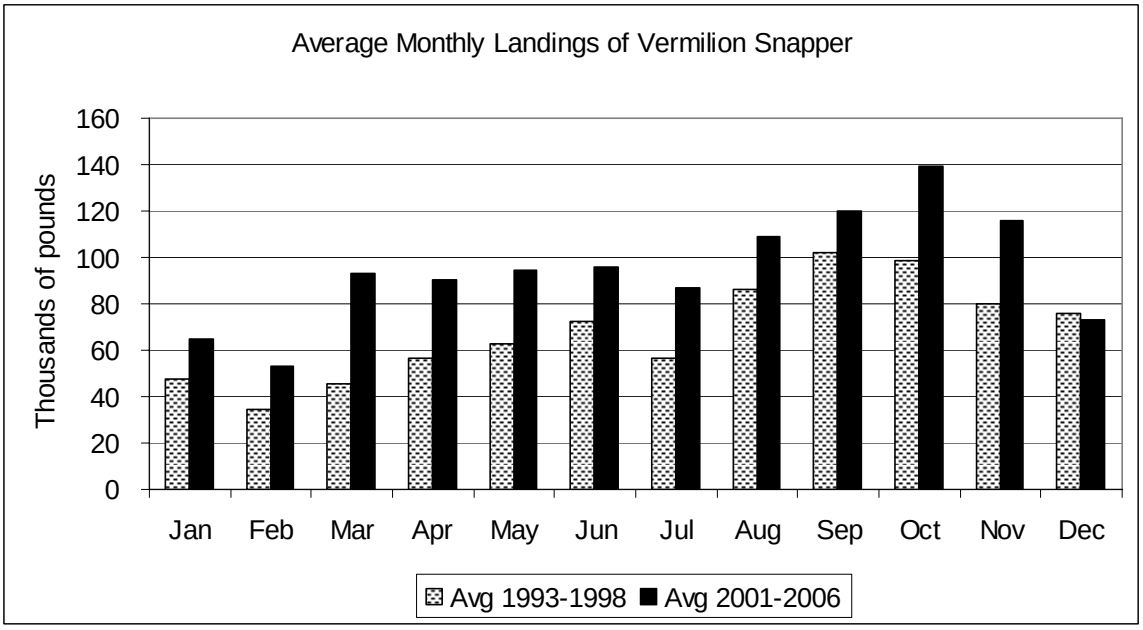


Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007, and NOAA Fisheries Service, Southeast Fisheries Science Center Accumulated Landings System as of October 5, 2007.

Vermilion snapper are landed throughout the year, with peak months from August through December (Figure 3-5). Average monthly landings were higher for all months except December during the 2001-2006 period compared to the 1993-1998 period. The greatest relative monthly increases in average landings between the two periods occurred during March and April, apparently as fishermen shifted their fishing effort from gag to vermilion in response to the closed season that was implemented in 1999.

On average from 2001-2006, there were 2,423 trips that landed at least one pound of vermilion snapper, and totaled an average of nearly 1.14 million pounds of vermilion snapper worth $2.62 million in current-year dollars and $2.74 million in constant 2005 dollars (Table 3-13). In addition, these trips annually produced an average of 2.14 million pounds of other species combined worth $4.07 million in current year dollars. Vermilion snapper was the primary revenue species on some trips and a lesser source of revenue on other trips.

Figure 3-5. Average monthly landings of vermilion snapper for the 1993-1998 and 2001-2006 periods.



Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007.

Vermilion snapper was the primary source of trip revenue on an average of 1,186 trips per year and a lesser source of revenue on 1,237 trips per year (Table 3-14). Therefore, vermilion snapper was the primary source of trip revenue on slightly less than 50% of the total number of trips on which they were landed. However, these trips accounted for approximately 86% of total vermilion snapper landings. Trips on which vermilion snapper was the primary source of revenue accounted for an annual average of 0.98 million pounds of vermilion snapper worth $2.27 million in current dollars and 0.92 million pounds of other species, including groupers, jacks, grunts, porgies and non-snapper-grouper species, worth $1.53 million. Trips on which vermilion snapper was a lesser source of revenue accounted for an annual average of 0.16 million pounds of vermilion snapper worth $0.35 million in current dollars and 1.22 million pounds of other species worth $2.54 million. Vermilion snapper were caught as a lesser source of revenue on trips for gag, scamp and red grouper in the shallow water grouper fishery, and snowy grouper in the deep water grouper fishery.

Table 3-13. Annual landings, dockside revenues and fishing effort on trips for vermilion snapper, 2001-2006.

Item	2001	2002	2003	2004	2005	2006	Average
	Trips with at least one pound of vermilion snapper						
Vermilion snapper landings (million pounds, whole wgt)	1.65	1.31	0.77	1.07	1.16	0.86	1.14
Dockside revenue from vermilion snapper (million dollars)	$3.54	$2.92	$1.73	$2.49	$2.83	$2.23	$2.62
Dockside revenue in constant 2005 dollars (millions)*	$3.90	$3.16	$1.83	$2.57	$2.83	$2.16	$2.74
Landings of other species on trips with vermilion snapper (million lbs)	2.36	2.20	2.03	2.06	2.07	2.15	2.14
Dockside revenue from other species on trips with vermilion snapper (million $)	$4.34	$3.99	$3.82	$3.90	$4.16	$4.19	$4.07
Dockside revenue from other species in constant 2005 dollars (millions)	$4.78	$4.33	$4.06	$4.03	$4.16	$4.05	$4.24
Number of boats that landed vermilion snapper	295	274	248	255	252	232	259
Number of boats landing 1000 lbs or more per year of vermilion snapper	118	106	91	84	91	80	95
Number of boats landing 5000 lbs or more per year of vermilion snapper	17	72	53	56	53	45	49
Number of boats landing 10,000 lbs or more per year of vermilion snapper	62	53	27	44	38	33	43
Number of trips with at least one pound of vermilion snapper	3,029	2,911	2,173	2,148	2,173	2,102	2,423

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007.

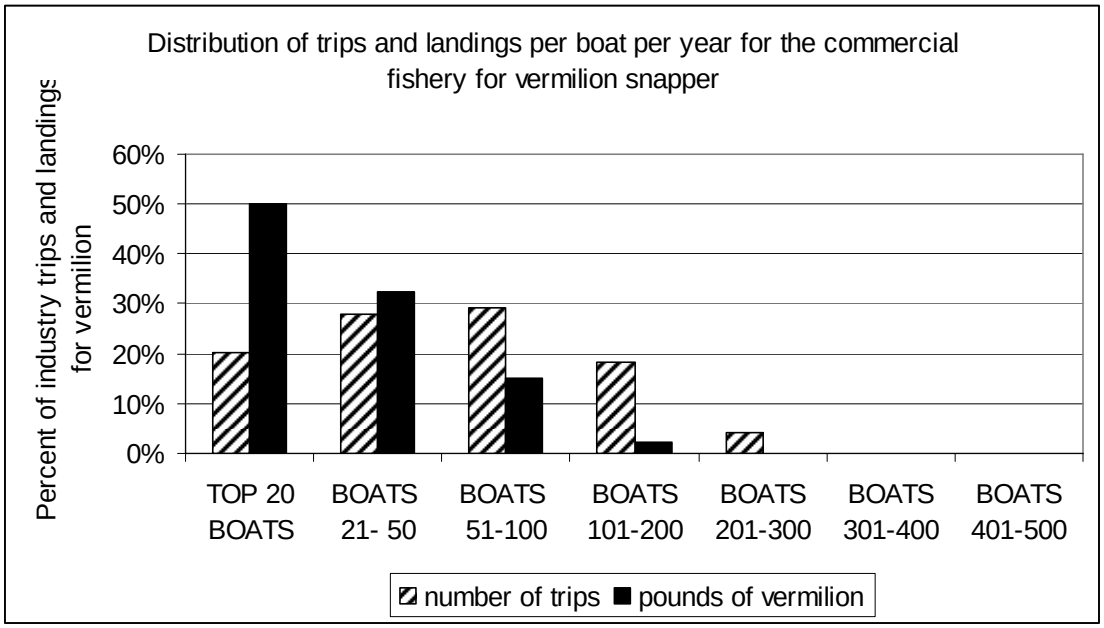
Table 3-14. Annual landings, dockside revenues and fishing effort on trips with vermilion snapper as the primary source of trip revenue, 2001-2006.

Item	2001	2002	2003	2004	2005	2006	Average
	Trips with vermilion snapper as primary source of revenue						
Number of trips with at least one pound of vermilion snapper	3,029	2,911	2,173	2,148	2,173	2,102	2,423
Number of trips with vermilion snapper as primary source of trip revenue	1,693	1,495	924	1,053	1,084	867	1,186
Number of trips with vermilion snapper as a lesser source of trip revenue	1,336	1,416	1,249	1,095	1,089	1,235	1,237
Landings of vermilion snapper on trips with vermilion as primary source of revenue (million lbs)	1.47	1.16	0.62	0.93	1.00	0.71	0.98
Dockside revenue for vermilion on trips with vermilion as primary source of revenue (million $)	$3.17	$2.58	$1.39	$2.16	$2.47	$1.86	$2.27
Landings of other species on trips with vermilion as primary source of revenue	1.16	1.04	0.69	0.86	0.99	0.80	0.92
Dockside revenues for other species on trips with vermilion as the primary source of revenue	$1.89	$1.66	$1.13	$1.42	$1.72	$1.36	$1.53

Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007.

The number of boats that reported landing at least one pound of vermilion snapper declined from 295 in 2001 to 232 in 2006, and averaged 259 boats per year (Table 3-13). The fleet was not uniformly productive in the fishery for vermilion snapper, which is consistent with the observation that vermilion snapper was the primary source of trip revenue on some trips and a lesser source of revenues on other trips. On average for 2001-2006, the top 20 boats for the production of vermilion snapper made 20% of the trips that landed vermilion and recorded 50% of the total commercial harvest of vermilion snapper (Figure 3-6). The top 50 producing boats made 48% of the trips and recorded 82% of the total harvest, while the top 100 producing boats made 77% of the trips and landed 98% of the total harvest. On average, 95 boats landed at least 1,000 pounds of vermilion snapper per year, 49 boats landed at least 5,000 pounds per year, and 43 boats landed at least 10,000 pounds of vermilion snapper per year (Table 3-13). Virtually all vermilion snapper are landed with vertical lines (Table 3-11).

Figure 3-6. Distribution of trips and landings per boat per year, based on trips that reported at least one pound of vermilion snapper.



Source: NOAA Fisheries Service, Southeast Fisheries Science Center logbook database as of October 10, 2007.

3.4.1.1.7 *Imports*

Imports have been a major source of seafood supply in the U.S., and the domestic snapper-grouper market is not an exception. For the period 2001-2006, imports of fresh and frozen snappers and groupers have stayed at relatively high levels, averaging at about 44.7 million pounds (Table 3-15). Compare this with the average overall landings of snapper-grouper in the South Atlantic for the same period of 6.77 million pounds (Table 3-5), and one can immediately see the dominance of imports in the snapper-grouper market. At an annual average of $79.2 million for the years 2001-2006, imports clearly dwarf the $12.99 million ex-vessel value of South Atlantic snapper-grouper landings. The dominance of imports in the snapper-grouper market may be expected to exert limits on the movement of domestic ex-vessel prices resulting from changes in domestic landings of snappers and groupers.

Table 3-15. U.S. imports of snappers and groupers, 2001-2006. Source: NOAA Fisheries, Foreign Trade Database.

YEAR	Pounds of imports by product form Millions of pounds*			Value of imports by product form Millions of dollars		
	FRESH	FROZEN	TOTAL	FRESH	FROZEN	TOTAL
2001	31.1	8.4	39.4	$51.7	$10.6	$62.3
2002	33.4	9.2	42.6	$57.1	$12.3	$69.5
2003	34.3	10.2	44.5	$58.9	$14.4	$73.3
2004	33.3	9.8	43.1	$61.7	$13.9	$75.6
2005	35.9	13.8	49.7	$72.0	$21.0	$93.0
2006	35.2	13.4	48.6	$78.8	$22.9	$101.7
Average	33.9	10.8	44.7	$63.4	$15.9	$79.2

*Weights are not converted to equivalent whole weights.

3.4.1.2 Recreational Fishery

The South Atlantic recreational fishery is comprised of the private sector and for-hire sector. The private sector includes anglers fishing from shore (all land-based structures) and private/rental boats. The for-hire sector is composed of the charterboat and headboat (also called partyboat) sectors. Charterboats generally carry fewer passengers and charge a fee on an entire vessel basis, whereas headboats carry more passengers and payment is per person. The type of service, from a vessel- or passenger-size perspective, affects the flexibility to search different fishing locations during the course of a trip and target different species since larger concentrations of fish are required to satisfy larger groups of anglers.

3.4.1.2.1 *Harvest*

Recreational snapper grouper harvest has been variable during the period 2001-2006, averaging at a little over 10 million pounds (Table 3-16). The private/shore mode of fishing accounted for around 67 percent of all harvests, followed by the charter mode (17%), then by headboats (16%). Harvests in each state also fluctuated during the same time period (Table 3-17). On average, Florida accounted for around 66 percent of total harvests, followed by North Carolina (16%), South Carolina (12%), and Georgia (6%).

Gag and vermilion snapper are the main species addressed in this amendment, but there are also other species that may be affected especially by the closure alternatives in this amendment. These other species include black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney. For the period 2001-2006, gag averaged at 627,266 pounds, vermilion snapper at 581,567 pounds, and other species at 517,789 pounds (Table 3-18). The private/shore mode dominated the harvest of gag (71%) while the headboat sector dominated the harvest of vermilion snapper (60%). The private/shore mode also dominated the harvest of other species (56%). Summing across

species, total harvest is dominated by the private/mode sector, followed by the headboat sector, and lastly by the charterboat sector.

Table 3-16. Harvest of snapper grouper species by mode in the South Atlantic. Source: The Headboat Survey, NOAA Fisheries, SEFSC, Beaufort Lab and MRFSS database, NOAA Fisheries, NMFS, SERO.

Year	Charterboat[1]	Headboat[2]	Shore and Private/Rental Boat[1]	Total
2001	1,347,441	1,655,941	7,984,461	10,987,843
2002	1,362,090	1,432,450	5,182,763	7,977,303
2003	2,301,303	1,375,688	7,265,886	10,942,877
2004	1,517,384	1,889,010	6,688,596	10,094,990
2005	2,313,468	1,649,210	6,123,049	10,085,727
2006	1,998,902	1,648,405	7,282,328	10,929,635
Average	**1,676,139**	**1,608,451**	**6,754,514**	**10,039,103**

[1] Pounds of A and B1 fish estimated from the MRFSS Survey.
[2] The total annual estimate of headboat catch derived from data collected through the NMFS headboat survey.

Table 3-17. Harvest of snapper grouper species by state in the South Atlantic. Source: The Headboat Survey, NOAA Fisheries, SEFSC, Beaufort Lab and MRFSS database, NOAA Fisheries, NMFS, SERO.

Year	Florida	Georgia	South Carolina	North Carolina
2001	7,480,907	740,040	1,517,191	1,249,704
2002	5,741,379	366,369	711,612	1,157,941
2003	7,848,011	770,993	1,042,157	1,281,714
2004	5,970,816	763,609	1,625,212	1,735,353
2005	6,696,212	622,302	852,105	1,915,107
2006	6,474,221	746,982	1,466,944	2,241,489
Average	6,701,924	668,383	1,202,537	1,596,885

Florida accounted for the largest amount of harvests, followed by North Carolina, then by South Carolina, and lastly by Georgia (Table 3-19). Florida accounted for the largest share in the harvest of gag (67%) and other species (46%). South Carolina, on the other hand accounted for the largest share of vermilion snapper harvests (36%).

Table 3-18. Average harvest (lbs) of gag, vermilion snapper, and other species in this amendment by sector, 2001-2006. Source: The Headboat Survey, NOAA Fisheries, SEFSC, Beaufort Lab and MRFSS database, NOAA Fisheries, NMFS, SERO.

Sector	Gag	Vermilion snapper	Other species*	Total
Charterboat	118,080	137,400	86,743	342,223
Headboat	62,117	351,767	140,820	554,704
Private/shore	447,069	92,400	290,226	829,695
Total	627,266	581,567	517,789	1,726,622

*Other species includes black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney.

Table 3-19. Average harvest (lbs) of gag, vermilion snapper, and other species in this amendment by state, 2001-2006. Source: The Headboat Survey, NOAA Fisheries, SEFSC, Beaufort Lab and MRFSS database, NOAA Fisheries, NMFS, SERO.

Sector	Gag	Vermilion snapper	Other species*	Total
Florida	422,571	147,223	227,140	796,934
Georgia	24,377	108,430	12,936	145,743
South Carolina	33,921	219,321	86,033	339,275
North Carolina	150,726	140,772	171,878	463,376
Total	631,595	615,746	497,987	1,745,328

*Other species includes black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney.

The species addressed by this amendment accounted for 17 percent of total recreational harvests of snappers and groupers for the period 2001-2006 (Figure 3-7). Gag and vermilion snapper accounted for 6 percent each of total harvests while other species accounted for 5 percent of total harvests. The subject species in this amendment vary in importance by sector. In the charterboat sector, the species in this amendment comprised 20 percent of this sector's total harvest (Figure 3-8). Of this sector's total harvest, vermilion comprised 8 percent, gag 7 percent, and other species 5 percent. For headboats, the species in this amendment accounted for 35 percent of total harvest (Figure 3-9). This can be broken down into 22 percent vermilion, 9 percent other species, and 4 percent gag. Among the various sectors, the private/shore mode has the lowest percentage of harvest affected by this amendment. The species in this amendment accounted for 12 percent of this sector's total harvest, with the following breakdown: 7 percent gag, 4 percent other species, and 1 percent gag (Figure 3-10).

Figure 3-7. Average composition of harvests (all modes) of species in this amendment, 2001-2006. Sources: Headboat Survey, NOAA Fisheries, SEFSC, Beaufort Lab and MRFSS database, NOAA Fisheries, NMFS, SERO.

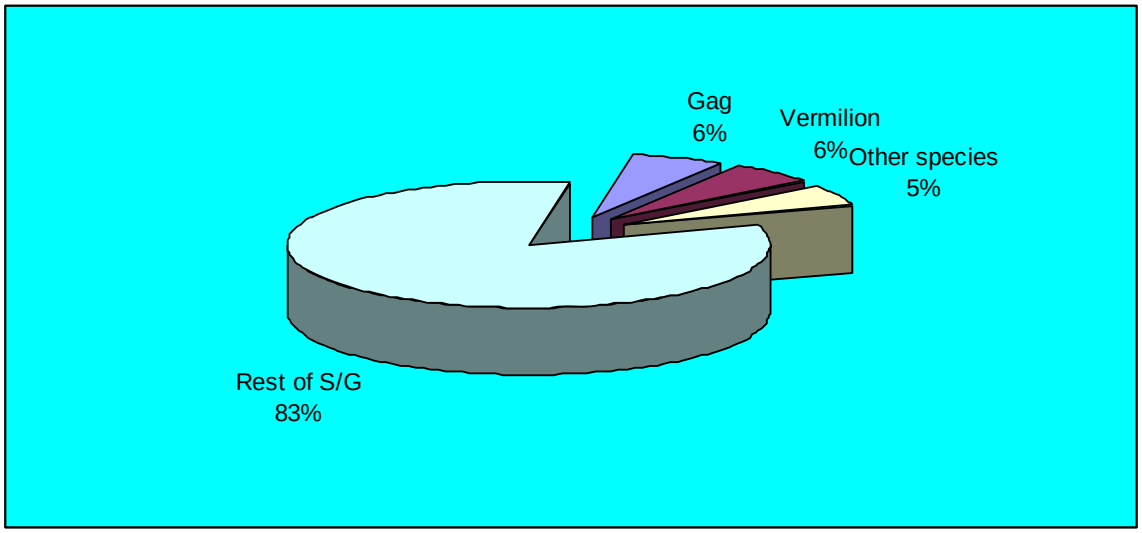


Figure 3-8. Average composition of charterboat harvests of species in this amendment, 2001-2006. Source: MRFSS database, NOAA Fisheries, NMFS, SERO.

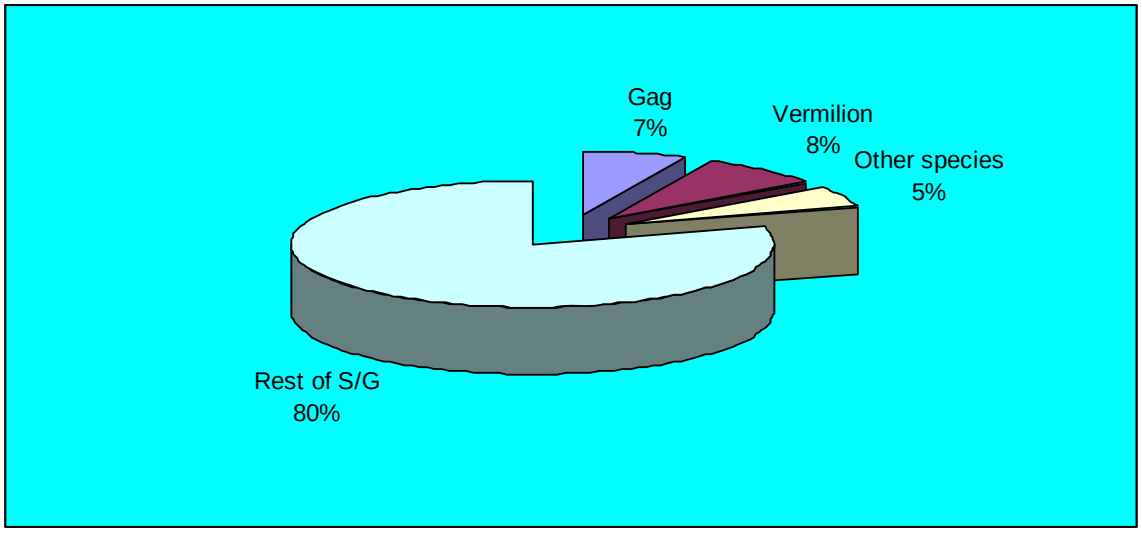


Figure 3-9. Average composition of headboat harvests of species in this amendment, 2001-2006. Source: Headboat Survey, NOAA Fisheries, SEFSC, Beaufort Lab.

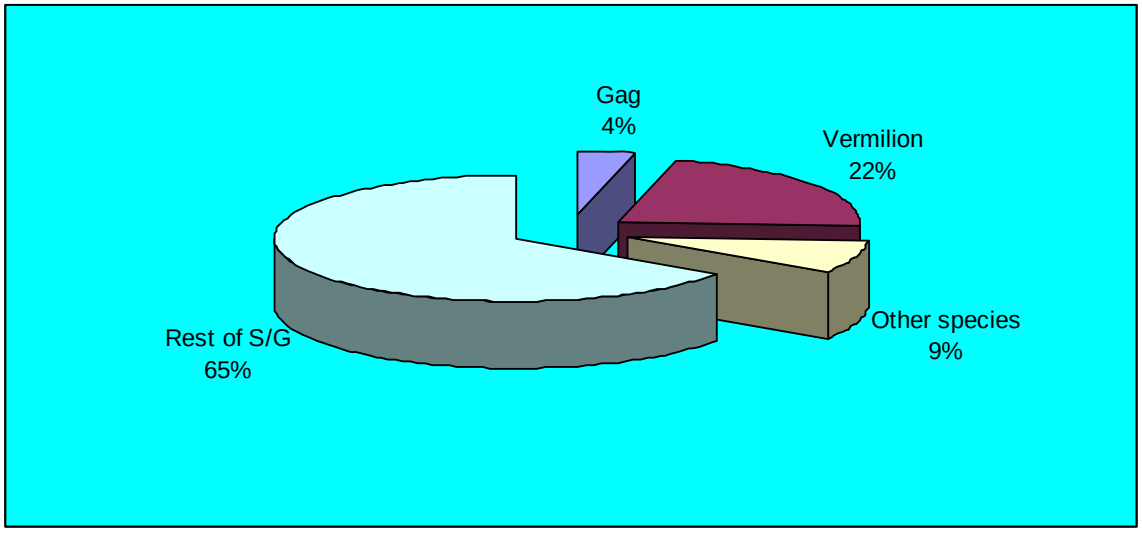
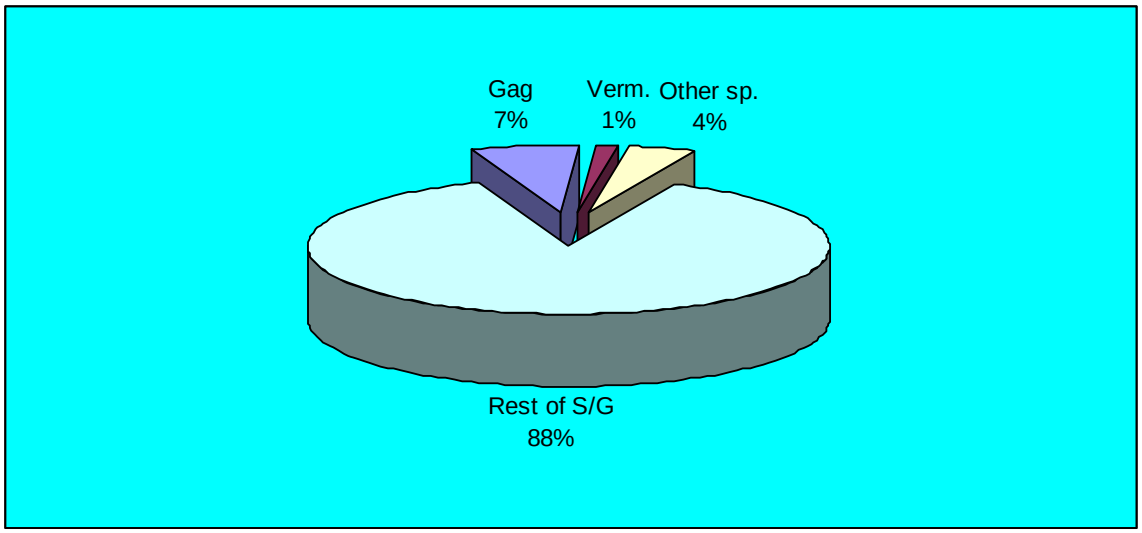


Figure 3-10. Average composition of private/shore mode harvests of species in this amendment, 2001-2006. Source: MRFSS database, NOAA Fisheries, NMFS, SERO



3.4.1.2.2 *Effort*

Recreational effort derived from the MRFSS can be characterized in terms of the number of trips as follows:

1. Target effort - The number of individual angler trips, regardless of duration, where the intercepted angler indicated that the species or a species in the species group was targeted as either the first or second primary target for the trip. The species did not have to be caught.
2. Catch effort - The number of individual angler trips, regardless of duration and target intent, where the individual species or a species in the species group was caught. The fish did not have to be kept.
3. Total recreational trips - The total estimated number of recreational trips in the South Atlantic, regardless of target intent or catch success.

Estimates of average effort for the entire snapper grouper fishery are provided in Table 3-20 for trips by mode and Table 3-21 for trips by state. The total column refers to the total number of trips taken by anglers in the South Atlantic snapper-grouper fishery and not to the sum catch and target trips. On average, catch trips were highest on those taken through the private mode and lowest on those through the charter mode. The same is true with target trips: they were highest for private mode and lowest for charter mode. For the charter mode, both catch and target trips increased over time although there was some downward blip in the last year. Shore mode catch and target trips remained about flat around their means. Catch trips for the private fluctuate around their mean, but high levels were experienced in the last two years. On the other hand, private mode target trips declined over time, with a slight uptick in the last year.

Table 3-20. Recreational effort for the snapper-grouper fishery in the South Atlantic, in thousand trips, by mode, 2001-2006. Source: MRFSS database, NOAA Fisheries, NMFS, SERO

	Charter Mode Trips			Shore Mode Trips			Private Mode Trips		
	Catch	Target	Total	Catch	Target	Total	Catch	Target	Total
2001	102	21	497	1,200	355	11,534	1,803	607	9,565
2002	105	22	440	919	233	9,057	1,744	495	8,266
2003	118	23	412	1,103	263	10,872	2,105	648	9,963
2004	129	28	418	987	209	11,186	1,985	477	9,488
2005	373	69	971	1,095	195	11,240	2,096	473	9,886
2006	285	68	834	1,276	272	12,511	2,603	530	10,749
Avg.	185	39	595	1,097	255	11,067	2,056	538	9,653

Table 3-21. Recreational effort for the snapper-grouper fishery in the South Atlantic, in thousand trips, by state, 2001-2006. Source: MRFSS database, NOAA Fisheries, NMFS, SERO

	Florida			Georgia			South Carolina			North Carolina		
	Catch	Target	Total	Catch	Target	Total	Catch	Target	Total	Catch	Target	Total
2001	2,620	772	12,464	78	53	807	123	96	1,676	283	61	6,650
2002	2,395	628	10,303	57	20	619	87	51	1,254	230	51	5,586
2003	2,860	723	11,444	92	46	971	143	86	2,098	231	80	6,733
2004	2,530	532	10,800	90	26	960	191	84	2,224	289	71	7,107
2005	2,835	579	12,200	96	28	859	178	60	2,188	454	70	6,849
2006	3,325	633	13,349	71	28	799	248	133	2,670	520	76	7,276
Avg.	2,761	645	11,760	81	34	836	162	85	2,018	335	68	6,700

For the period 2001-2006, an annual average of 295,593 trips taken by anglers caught some of the species in this amendment (Table 3-22). This is about 9 percent of all catch trips taken by anglers in the South Atlantic snapper-grouper fishery. An average of 96,800 trips caught gag, 81,815 caught vermilion snapper, and 116,978 caught other species. The private mode accounted for the largest number of catch trips for all species groups in this amendment. The charter and shore modes registered substantially lower catch trips than the private mode. There were more trips catching other species than either gag or vermilion, and more vermilion catch trips than gag.

The number of trips that targeted species in this amendment (55,485)was substantially lower than catch trips. This is about 7 percent of all target trips in the South Atlantic snapper-grouper fishery. Again, the private mode dominated all other modes in terms of number of target trips. In fact, target trips by the charter and shore modes registered at very low levels (Table 3-22). There were substantially more target trips for gag (47,330) than for vermilion snapper (1,381) or other species (6,774).

Table 3-22. Average recreational effort for species in this amendment, by mode, 2001-2006. Source: MRFSS database, NOAA Fisheries, NMFS, SERO

	Gag	Vermilion	Other Species	Total
	Catch Trips			
Charter	11,405	36,148	25,461	73,014
Shore	7,423	310	3,098	10,831
Private	77,972	45,357	88,419	211,748
Total	96,800	81,815	116,978	295,593
	Target Trips			
Charter	3,155	250	177	3,582
Shore	2,151	0	379	2,530
Private	42,024	1,131	6,218	49,373
Total	47,330	1,381	6,774	55,485

The regional distribution of catch and target trips for the species in this amendment is presented in Table 3-23. Florida, with 233,188 total catch trips, dominated all other states, but catch trips in South Carolina (36,382) and North Carolina (17,753) were also relatively high. Florida also had the largest catch trips for each of the three species groups in this amendment, followed by North Carolina, South Carolina, and Georgia.

In terms of target trips, only Florida registered large numbers while all other states showed relatively minimal target trips. In fact, Florida, with a total of 54,550 target trips, accounted for about 98 percent of all target trips for species in this amendment. It may be pointed out, though, that most of the Florida target trips (85%) were for gag, and there were more target trips for other species than for vermilion snapper.

Table 3-23. Average recreational effort for species in this amendment, by state, 2001-2006. Source: MRFSS database, NOAA Fisheries, NMFS, SERO

	Gag	Vermilion	Other Species	Total
	Catch Trips			
Florida	81,200	52,713	99,275	233,188
Georgia	1,607	5,784	879	8,270
South Carolina	3,358	10,831	3,564	17,753
North Carolina	10,636	12,486	13,260	36,382
Total	96,801	81,814	116,978	295,593
	Target Trips			
Florida	46,635	1,145	6,770	54,550
Georgia	252	0	0	252
South Carolina	14	22	0	36
North Carolina	429	214	3	646
Total	47,330	1,381	6,773	55,484

The fact that target trips were substantially lower than catch trips has implications on the determination of the economic effects of regulations considered in this amendment. It may be contended that target trips contain more meaningful economic valuation of the fishing experience than catch trips from the standpoint of predicting the economic outcome of regulations. One reason for this is that a target trip carries with it an indication of an angler's assignment of some positive values to the species targeted. On the other hand, some catch trips may simply be accidental and as such may not provide any indication of an angler's assignment of value on certain species. It is possible, of course, that past catch trips may shape future target trips, but this would necessitate further research to determine the nature and extent of the effects of past catch trips on future target trips. At any rate, the substantial difference between catch and target trips may imply that if regulations in this amendment were effective in reducing harvest by reducing catch trips more than target trips, then the resulting economic effects would likely be less than harvest reductions.

Similar analysis is not possible for the headboat sector since data are not collected at the angler level. Estimates of effort in the headboat sector are provided in terms of angler days, or the number of standardized 12-hour fishing days that account for the different half-, three-

quarter-, and full-day fishing trips by headboats. Despite the inability to associate headboat effort with specific species, the stationary bottom nature of headboat fishing, as opposed to trolling, suggests that all headboat trips and, hence, angler days, are snapper grouper trips by intent, though not necessarily success.

Headboat angler days are presented in Table 3-24. Due to very low headboat angler days for Georgia, entries for Georgia were combined with those of Florida. For the period 2001-2006, total headboat angler days fluctuated around the mean of 238,012 days. On average, Florida accounted for the largest number of angler days (163,375), or about 69 percent of all headboat angler days. Nevertheless, the numbers for South Carolina (44,810 days) and North Carolina (27,824 days) are far from being negligible.

Table 3-24. Estimate of headboat angler days for the U.S. South Atlantic.
Source: The Headboat Survey, NOAA Fisheries, SEFSC, Beaufort Lab.

	Florida	South Carolina	North Carolina	Total
2001	163,389	49,265	31,779	246,434
2002	151,546	42,467	27,601	223,616
2003	145,011	36,556	22,998	206,568
2004	173,701	50,461	27,255	253,421
2005	171,078	34,036	31,573	238,692
2006	175,522	56,074	25,736	259,338
Average	163,375	44,810	27,824	238,012

3.4.1.2.3 *Permits*

For-hire vessels in the South Atlantic are required to have a snapper grouper for-hire permit to fish for or possess snapper grouper species in the EEZ. The number of permitted vessels for the period 2001-2006 is provided in Table 3-25. This sector operates as an open access fishery and not all permitted vessels are necessarily active in the fishery. Some vessel owners have been known to purchase open access permits as insurance for uncertainties in the fisheries in which they currently operate.

The number of for-hire permits issued in the South Atlantic snapper-grouper fishery increased over the period 2001-2006, with 1,095 permits in 2001 to 1,681 permits in 2006. Most of the increases would likely be for strictly for-hire business, since permits issued for vessels operating as for-hire and commercial entities remained about flat during the same period. The majority of snapper grouper for-hire permitted vessels were home-ported in Florida; a good number of vessels were also home-ported in North Carolina and South Carolina. Interestingly, there were several vessels with home ports in states other than those within the South Atlantic Council's area of jurisdiction. Most of the vessels with both for-hire and commercial permits were home-ported in the South Atlantic Council's area of jurisdiction.

Table 3-25. Snapper grouper for-hire permit holders by home port state. Source: Southeast Permits Database, NOAA Fisheries, SERO.

	Number of vessels issued for-hire vessel permits						Number of vessels with both a for-hire permit and a commercial snapper grouper permit					
Home Port State	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**
Florida	675	776	957	1,084	1,119	1,108	144	145	148	151	148	151
North Carolina	180	195	206	232	254	284	39	35	45	42	43	46
South Carolina	137	129	122	108	121	119	39	34	34	33	33	34
Georgia	25	27	36	27	33	33	4	5	4	2	2	2
Virginia	10	11	5	13	10	10	6	6		4	3	2
Other States	33	38	69	48	51	62	3	2	8	3	5	3
Gulf States	35	44	82	82	79	65						
Total	**1,095**	**1,220**	**1,477**	**1,594**	**1,667**	**1,681**	**235**	**227**	**239**	**235**	**234**	**238**

The for-hire permit does not distinguish between whether the vessel operates as a charterboat or headboat. Based on a 1997 survey, Holland *et al.* (1999) estimated that a total of 1,080 charter vessels and 96 headboats supplied for-hire services in all South Atlantic fisheries during 1997.

3.4.1.2.4 *Economic Value and Expenditures*

Participation, effort, and harvest are indicators of the value of saltwater recreational fishing. However, a more specific indicator of value is the satisfaction that anglers experience over and above their costs of fishing. The monetary value of this satisfaction is referred to as consumer surplus. The value or benefit derived from the recreational experience is dependent on several quality determinants, which include fish size, catch success rate, and the number of fish kept. These variables help determine the value of a fishing trip and influence total demand for recreational fishing trips.

Estimates of the economic value of a day of saltwater recreational fishing in the South Atlantic indicate that the mean value of access per marine recreational fishing trip is $109.31 for the South Atlantic (Haab *et al.* 2001). While this estimate is not specific to snapper-grouper fishing trips, it may shed light on the magnitude of an angler's willingness to pay for this type of recreational experience.

Willingness to pay for an incremental increase in catch and keep rates per trip was also estimated to be $3.01 for bottom fish species by Haab *et al.* (2001). Whitehead *et al.* (2001) estimated the marginal willingness to pay to avoid a one fish red snapper bag limit decrease to be $1.06 to $2.20. Finally, Haab *et al.* (2001) provided a compensating variation (the amount

of money a person would have to receive to be no worse off after a reduction of the bag limit) estimate of $2.49 per fish when calculated across all private boat anglers that targeted snapper grouper species in the South Atlantic.

These valuation estimates should not be confused with angler expenditures or economic activity. While expenditures for a specific good or service may represent a proxy or lower bound of value (a person would not logically pay more for something than it was worth to them), they do not represent the net value (benefits minus cost), nor the change in value associated with a change in the fishing experience. However, angler expenditures benefit a number of sectors that provide goods and services for salt-water sport fishing. Gentner *et al.* (2001) provides estimates of saltwater recreational fishing trip expenditures (Table 3-26). These estimates do not include expenditures in Monroe County, Florida, or expenditures in the headboat sector.

Table 3-26. Summary of expenditures on saltwater trips. Source: 1999 MRFSS add-on survey (Gentner *et al.* 2001).

	North Carolina		South Carolina		Georgia		Florida	
Item	**Resident**	**Non Resident**	**Resident**	**Non Resident**	**Resident**	**Non Resident**	**Resident**	**Non Resident**
Shore mode trip expenses	$63.61	$75.53	$54.12	$104.27	$31.78	$115.13	$36.90	$141.30
Private/rental boat trip expenses	$71.28	$92.15	$35.91	$67.07	$161.34	$77.51	$66.59	$94.15
Charter mode trip expenses	$201.66	$110.71	$139.72	$220.97	$152.45	$155.90	$96.11	$196.16
Charter fee-average-per day	$133.76	$70.59	$114.26	$109.97	$73.68	$80.99	$71.37	$100.79

3.4.1.2.5 *Financial Operations of the Charter and Headboat Sectors*

Holland *et al.* (1999) estimated that the charterboat fee in the South Atlantic ranged from $292 to $2,000. The actual cost depended on state, trip length, and the variety of services offered by the charter operation. Depending on the state, the average fee for a half-day trip ranged from $296 to $360, for a full day trip the range was $575 to $710, and for an overnight trip the range was $1,000 to $2,000. Most (>90 percent) Florida charter operators offered half-day and full-day trips and about 15 percent of the fleet offered overnight trips. In comparison, only about 3 percent of operations in the other South Atlantic states offered overnight trips.

For headboats, the average fee in Florida was $29 for a half-day trip and $45 for a full day trip. For North and South Carolina, the average base fee was $34 per person for a half-day trip and $61 per person for a full day trip. Most of these headboat trips operated in Federal waters in the South Atlantic (Holland *et al.* 1999).

Capital investment in charter vessels averaged $109,301 in Florida, $79,868 for North Carolina, $38,150 for South Carolina and $51,554 for Georgia (Holland *et al.* 1999). Charterboat owners incur expenses for inputs such as fuel, ice, and tackle in order to offer the services required by their passengers. Most expenses incurred in 1997 by charter vessel owners were on crew wages and salaries and fuel. The average annual charterboat business expenditures incurred was $68,816 for Florida vessels, $46,888 for North Carolina vessels, $23,235 for South Carolina vessels, and $41,688 for vessels in Georgia in 1997. The average capital investment for headboats in the South Atlantic was approximately $220,000 in 1997. Total annual business expenditures averaged $135,737 for headboats in Florida and $105,045 for headboats in other states in the South Atlantic.

The 1999 study on the for-hire sector in the Southeastern U.S. presented two sets of average gross revenue estimates for the charter and headboat sectors in the South Atlantic (Holland *et al*., 1999). The first set of estimates were those reported by survey respondents and were as follows: $51,000 for charterboats on the Atlantic coast of Florida; $60,135 for charterboats in North Carolina; $26,304 for charterboats in South Carolina; $56,551 for charterboats in Georgia; $140,714 for headboats in Florida; and $123,000 for headboats in the other South Atlantic states (Holland *et al*., 1999). The authors generated a second set of estimates using the reported average trip fee, average number of trips per year, and average number of passengers per trip (for the headboat sector) for each vessel category for Florida vessels. Using this method, the resultant average gross revenue figures were $69,268 for charterboats and $299,551 for headboats. Since the calculated estimates were considerably higher than the reported estimates (22 percent higher for charterboats and 113 percent higher for headboats), the authors surmised that this was due to sensitivity associated with reporting gross receipts, and subsequent under reporting. Alternatively, the respondents could have overestimated individual components of the calculated estimates. Although the authors only applied this methodology to Florida vessels, assuming the same degree of under reporting in the other states results in the following estimates in average gross revenues: $73,365 for charterboats in North Carolina, $32,091 for charterboats in South Carolina; $68,992 for charterboats in Georgia; and $261,990 for headboats in the other South Atlantic states.

It should be noted that the study's authors were concerned that while the reported gross revenue figures may be underestimates of true vessel income, the calculated values could overestimate gross income per vessel from for-hire activity (Holland *et al.*, 1999). Some of these vessels are also used in commercial fishing activities and that income is not reflected in these estimates.

3.4.2 Social and Cultural Environment

A more detailed description of the social and cultural environment of the snapper grouper fishery is contained in Amendment 13C (SAFMC 2006) and is incorporated herein by reference. The following sections summarize key information relevant to this action. Key communities were identified primarily based on permit and employment activity. These data were obtained from the U.S. Bureau of the Census and from state and federal permitting agencies.

Permit trends are hard to determine, since several factors may affect how many vessels are homeported in certain communities, including vessel mobility, shifting stock locations, and resettlement of fishermen due to coastal development. Nevertheless, although vessel location shifts occur, static geographical representations help determine where impacts may be felt.

Data from the US Census Bureau must be used with some caution. Census data may not reflect shifting community demographics. Businesses routinely start up and fail or move and the census data collection cycle may fail to capture key changes. Further, census estimates do not include seasonal visitors and tourists, or those that live less than half the year in a surveyed area. Many of the latter group may work as seasonal employees and not be counted. Census data also misses some types of labor, such as day laborers, undocumented crew members, or family members that help with bookkeeping responsibilities.

Permit requirements for the commercial snapper grouper fishery were established in 1998 by Amendment 8 (SAFMC 1997). This amendment created a limited entry system for the fishery and established two types of permits based on the historic landings associated with a particular permit. Those who could demonstrate a certain amount of landings over a certain time period received permits that did not limit the number of pounds of snapper grouper that could be landed from federal waters (hereafter referred to as "unlimited commercial permits"). These permits were transferable. Vessels with verified landings, but did not meet the threshold were issued permits that allowed them to land 225 pounds of snapper grouper species from federal waters each trip (hereafter referred to as "limited commercial permits"). These permits were not transferable. New entry into the fishery required the purchase of two unlimited permits from existing permit holders for exchange for a new permit. This "two for one" system was intended to gradually decrease the number of permits in the fishery. These restrictions only applied to the commercial snapper grouper permit.

Impacts on fishing communities from coastal development, rising property taxes, decreasing access to waterfront due to increasing privatization of public resources, rising cost of dockage and fuel, lack of maintenance of waterways and ocean passages, competition with imported fish, and other less tangible (often political) factors have combined to put all these communities and their associated fishing sectors under great stress.

While studies on the general identification of fishing communities have been undertaken in the past few years, little social or cultural investigation into the nature of the snapper grouper fishery itself has occurred. A socioeconomic study by Waters *et al.* (1997) covered the

general characteristics of the fishery in the South Atlantic, but those data are now almost 10 years old and do not capture important changes in the fishery. Cheuvront and Neal (2004) conducted survey work of the North Carolina commercial snapper grouper fishery south of Cape Hatteras, but did not include ethnographic examination of communities dependent upon fishing.

To help fill information gaps, members of the South Atlantic Council's Snapper Grouper Advisory Panel, Council members, Advisory Panel members, and representatives from the angling public identified communities they believed would be most impacted by the management measures proposed in Amendment 13C on the species addressed by this amendment. Details of their designation of particular communities, and the factors considered in this designation, can be found in Amendment 13C (SAFMC 2006).

Because so many communities in the South Atlantic benefit from snapper grouper fishing, the following discussion focuses on "indicator communities," defined as communities thought to be most heavily impacted by snapper grouper regulations.

3.4.2.1 North Carolina

Figure 3-11. North Carolina communities with substantial fishing activity, as identified by South Atlantic Advisory Panels.

3.4.2.1.1 *Statewide*

Overview

Of the four states in the South Atlantic region, North Carolina (Figure 3-11) is often recognized as possessing the most "intact" commercial fishing industry; that is, it is more robust in terms of viable fishing communities and fishing industry activity than the other three states. The state offers a wide variety of fishing opportunities, including sound fishing, trolling for tuna, bottom fishing, and shrimping. Perhaps because of the wide variety of fishing opportunities, fishermen have been better able to weather regulations and coastal development pressures, adjusting their annual fishing patterns as times have changed.

Commercial Fishing

There has been a steady decline in the number of federal commercial snapper grouper permits North Carolina since 1999, with 194 unlimited commercial permits in 1999, but only 139 in 2004. Limited permits similarly declined from 36 to16.

State license sale and use statistics for all types of licenses also indicate an overall decrease since 1994. While the overall number of state licenses to sell any species of fish or shellfish increased from 6,781 in 1994 to 9,712 in 2001/2002, the number of license holders actually reporting sales decreased from 6,710 in 1994/1995 to 5,509 in 2001/2002 (SAFMC 2006).

North Carolina fishermen demographics are detailed in Cheuvront and Neal (2004). Ninety eight percent of surveyed fishermen were white and 58 percent had completed some college or have graduated from college. Of those who chose to answer the question, 27 percent of respondents reported a household income of less than $30,000 per year, and 21 percent made at least $75,000 per year. On average, respondents had been fishing for 18 years, and had lived in their communities for 27 years.

Cheuvront and Neal (2004) also provided an overview of how North Carolina commercial snapper grouper fishermen carry out their fishery. Approximately 65 percent of surveyed fishermen indicated year-round fishing. Gag is the fish most frequently targeted by these fishermen, with 61 percent of fishermen targeting gag at some point in the year, despite the prohibition of commercial sales and limit to the recreational bag limit in March and April. Vermilion snapper (36.3 percent) and black sea bass (46 percent) are the next most frequently targeted species. A significant number of fishermen land king mackerel during each month, with over 20 percent of fishermen targeting king mackerel between October and May. During the gag closed season, king mackerel are targeted by about 35 percent of the fishermen. Other snapper/grouper complex species landed by at least 5 percent of the fishermen in any given month were red grouper (39.5 percent), scamp (27.4 percent), snowy grouper (9.7 percent), grunts (14.5 percent), triggerfish (13.7 percent), and golden tilefish (5.6 percent). Non-snapper/grouper complex species landed by at least 5 percent of the fishermen in any given month included Atlantic croaker, yellowfin tuna, bluefin tuna, dolphin, and shrimp.

Recreational Fishing

Recreational fishing is well developed in North Carolina and, due to natural geography, is not limited to areas along the coast. Data show that North Carolina is almost on par with east Florida for total recreational fishing participation effort (data not shown; see SAFMC (2006)). A brief discussion of public boat ramps and local recreational fishing clubs, as well as sources of information used by these anglers, can be found in SAFMC (2006).

The North Carolina state legislature approved the creation of a state recreational saltwater fishing license in 2004. The license created controversy for both the recreational and commercial sectors, each believing that it will hurt or help their access to marine resources. Possession of the license, subject to exemptions, will be required beginning on January 1, 2007 (http://www.ncdmf.net/recreational/NCCRFLfaq.htm).

3.4.2.1.2 *Hatteras Village*

A detailed history of this community, from its discovery by Italian explorers in the 16th century to establishment of a National Seashore in 1953, can be found in SAFMC (2006).

Overview

Census data indicate there was not a significant increase in population size in Hatteras Village from 1990 to 2000 (SAFMC 2006). The demographics of the island have shifted, as is evidenced in the decreasing percentage of the population that is actively in the workforce, perhaps reflecting a larger number of retirees in the community, and the increasing proportion of residents with higher education, also reflecting a retired, professional segment of the population. Hatteras Village has also experienced a significant increase in the percent of the population in the farming, fishing, and forestry occupations, from 5.6 percent to 10.8 percent. This may be reflective of the increasing number of persons employed in businesses related to recreational fishing, such as charter boat captains and crew, boat repair and sales, marinas, etc. See SAFMC (2006) for the raw data describing community demographics. Figure 3-12 includes two maps detailing the area.

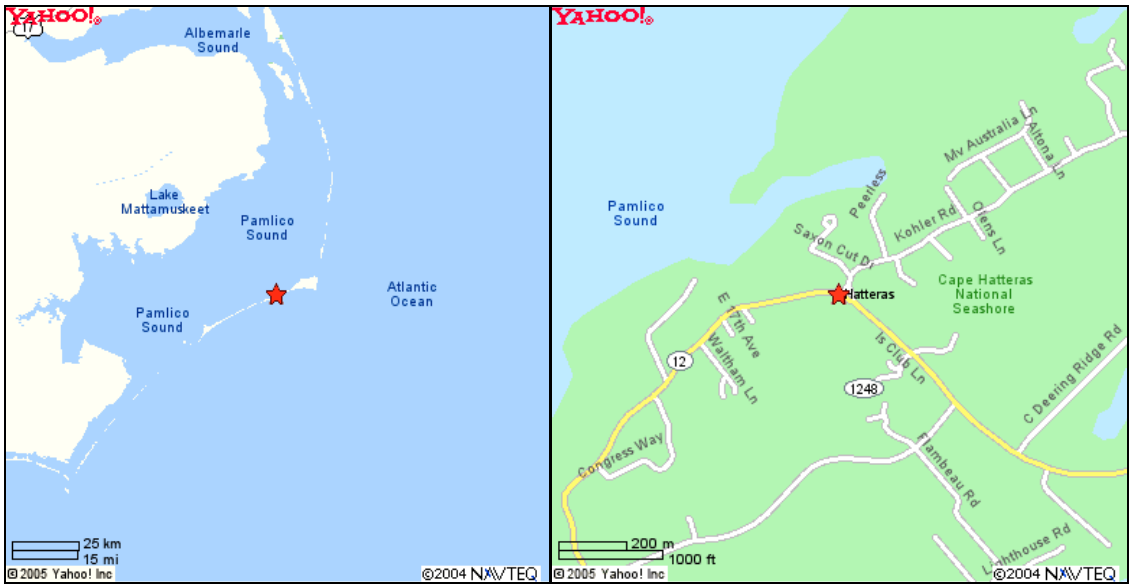


Figure 3-12. Hatteras Island and Village, Outer Banks, North Carolina.
Source: Yahoo Maps, http://www.yahoo.com.

Commercial Fishing

Anecdotal information from Hatteras residents indicates the number of fish houses has decreased as tourism has increased (SAFMC 2006). Residents, however, still promote the fisherman's way of life through festivals and special community designations (SAFMC 2006).

Mirroring the statewide trend, the number of unlimited commercial permits held by residents of Hatteras decreased from 1999 (9 permits) to 2004 (5 permits). The number of limited

commercial permits has remained at 3 (SAFMC 2006). Twenty people stated they were employed in fishing related industry in the 1998 census, with 18 of these employed by marinas. A listing of the six marinas and eight bait and tackle stores in Hatteras Village can be found in SAFMC (2006).

Recreational Fishing

Hatteras is host to several prestigious fishing tournaments and is homeport for the island's famous charter fishing fleet. The number of charter/headboat permits held by Hatteras residents has dramatically increased, from one permit in 1999 to 28 in 2004.

3.4.2.1.3 *Wanchese*

A history of this community, and neighboring Manteo, describing its persistence as a small, close-knit community focused on making its living from the sea, can be found in SAFMC (2006).

Figure 3-13. Map of Roanoke Island, North Carolina, showing Wanchese and Manteo. Source: Kitner 2005.

Overview

Figure 3-13 provides a map of Roanoke Island, including Wanchese and Manteo. While Wanchese has maintained its identity as a commercial fishing community, it faces continuing pressure from developers in nearby Manteo and other Outer Banks communities. However,

the town has recently approved a zoning document that would prevent unplanned growth and would help preserve working waterfronts and residential areas (Kozak 2005). A partial community profile detailing local traffic patterns, businesses, and prominent families can be found in SAFMC (2006).

The largest industrial area in Wanchese is centered on the Wanchese Seafood Industrial Park, built to enhance business opportunities in the seafood and marine trades. Tenants of the park are able to ship products overnight to major domestic and international markets through the airport in Norfolk, Virginia. The park is utilized by fishermen and seafood dealers, as well as boatbuilding and boat maintenance businesses. The park is full of activity and it is common to find large numbers of people, especially Hispanics, working in the marine trade industries.

Census statistics from 2000 show the population of Wanchese is aging and very homogenous, with little ethnic diversity. There has been a slight increase in the Hispanic population since 1990, mirroring most other communities in North Carolina. Education levels have also increased, and the poverty rate has decreased. A higher percentage of people are employed in fishing-related professions in Wanchese than in almost any other community – 10 percent – although even that number has decreased nearly 50 percent since 1990.

Commercial Fishing

Commercial landings and value for Wanchese/Stumpy Point declined from 31.9 million pounds valued at $26.1 million in 2001 to 28.7 million pounds valued at $23.2 million in 2002. In 2001, Wanchese/Stumpy Point was listed as the 28th most prominent United States port based on the value of the product landed, declining to 30th in 2002. While landings increased in 2003, to 33 million pounds, value further declined to $21 million (31st place), with further declines in both poundage (31 million pounds) and value ($20.5 million) in 2004.

Amendment 8, which limited entry into the commercial snapper grouper fishery, does not appear to have caused a decrease in the number of commercial permits held by residents of Wanchese (SAFMC 2006). In 1999, seven unlimited commercial permits were held, with eight in 2004. Three limited commercial licenses were held in both 1999 and in 2004.

One hundred twenty residents of Wanchese stated they were employed in fishing related industries in the 1998 census (SAFMC 2006). Sixteen of these were listed as employed in fishing, 56 in fish and seafood, and 40 in boatbuilding.

There were 228 commercial vessels registered and 201 state standard commercial fishing licenses issued in the community in 2002 (SAFMC 2006). Wanchese residents also held 12 dealer licenses. The town is an important unloading port for many vessels transiting to and from the Mid-Atlantic and South Atlantic.

Recreational Fishing

As of 2005, nine boatbuilding businesses were located in Wanchese, building either pleasure yachts, recreational fishing vessels or, less often, commercial fishing vessels. There were two bait and tackle businesses and two marinas in town. All these businesses rely on the fishing

industry. Manteo also maintains an active private and for-hire recreational fishing community. From 1999 to 2004, there was an increase in the number of charter/headboat licenses held, from two permits to nine permits. As most of the recreational sector for the region operates out of Manteo and Nags Head, these communities would be more affected by recreational fishing restrictions than would Wanchese.

Figure 3-14. Area of Carteret County, North Carolina, showing Morehead City, Atlantic Beach (at the red star), and Beaufort.
Source: Yahoo Maps, http://www.yahoo.com.

3.4.2.1.4 *Morehead City*

In Carteret County, Morehead City, Beaufort, and Atlantic Beach form a triad of different but complementary communities in close geographic proximity (Figure 3-14). A detailed history of Morehead City, from its founding in the 1840s-1850s to its development as a center for sport and tournament fishing in recent years, can be found in SAFMC (2006).

Overview

Morehead City's economy is currently based on tourism, fishing (commercial and recreational), light industry, government, and other service and professional industries. The town has regained its commercial viability as a modern port terminal, and benefits from its location on the "sound-side" of the Atlantic Beach resort trade. Diving has become an

important tourist activity; Rodale's Scuba Diving magazine recently named North Carolina as the best wreck diving destination in North America, and Morehead City as the best overall dive destination. Recreational fishing effort is growing quickly, as new marinas, boat storage areas, boat builders, and marine supply stores open in the city.

Detailed statistics detailing community demographics of Morehead City in 1990 and 2000 can be found in SAFMC (2006). The population of Morehead City increased from 1990 to 2000, with sizable increases in the number of people declaring non-white ethnicities. Median income increased from approximately $20,000 to nearly $29,000 from 1990 to 2000. Median home value nearly doubled, and median rent increased 35 percent. The percentage of those completing high school increased by 10 percent, and there was a seven percent increase in those receiving a bachelor's degree or higher. The poverty level decreased. However, the unemployment rate increased. The occupations of farming, fishing, and forestry employ more than one percent of the population of Morehead City.

Commercial Fishing

In 1998, 100 people were employed in fishing related businesses according to census figures, with 40 employed in marinas and 36 employed in fish and seafood businesses (SAFMC 2006). Over 200 state commercial vessel licenses, 150 state standard commercial fishing licenses, and 14 dealer licenses were issued by the state to residents of Morehead City in 2002. The number of unlimited commercial permits held by Morehead City residents was 15 in 1999 and 14 in 2004, while the three limited commercial permits held in 1999 were no longer held by 2004 (SAFMC 2006). As of 2002, the state had issued 211 commercial vessel registrations, 150 standard commercial licenses, and 14 dealer licenses to Morehead City residents. Residents of Morehead City were primarily employed by marinas (40 percent) and fish and seafood (36 percent), with 16 percent employed in boatbuilding businesses.

A narrative detailing the fishing methods, habits, and observations of a bandit-rig fisherman in Morehead City can be found in SAFMC (2006).

Recreational Fishing

The number of charter/headboat permits held by Morehead City residents nearly doubled, from seven in 1999 to 13 in 2004.

3.4.2.1.5 *Beaufort*

Beaufort is located on the coast near Cape Lookout, and borders the southern portion of the Outer Banks. Its deep harbor is home to vessels of all sizes, and its marinas are a favorite stop-over for transient boaters. A detailed history of Beaufort, from its establishment to its importance as a trade center during the 18th and 19th centuries, to its later involvement in the menhaden fishing industry, can be found in SAFMC (2006).

Overview

Tourism, service industries, retail businesses, and construction are important mainstays of the Beaufort area, with many shops and restaurants catering to people from outside the area. Census data show a slight decrease in population size from 1990 to 2000, from 3,808 inhabitants to 3,771, perhaps due to the aging population. Educational attainment rose over the last decade, and the percentage of individuals below the poverty line fell slightly. The percentage of those in the labor force decreased, another possible indication of an aging population. However, the percentage unemployed also decreased. The number of people working in farming, fishing, and forestry remained about the same from 1990 to 2000. According to census business pattern data from 1998, most of the fishing-related employment in Beaufort (total 300 persons) occurs in the boat building industry, which employs 184 residents (SAFMC 2006). Forty-eight people reported working in marinas, while others are employed in fish processing, fish harvesting, and seafood marketing.

Commercial Fishing

There has been a slight decrease in the number of unlimited commercial permits held by residents of Beaufort, from 5 permits in1999 to 4 permits in 2004. In the last two years, the one limited commercial permit held by a Beaufort resident was no longer reported. As of 2002, the state had issued 430 commercial vessel registrations, 294 standard commercial licenses, and 32 dealer licenses to Beaufort residents.

Recreational Fishing

There has been virtually no change in the number of charter/headboat permits, 1 permit in 2003 and 2004, held by residents.

3.4.2.1.6 *Atlantic Beach*

Atlantic Beach has been a popular resort town since the 1870s. The first bathing pavilion was built on Bogue Banks in 1887. Tourists flocked to the resorts, and ferry service to Atlantic Beach increased. Other resorts and tourism related development occurred over the next century, and the area remains a popular vacation destination (www.atlanticbeach-nc.com/history_part-1.html).

Overview

Atlantic Beach demographic data from 1990 and 2000 show a slight population decline since 1990, as well as decreases in the percent of the population involved in farming, fishing, and forestry (SAFMC 2006). The median age of the population has increased, perhaps a reflection of the growing number of retirees moving to this area of the coast.

Commercial Fishing

As observed in other areas of North Carolina, since limited access was put into place, the number of commercial permits has decreased from eight unlimited commercial permits in 1999 to four in 2004, and four limited commercial permits to zero (SAFMC 2006). In 1998, 60 residents of Atlantic Beach were employed in fishing related industry, with 93 percent of those employed by the marine sector. In 2002, 56 vessels were registered with the state as commercial fishing vessels, 42 standard commercial fishing licenses were held by Atlantic Beach residents, and there were ten valid dealer licenses issued to community members (SAFMC 2006).

Recreational Fishery

Since 1999, the number of federal charter/headboat permits held by Atlantic City residents has increased from six to 19, though only one permit was recorded in 2002. Of the 60 individuals reporting working in a fishing related industry in 1998, 46 worked in marinas. Two state permits were issued to recreational fishing tournaments to sell licenses in 2002 (SAFMC 2006).

Figure 3-15. General area of Sneads Ferry, North Carolina.
Source: Yahoo Maps, http://www.yahoo.com.

3.4.2.1.7 *Sneads Ferry*

Sneads Ferry is a historical fishing village located on the New River near the northern tip of Topsail Island (Figure 3-15). The river joins the Intracoastal Waterway at Sneads Ferry, with

easy access to the Atlantic Ocean. A very active commercial fishing community, Sneads Ferry takes in more fish than any other Onslow County port (http://www.cbcoastline.com/areainfo.htm). It also includes Camp Lejeune, a U.S. Marine base. The Sneads Ferry Shrimp Festival has been held annually since 1971. Now grown to a two-day event, the annual shrimp festival is the town's major fund-raiser. From its proceeds, the town established a 14-acre community park and built a 7200-sq. ft. Shrimp Festival Community Building (www.sneadsferry.com/areahistory/his_sf.htm).

Overview

Census data indicate the population of Sneads Ferry increased by about 10 percent from 1990 to 2000, from 2,031 inhabitants to 2,248. Most new residents were white, and the number of black or African American residents decreased from 159 to 115. Median income increased from about $20,000 to nearly $35,000. Median home value increased from $65,000 to $110,000, but median rent remained about the same. The percentage of those completing high school increased by 10 percent and the percent of residents with at least a Bachelor's degree doubled, from six percent to 12.8 percent. The poverty level decreased from 20.9 percent to 13.5 percent, and the percentage of the population unemployed decreased from 8.3 percent to 2.2 percent. The percentage of residents employed in farming, fishing, and forestry decreased by half from 18.2 percent to 9 percent, while employment in sales and office occupations increased by over 17 percent. It is unclear who may be buying home sites on newly developed land in the town, but the town's current demographics may point to an increase in retirees in Sneads Ferry, as they are better educated, have higher incomes, and are older. The dramatic decline by approximately 50 percent of persons employed in extractive natural resource occupations may be due to increasing job opportunities outside of the community, the changing impacts of regulations, or status of the resources

Commercial Fishing

Sneads Ferry is a small town with little of the large-scale development seen elsewhere on the North Carolina coast. Many houses in the community have fishing vessels docked in front of the house or on the lawn. The white rubber boots worn by commercial fishermen in this community and many other parts of North Carolina are commonly referred to as "Sneads Ferry Sneakers", suggesting the importance of commercial fishing to the area. Most of the fishermen in town are shrimpers and net fishermen who go out daily. There is also a strong contingent of black sea bass pot fishermen resident in the town. The species with the highest consistent landings in the town are black sea bass, button clams, blue crab, flounders, mullet, shrimp, spot, and whiting.

The number of federal charter/headboat permits held by residents increased from six in 1999 to 13 in 2004, while the number of unlimited commercial permits decreased from 22 to 17, and the number of limited commercial permits remained at one (SAFMC 2006). Over 347 commercial fishing vessels were registered with the state in 2002, and 228 residents held state-issued standard commercial fishing licenses. There were also 18 dealer licenses in the community and 169 shellfish licenses. In 1998, 16 persons were employed in fishing related industry, with 75 percent working in fish and seafood.

Recreational Fishing

Recreational fishing in Sneads Ferry is not as prominent an activity as in Morehead City. However, there are a large number of vessels with charter permits for snapper grouper homeported there. Little is currently known about recreational fishing out of Sneads Ferry, aside for its advertisement as an important tourist attraction in many websites that discuss the community. At least five marinas cater to recreational fishermen. There are two other marinas at Camp LeJeune Marine Base, just across the Neuse River. Some smaller river and sound fishing charters operating out of the area and one headboat runs from Sneads Ferry. Other than black sea bass, it does not appear that many snapper grouper species are frequently caught recreationally from Sneads Ferry.

3.4.2.2 South Carolina

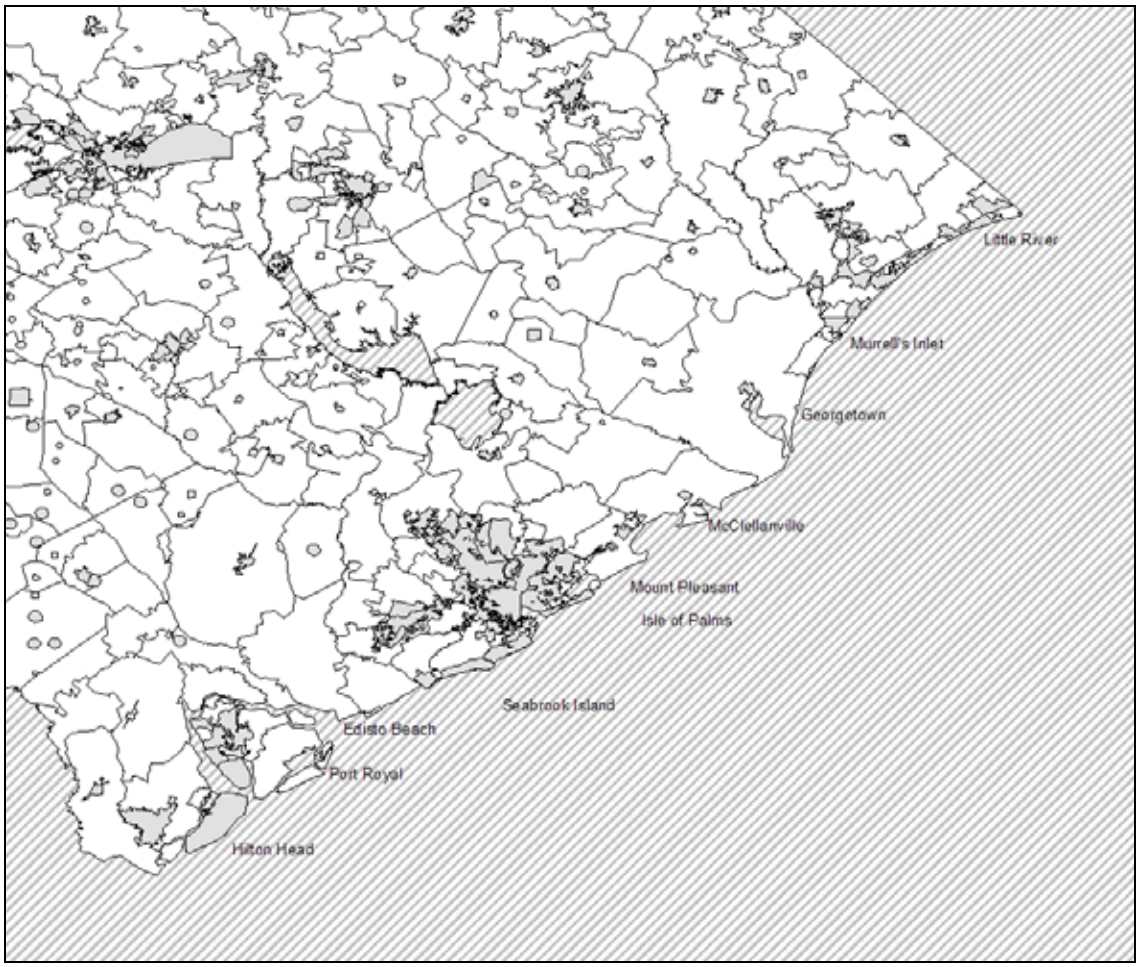


Figure 3-16. South Carolina communities with substantial fishing activity, as identified by South Atlantic Advisory Panels.

3.4.2.2.1 *Statewide*

Overview

South Carolina communities with substantial fishing activity are less developed than those in North Carolina and, over the past 20 to 30 years, the state has seen much more tourist-oriented development along its coasts than Georgia or North Carolina. In Horry County, the urban area of Myrtle Beach has expanded greatly in the past few decades, and much of the coastal area has been developed as vacation homes, condominiums, and golf courses. The communities most impacted by this development are Little River, Murrells Inlet, Pawleys Island, and Georgetown, although the latter three are located in Georgetown County (Figure 3-16). The same is true of rapid developing Charleston County, and the cities and communities of McClellanville, Mt. Pleasant, Sullivans Island, Wadmalaw and Edisto Islands feel the impact of urban sprawl from the city of Charleston. Further south along the coast, the Hilton Head Island resort development has been the impetus for changing coastal landscapes in the small towns of Port Royal, Beaufort, St. Helena Island, and Bluffton.

For the purpose of this document, only Little River will be singled out as a community with a high concentration of both commercial and recreational fishing, along with other types of coastal oriented leisure pursuits. Other analyses will consider South Carolina as a whole.

Commercial Fishing

While pockets of commercial fishing activities remain in the state, most are being displaced by the development forces and associated changes in demographics. The number of unlimited commercial permits, however, increased from 74 in 1999 to 87 in 2004, while the number of limited commercial permits decreased by 75 percent from 12 to 4 (SAFMC 2006).

Recreational Fishing

Many areas that used to be dedicated to commercial fishing endeavors are now geared towards the private recreational angler and for hire sector. The number of federal charter/headboat permits held by South Carolina residents increased from 41 in 1999 to 111 in 2004. The majority of saltwater anglers fish for coastal pelagic species such as king mackerel, Spanish mackerel, tunas, dolphins, and billfish. A lesser number focus primarily on bottom fish such as snapper and groupers and often these species are the specialty of the headboats that run out of Little River, Murrells Inlet, and Charleston. There are 35 coastal marinas in the state and 34 sportfishing tournaments (SAFMC 2006).

3.4.2.2.2 *Little River*

A history of Little River detailing its settlement in the late 1600s, its popularity as a vacation destination in the 1920s, and the concurrent rise in charter fishing, can be found in SAFMC (2006).

Figure 3-17. Little River, South Carolina, and surrounding area.
Source: Yahoo Maps, http://www.yahoo.com.

Overview

Figure 3-17 shows Little River and the surrounding area. A detailed description of changes in land-use patterns in and near Little River can be found in SAFMC (2006). Nearby Murrells Inlet is gradually transforming into a residential community for Myrtle Beach, and SAFMC (2006) argues this is also true for Little River.

Census data indicate the Little River population more than doubled from 1990 (3,470 persons) to 2000 (7,027 persons) and became more ethnically diverse with more people of American Indian or Alaskan Native, and Hispanic or Latino ethnicities. Median income increased by over 40 percent, from nearly $29,000 to over $40,000. Median home value also increased by over 40 percent, and median rent increased by nearly 35 percent. The percentage of those completing high school and those with a Bachelor's degree remained about the same. The poverty level decreased by nearly two-thirds to 4.7 percent, and the percentage of the population unemployed decreased from 6.6 percent to 3.4 percent. The percentage of residents employed in farming, fishing, and forestry decreased from 3.6 percent to 0.9 percent.

Commercial Fishing

In 1998, 38 residents of Little River were employed in fishing related industry according to the U.S. Census, with 81 percent of those employed by the marina sector. The number of snapper grouper unlimited harvest commercial permits held by community residents remained about the same between 1999 and 2004, from 15 permits to 16 permits, and one resident still held a limited harvest commercial license. Twenty-four Little River residents held state

permits, with the most being saltwater licenses (8 permits) or trawler licenses (5 permits) (SAFMC 2006).

Recreational Fishing

As observed in other coastal communities described herein, the number of charter/headboat permits held by community residents increased from nine in 1999 to 16 in 2004. Three headboats operated out of Little River, and this part of the for-hire industry has a long and storied past in the community. Recreational fishing, primarily as headboat effort, came about as a way for commercial fishermen to continue fishing in the summer months. A detailed account of how recreational fishing developed in Little River can be found in Burrell (2000). Most of the private recreational fishing effort in this area occurs out of marinas in North Myrtle Beach, Myrtle Beach, and Murrells Inlet.

3.4.2.3 Georgia

3.4.2.3.1 *Statewide*

Overview

Only one community in Georgia (Townsend) lands a substantial amount of the snapper grouper species addressed in this amendment. Other parts of the state involved in the commercial harvest of seafood are focused on penaeid shrimp, blue crabs, and other finfish such as flounder, shad, croaker, and mullet.

Brunswick, the other community that has a commercial fishing presence, was once a more thriving commercial fishing community but now tourism and other related activities are competing for waterfront in the town. The most commonly harvested species in Brunswick are blue crab and different species of penaeid shrimp. According to the ACCSP website, there have been no snapper grouper species landed in Brunswick in since 2001. Other parts of the state involved in the commercial harvest of seafood are focused on penaeid shrimp, blue crabs, and other finfish such as flounder, shad, croaker, and some mullet.

Commercial Fishing

Unlike the pattern observed in many other areas, the number of unlimited commercial permits and limited commercial permits held by Georgia residents did not decrease from 1999 to 2004, with eight permits and one permit, respectively. In 2002, 947 vessels were registered with the state as commercial fishing vessels, 612 full-time state commercial fishing licenses were held by Georgia residents, and 147 residents held part-time state commercial fishing licenses. Within the commercial fishing fleet, four hundred and eighty two vessels had shrimp gear on board in that year (SAFMC 2006).

Recreational Fishing

As observed in other areas, the number of charter/headboat permits held by Georgia residents increased markedly from five permits in 1999 to 27 permits in 2004 (SAFMC 2006). Recreational vessels are located at Tybee Island close to Savannah, on the barrier islands off Brunswick, and between Savannah and Brunswick.

3.4.2.3.2 *Townsend*

A history of the area, describing its economy before the Civil War, the rise and fall of lumbering, and the building of the railroad, can be found in SAFMC (2006). Townsend is a small, rural community. In 2005, the fish house in this community was relocating inland. It is not known if this relocation was successful and whether that fish house will be handling domestically harvested fish in the future.

Overview

The population of Townsend increased by over 1,000 residents from 2,413 in 1990 to 3,538 in 2000. Although there was a large relative increase in the number of Hispanic or Latino residents, from 2 to 27, most of the new inhabitants were white (1,465 in 1990 and 2,437 in 2000). Median income increased from approximately $23,000 to $35,000. Median home value nearly tripled, from $33,000 in 1990 to $98,100 in 2000, and monthly rent nearly doubled, from $213 to $431. In 1990, 26.9 percent of residents had less than a 9th grade education, but by 2000 that number declined to 11.0 percent. The percentage of those completing high school increased by nearly 15 percent, while the percent receiving a bachelor's degree or higher remained about the same, from 8.4 percent to 8.9 percent. The percent of the population with an income below the poverty line deceased by four percent, but remained high at 14.6 percent. The percentage of the population unemployed increased from 3.4 percent to 6.5 percent. There has been a sizeable decline in the percentage of the population employed in manufacturing, from 29.0 percent to 16.2 percent, and the proportion of the population employed in farming, fishing, and industry remained unchanged at approximately three percent.

Commercial Fishing

A comprehensive description of the historic and current fish houses of coastal Georgia and how they operate, focusing on Phillips Seafood of Townsend, can be found in SAFMC (2006). For nearly a decade, only one fish house has consistently handled snapper grouper species. A fish house in Brunswick may have landed these species in the past, but has not reported landings since 2001.

Recreational Fishing

Offshore recreational anglers do not often target or harvest snapper grouper species in Georgia (MRFSS 2003). Of the snapper grouper species harvested, black sea bass, sheepshead, and vermilion snapper are the most commonly harvested fish at five, seven, and two percent,

respectively. As of 2004, residents of the Savannah area held 11 charter/headboat permits for snapper grouper, and many of these vessels are docked on Tybee Island. Residents of the area around the city of Brunswick, including Jekyll Island and Sea Island, held four snapper grouper charter/headboat permits. Interestingly, unlike the cities profiled in the Carolinas, the number of federally permitted for-hire vessels has declined dramatically. From 2003 to 2004, the number of snapper grouper permitted for hire vessels declined from 43 to 27 (NMFS 2004). The cause of this decline is unknown.

3.4.2.4 Florida

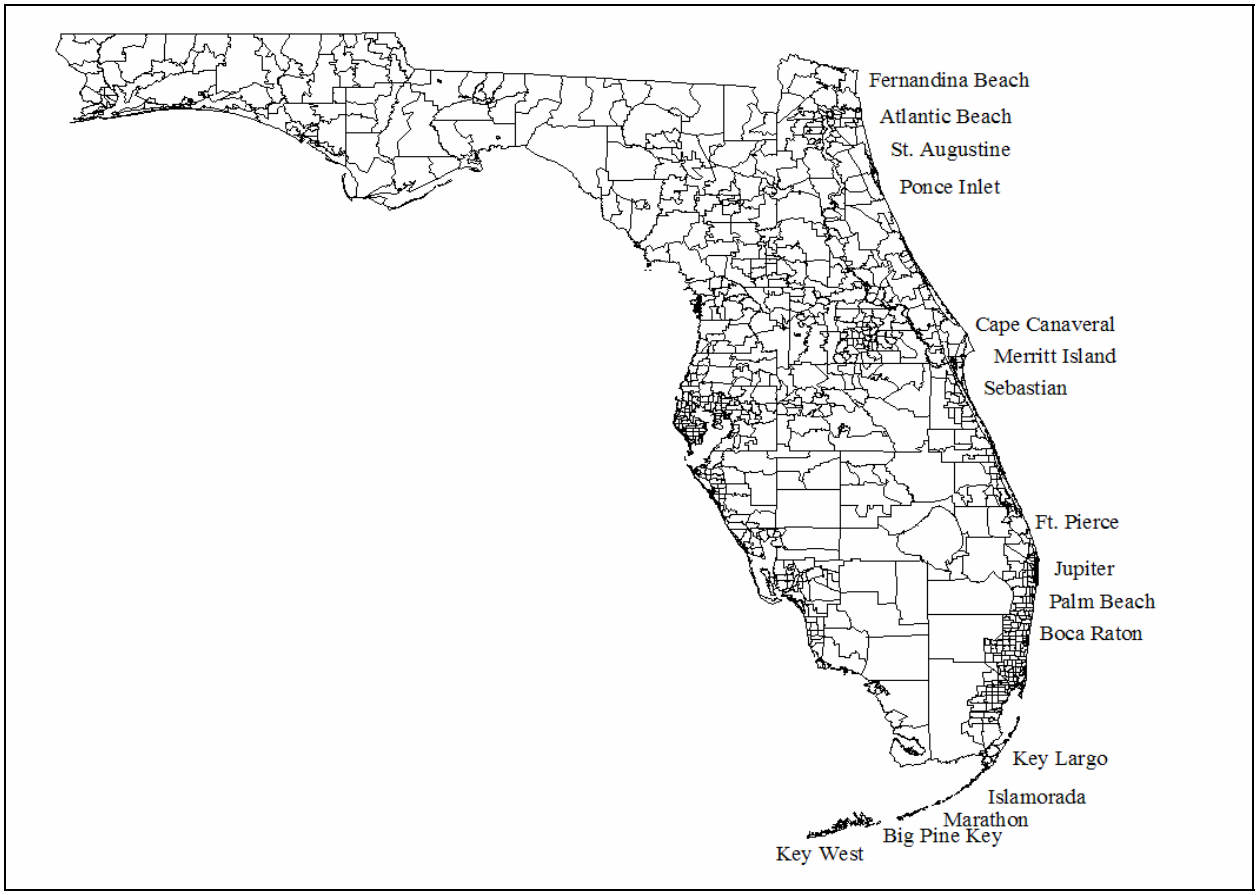


Figure 3-18. Florida communities with substantial fishing activity. Identified by South Atlantic Advisory Panels.
Source: Jepson and Kitner (In Press).

3.4.2.4.1 *Statewide*

Overview

Florida stands apart from other states in the South Atlantic region in fishing behaviors, history, and demographics. Florida has one of the fastest growing populations in the United States, estimated to increase each day by 750 to 1,000 new immigrants. Twenty-five percent of all vacation homes in the United States are located in Florida's coastal counties (Coastal Ocean Resource Economics 2005).

Along with being heavily populated on land, coastal waters off Florida are also heavily used by recreational users of all kinds. This growth of a leisured class occupying coastal areas has led, in part, to conflicts over natural resource access and use-rights. One example of this type of struggle was the conflict over the use of gillnets in state waters. The conflict culminated in a state-wide ban on the use of gillnets, which dealt a resounding blow to many Florida fishermen, ending in the loss of many commercial fishing properties and the displacement of many fishermen. There have also been conflicts between the "environmental community" and commercial fishermen over the closing of the *Oculina* Bank off of Florida's central coast, and the creation of both the Florida Keys National Marine Sanctuary and the Tortugas Sanctuary, both in the Keys.

The natural geography of Florida also sets it apart from other South Atlantic states, particularly in the area from central Florida through the Keys. The weather is amenable to fishing almost year round, though hurricanes in 2004 were particularly devastating and took a toll on all fisheries in the state, both east and west coast. There was also a cold water event that started near West Palm Beach in 2003, which moved up the east coast causing a substantial decline in snapper grouper fishing that year. The continental shelf is much narrower in Florida than elsewhere in the region, allowing fishermen to access deep waters quickly and return the same day. Finally, the species of snapper grouper available to fishermen in southern Florida are different than further north, with yellowtail snapper, gag and black grouper, and other alternative species such as stone crab, spiny lobster, dolphin, kingfish, and billfish allow a greater variety of both commercial and recreational fishing opportunities. These fisheries are important to many Florida communities identified by the Snapper Grouper Advisory Panel as shown in Figure 3-18.

Commercial Sector

Considering the high population growth rates and emphasis on a tourism economy in Florida, the commercial fishing sector in Florida is still robust in some areas. Although total landings and dollar values of all species landed on the Florida East coast have decreased from 1998 to 2003 (from nearly 30 million pounds worth approximately $44 million to approximately 23 million pounds worth $33 million dollars; SAFMC 2006), there is still a considerable commercial fishing presence in east Florida.

Recreational Sector

While the commercial fishing industry, though still strong, may be in decline, the recreational sector appears to be stable. Excluding the headboat sector, although the number of participants declined in 2004 to approximately 1.9 million from 2.2 million in 2003 and from a high of 2.6 million in 2001, the number of trips taken in 2003 and 2004 remained at approximately 21 million. As may be recalled from Table 3-17, the headboat sector has exhibited a steady decline. In 2004, many homeports hosted at least one vessel holding both federal charter/headboat permits and federal unlimited commercial permits. Key West and Miami stand out, with 35 and 15 such vessels, respectively.

3.4.2.4.2 *Cape Canaveral*

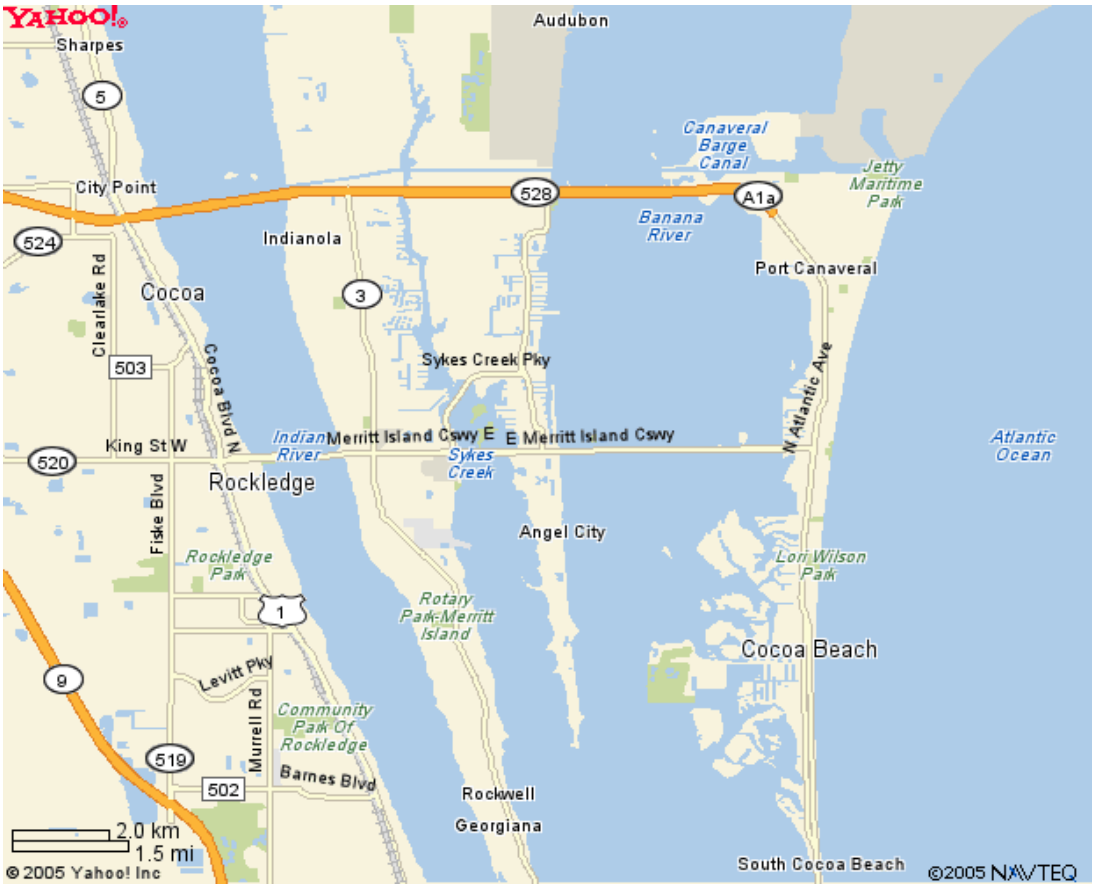


Figure 3-19. Area map of Cape Canaveral, Florida.

A detailed history of Cape Canaveral, Florida, from its first habitation 10,000 years ago, its settlement by the United States in the early 1800s, the establishment of the Banana River Naval Air Station in World War II, to NASA's arrival in 1952, can be found in SAFMC (2006). A map of the area is shown in Figure 3-19.

Overview

Cape Canaveral has a fairly homogenous, aging population, with those 65 years and older growing from 16.1 percent of the population to 23.1 percent since 1990. Overall, educational attainment has increased. The number of persons who speak a language other than English at home has increased 2.5 percent, and fewer people have incomes below the poverty line. Unemployment has decreased, but fewer people are in the labor force today than in 1990, perhaps due to an aging population. The percentage of persons in a service occupation has grown from 14.1 percent to 20.4 percent, while there has been a sizeable decline in the percent of residents employed in forestry, mining, and fishing, from 2.7 percent in 1990 to 0.4 percent in 2000.

Fisheries in central Florida generally operate in two different environments, inshore river or inlet fishing with associated lagoons, which primarily attracts recreational fishing, and offshore areas, where commercial fishing primarily occurs. Popular inshore areas include the Indian, St. Johns, and Banana Rivers and associated lagoons. Commercial exploitation of the rivers and lagoons declined after implementation of the Florida Net Ban of 1994.

Many commercial fish houses have gone out of business or have shifted to selling imported products to supplement their local supplies. At the same time, the number of businesses possessing federal dealer permits has increased from about 180 in 1999 to a little over 200 in 2001. There is some industry speculation that the increasing number of dealer permits reflects increased decentralization in the domestic fishing markets and the need to increase profits by self-marketing.

Commercial Fishing

Cape Canaveral draws fishermen from Cocoa/Cocoa Beach, Merritt Island, Melbourne, and Titusville. These fishermen target many snapper grouper species, as well as coastal migratory pelagics such as mackerel, highly migratory species such as sharks and swordfish, and shellfish such as oysters, quahogs, and shrimp. Snowy grouper and tilefish (particularly golden or sand tilefish) landings exceed 10,000 pounds per year. Total commercial landings decreased, however, from 8.9 million pounds to 6.0 million pounds from 1998 to 2004 (SAFMC 2006).

The number of unlimited commercial permits in this area increased from nine in 1999 to 16 in 2004. The number of limited commercial permits fluctuated over this period, but ultimately declined from four permits in 1999 to one in 2004 (SAFMC 2006).

The number of Florida Saltwater Products Licenses issued to residents of Brevard County (where Cape Canaveral is located) decreased from 872 in 1998/99 to 492 in 2004/05 (SAFMC 2006). This license is needed to sell marine species in the state. There have also been declines in license sales for various crustacean fisheries.

Recreational Fishing

In 2004, Brevard county supported 36 bait and tackle stores, with five in Cape Canaveral, and 70 marinas with over 3,000 wet slips, indicating the importance of recreational fishing to the area. Fourteen fishing tournaments consistently occur in the area. Additional details about these businesses and tournaments can be found in SAFMC (2006).

As in other coastal areas of Florida, there is a fairly heavy presence in Brevard County of charter boat businesses, private marinas, and other associated businesses catering to the recreational fishing sector. The number of federally permitted charter/headboat vessels in Cape Canaveral increased from zero to seven from 1999 to 2004. According to Holland *et al.* (1999), there were approximately 32 charter boats and 2 headboats in the Canaveral/Melbourne area. Current estimates from permit files show at least 38 for-hire vessels with Snapper grouper permits homeported in Cape Canaveral or Port Canaveral, which includes approximate four headboats. That is likely a low estimate for total the total number of for-hire vessels in the area since it does not include vessels in the nearby Merritt Island and in the Cocoa/Cocoa Beach areas.

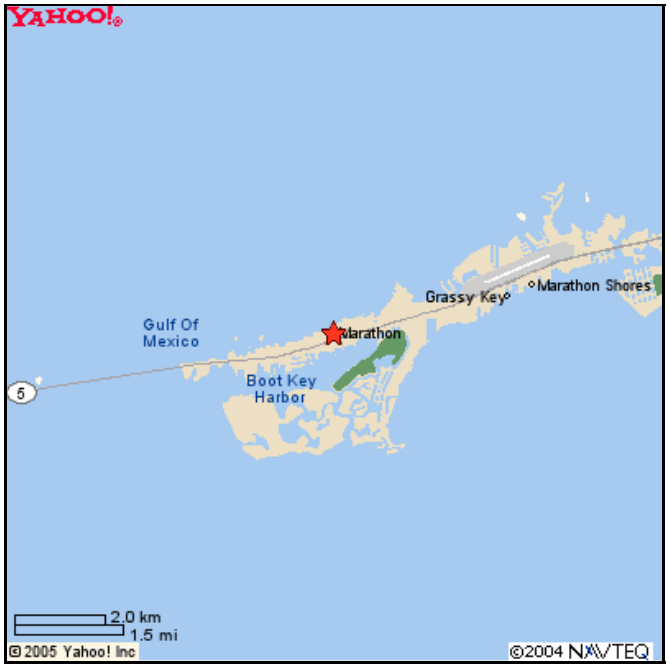


Figure 3-20. Marathon, Florida.
Source: Yahoo Maps, http://www.yahoo.com.

3.4.2.4.3 *Marathon*

A history of Marathon, detailing its settlement in the 1800s, the rise of industry, the effects of the Great Hurricane of 1935, the rise of tourism, and the importance of commercial fishing,

can be found in SAFMC (2005). Figure 3-20 shows a map of Marathon, which lies in Monroe County.

Overview

Census data from 1990 and 2000 show there was an increase in overall population in Marathon from 8,857 in 1990 to 10,255 in 2000. During this period, the Hispanic population more than doubled, increasing from 1,040 to 2,095. This increase accounts for more than two thirds of the total population increase for the area. During this period of time, the median household income increased from approximately $25,000 to over $36,000.

Marathon has maintained a relatively high percentage of the total population, 4.1 percent in 2000, involved in farming, fishing, and forestry, though the percentage has declined from 8.7 percent in 1990. Since there is little commercial farming and forestry occurring in the area, the majority of percentage can be assumed to relate to fishing activities. The percentage of people that live below the poverty line decreased slightly from 15.1 percent in 1990 to 14.2 percent in 2000.

Commercial Fishing

In 1998, 184 Marathon residents were employed in fishing related industry according to the Census data, with 39 of those in the "fishing" category, 92 employed in "fish and seafood," and 47 employed by marinas (SAFMC 2006). The number of unlimited commercial permits held by community residents decreased from 65 permits to 44 permits between 1999 and 2004. Similarly, the number of limited commercial permits decreased from 43 permits to 31 permits.

Recreational Fishing

While most of the waters around Marathon are open to fishing, some areas have been set aside for eco-tourism and fish-viewing by divers and snorkelers. Sombrero Reef, said to be one of the most beautiful sections of North America's only living coral barrier reef, lies several miles offshore and is protected by the Florida Keys National Marine Sanctuary (http://www.fla-keys.com/marathon).

The importance of recreational boating and fishing to the economy of Marathon is shown by the businesses reliant upon it. As of 2004, there were at least 25 charter boat businesses, two party boat businesses, eight bait and tackle shops, and 27 marinas in the area. The number of vessels holding the federal charter/headboat permit increased from 16 in 1999 to 30 in 2004. In addition, there were seven fishing tournaments in Marathon. Most tournaments are centered on tarpon fishing. However, there are inshore and offshore fishing tournaments as well. These tournaments begin in February and run through June. Hotels and restaurants fill with participants and charters, guides and bait shops reap the economic benefits of these people coming to the area. These tournaments are positive economic pulses in the local economy, one that thrives on the existence of tourism and recreational fishing.

4 Environmental Consequences

4.1 *Gag*

4.1.1 Background

Gag are experiencing overfishing, since current fishing mortality exceeds the fishing mortality, which would achieve the maximum sustainable yield (SEDAR 10 2007). Overfishing is defined as a fishing mortality rate (F) exceeding the maximum fishing mortality threshold (MFMT), which the Council has specified as F_{MSY}. Current F_{2004}/F_{MSY} is 1.309.

Gag are not overfished since the level current spawning stock biomass (SSB) is greater than the level of spawning stock biomass than the minimum spawning stock biomass (MSST). SSB_{2005}/MSST = 7,470,000/6,816,000 = 1.096. However, gag biomass is less than the biomass at MSY and is approaching an overfished condition.

Review of Previous Stock Assessments

The first stock assessment for gag was conducted in 1990 (PDT 1990) using data from 1972 through 1988/89. Spawning Stock Ratio (SSR) (considered to be the same as Spawning Potential Ratio (SPR)) was calculated separately for recreational and commercial fisheries (Table 4-1):

Table 4-1. Spawning Stock Ratio (SSR) values for gag from PDT (1990).

SPECIES	RECREATIONAL	COMMERCIAL
Gag	Carolinas = 19%	Carolinas = 24%
	Florida = 30 - 32%	Florida = 54 - 56%

A series of stock assessments conducted by NMFS (1991), Huntsman *et al.* (1992); and Potts and Brennan (2001) provided estimates of SSR/SPR based on catch curves (Table 4-2).

Table 4-2. Spawning Stock Ratio (SSR) values for snowy grouper from NMFS (1991); Huntsman *et al.* (1992); and Spawning Potential Ratio from Potts and Brennan (2001).

Species	Assessment Year	Catch Data From	Overall SSR
Gag	1991	1988	32%
	1992	1990	35%
	1996	1993	20%
	2001	2000	30%

Landings information

During 1999-2005, 83% of the commercial catch was with hook and line gear, 14% was from diving, and 3% other gear. The distribution of landings was similar during 2001-2006. Commercial landings of gag are pretty evenly divided among the states of North

Carolina, South Carolina, and Florida (Table 4-3). Headboat landings were also fairly evenly distributed among states (Table 4-4); however, the magnitude of headboat landings was much less than those from the commercial sector or reported by MRFSS (Figure 4-1). Landings were reported by MRFSS were similar in magnitude to commercial landings but greater than 70% of the catches were from Florida (Table 4-5).

Table 4-3. The percentage (in weight) of gag landed by commercial fishermen by state during 1999-2005 and 2001-2006.
Source: NMFS Accumulative Landings System.

State	1999-2005	2001-2006
FL	29.60%	28.30%
Monroe	0.80%	0.80%
Georgia	6.30%	6.00%
NC	31.50%	32.40%
SC	31.80%	32.50%

Table 4-4. The percentage (in weight) of gag landed by headboats by state during 1999-2005 and 2001-2006. Source: NMFS Headboat Survey.

State	1999-2005	2001-2006
GA AND NORTH FL	26.70%	22.14%
NORTH CAROLINA	27.70%	29.43%
SOUTH CAROLINA	16.30%	17.34%
SOUTH FLORIDA	29.20%	31.09%

Table 4-5. The percentage (in weight) of gag landed by recreational fishermen by state during 1999-2005 and 2001-2006. Source: MRFSS.

State	1999-2005	2001-2006
FL	83.30%	70.23%
GA	0.70%	1.99%
SC	5.10%	4.16%
NC	10.80%	23.62%

Commercial landing peaked in 1995 but decreased after 1998 after new management measures were put into place increasing the minimum size limit and implementing a March-April spawning season closure (Figure 4-1). Recreational landings have generally been on an increasing trend. Regulations, which may have affected the catch of gag, are shown in Table 4-6.

Table 4-4. Gag regulations.

Regulation	Effective Date	Plan or Amendment
4" trawl mesh size	8/31/1983	FMP
Prohibit trawls	1/12/1989	Amendment 1
Required permit to fish for, land or sell snapper grouper species.	1/31/1991	Amendment 3
Prohibited gear: fish traps except bsb traps north of Cape Canaveral, FL; entanglement nets; longline gear inside 50 fathoms; bottom longlines to harvest wreckfish; powerheads and bangsticks in designated SMZs off S. Carolina. Established 20" TL minimum size and a 5 grouper bag limit.	1/1/1992	Amendment 4
Oculina Experimental Closed Area	6/27/1994	Amendment 6
Limited entry program: transferable permits and 225-pound non-transferable permits	Dec-98	Amendment 8
24" TL size limit; no harvest or possession > bag limit, and no purchase or sale, during March and April. Vessels with longline gear aboard may only possess snowy grouper, warsaw grouper, yellowedge grouper, misty grouper, golden tilfefish, blueline tilefish, and sand tilefish.	2/24/1999	Amendment 9
Oculina Experimental Closed Area extended indefinitely	4/26/2004	Amendment 13A

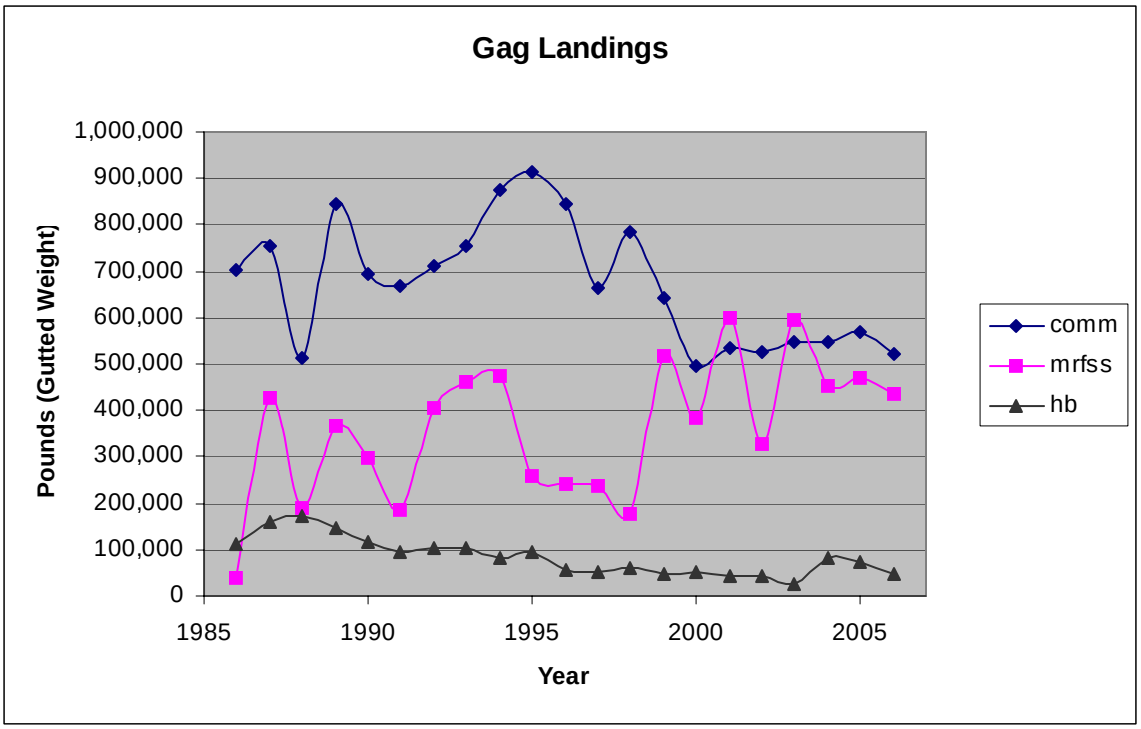


Figure 4-1. Annual landings (lbs gutted weight) of gag 1986-2006. Commercial landings are from the NMFS Accumulative Landings System (ALS), Headboat data are from NMFS-Beaufort, and MRFSS data are from the MRFSS web site.

Approximately 51% of landings were from the commercial sector and 49% were from the recreational sector during 1999-2005. The mean length of gag taken with all commercial gear ranged from 32 to 33 inches TL during 1999-2006 (Figure 4-2). The mean length of gag taken by headboat and recreational fishermen was smaller ranging from 26 to 31 inches TL during 1999-2006. There has been on an increasing trend in the average size of gag taken by commercial and recreational fishermen since 1986.

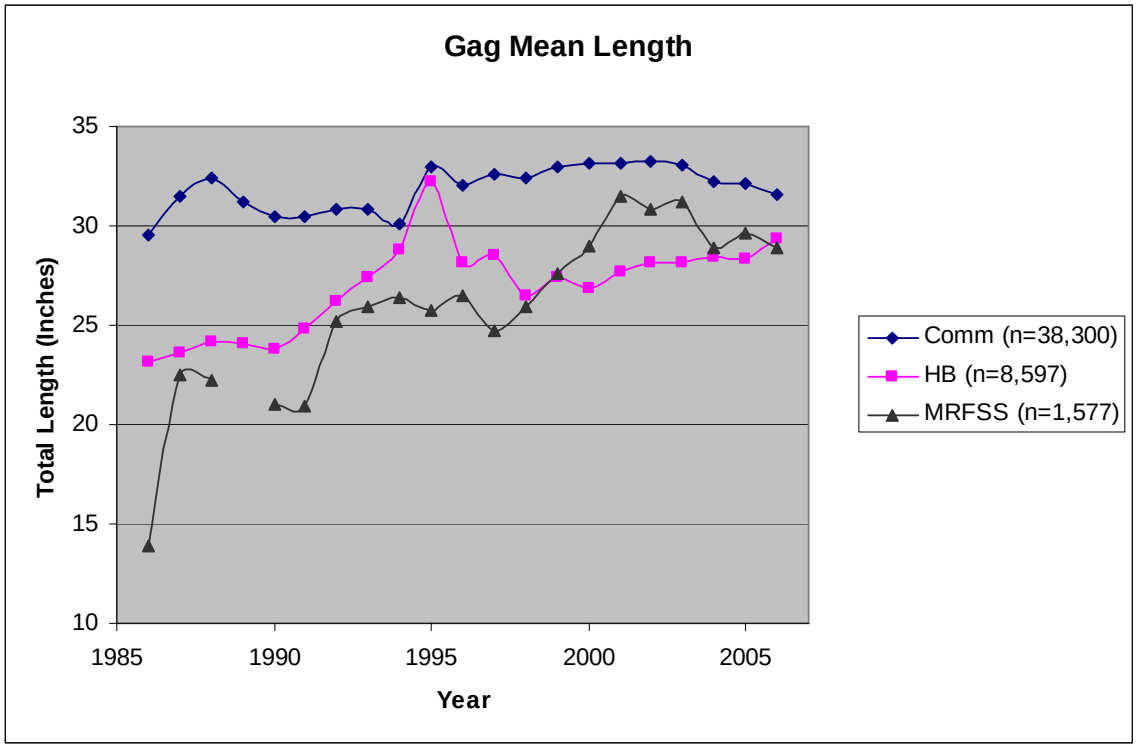


Figure 4-2. Mean lengths (inches, total length) of gag taken by commercial, headboat, and recreational (MRFSS) fishermen during 1984-2006.

4.1.2 Management Reference Point Alternatives

Maximum Sustainable Yield (MSY) for Gag

Alternatives are shown because the current definition for MSY is being replaced (Table 4-7). In the future, this will not be an action item unless the Council decides to change how MSY is calculated; the value will be updated from the most recent SEDAR assessment.

Optimum Yield (OY) for Gag

Alternatives are shown because the current definition for OY is being replaced (Table 4-7). In the future, this will not be an action item unless the Council decides to change the way OY is calculated; the value will be updated from the most recent SEDAR assessment.

Table 4-7. MSY and OY alternatives for gag.

Alternatives	Equation	F_{MSY} & F_{OY} Values	MSY & OY Values
Alternative 1 (no action)	MSY equals the yield produced by F_{MSY}. $F_{30\%SPR}$ is used as the F_{MSY} proxy for all stocks. OY equals the yield produced by F_{OY}. $F_{45\%SPR}$ is used as the F_{OY} proxy.	**F_{MSY}** = 0.18* **F_{OY}** = 0.11*	Not specified Not specified
Alternative 2 (preferred)	MSY equals the yield produced by F_{MSY}. MSY and F_{MSY} are defined by the most recent SEDAR. OY equals the yield produced by F_{OY}. If a stock is overfished, F_{OY} equals the fishing mortality rate specified by the rebuilding plan designed to rebuild the stock to SSB_{MSY} within the approved schedule. After the stock is rebuilt, F_{OY} = a fraction of F_{MSY}. Gag are not overfished.	0.237** See subalts. below	1,238,000 lbs gutted weight
Alternative 2a		(65%)(F_{MSY})	1,188,000 lbs gutted weight**
Alternative 2b (preferred)		(75%)(F_{MSY})	1,217,000 lbs gutted weight**
Alternative 2c		(85%)(F_{MSY})	1,230,000 lbs gutted weight**
*Source: Powers 1999 ** Source: Table 36. SEDAR 10 (2007)			

The Council has specified the Minimum Stock Size Threshold (MSST) as the biomass using the formula MSST = (1-M)*SSB_{MSY}. This formula is recommended in the Technical Guidance Document developed by NMFS and represents 1 minus the natural mortality multiplied by the spawning stock biomass at maximum sustainable yield. This value from Table 36 in SEDAR 10 (2007) is 6,816,000 pounds gutted weight (Table 4-8).

Table 4-8. Criteria used to determine the overfished and overfishing status of gag. Source: Tables 36 and 44 in SEDAR 10 (2007).

DETERMINATION	SSB_{2005}	MSST	F_{2004}	MFMT	STATUS
OVERFISHED?	7,470,000	6,816,000			Not Overfished (B_{2005}/MSST = 1.096)
OVERFISHING?			0.310	0.237	Overfishing (F_{2004}/MFMT = 1.309)

Gag Catch Levels To End Overfishing

Gag is not overfished but biomass is less than B_{MSY}. The Council's SSC recommended a restriction in harvest to F_{OY} equal to the yield associated with 75% of F_{MSY}. The would correspond to a TAC of 694,000 pounds gutted weight for all sectors (Table 4-9). Therefore, as biomass increases, the yield at F_{OY} is expected to increase during 2009-2014. The Council recommended catch levels remain at 694,000 pounds gutted weight until modified by future action. Setting harvest levels at the catch associated with F_{OY} would decrease the probability that overfishing will occur.

Table 4-9. Gag catch levels to end overfishing.

Alternatives	Catch Levels to end Overfishing (pounds gutted weight)
Alternative 1 (no action)	Do not specify a catch level to end overfishing.
Alternative 2 (preferred)	Set the catch level* = 694,000 pounds gutted weight for 2009 onwards
*Source: SEDAR 10 (2007)	

4.1.2.1 Biological Effects of Management Reference Point Alternatives

Defining MSY and OY for gag will not directly affect the biological or ecological environment, including ESA-listed species, because these parameters are not used in determining immediate harvest objectives. However, MSY and OY are reference points used by managers to assess fishery performance over the long term. As a result, redefined management reference points could require regulatory changes in the future as managers monitor the long term performance of the stock with respect to the new reference point. Therefore, these parameter definitions would affect subject stocks and the ecosystem of which they are a part, by influencing decisions about how to maximize and optimize the long-term yield of fisheries under equilibrium conditions and triggering

action when stock biomass decreases below a threshold level. The biological effects of the choice of management reference points are described below.

MSY Alternative 1 would retain the SPR based MSY definition established for the gag stock in Snapper Grouper Amendment 11 (1998). This SPR-based definition specify a fixed fishing mortality rate, which would reduce the spawning biomass per recruit to 30% of the unfished level.

MSY in **Alternative 1** is defined as the yield produced by F_{MSY} where $F_{30\%SPR}$ is used as the F_{MSY} proxy. A rough estimate of MSY in Alternative 1 can be produce by applying $F_{MSY} = 0.18$ to $B_{MSY} = 7,925,000$ lbs gutted weight from the stock assessment. This provides an estimate = 1,426,500 lbs gutted weight, which is higher than the estimate of MSY from the stock assessment in Alternative 2. MSY is a function of certain characteristics of the current fish population, such as its age and size structure. Given the current state of knowledge about the stock, Alternative 2 offers a better estimate of the true MSY. Retaining a F_{MSY} or MSY value that is too high could cause fishery managers to unintentionally allow stocks to be overexploited. Overexploitation can have many negative effects on the fished stock including a decline in number of individuals, reduced fish size, a decrease in the number of males, a change in the size/age at maturity, decreased reproductive potential, an alteration of the genetic integrity, ecosystem overfishing, and recruitment overfishing. See Amendment 13C for a description of these effects (SAFMC 2006). Although Alternative 2 is considered to provide the best estimate of MSY, Alternative 1 could be a legitimate choice if the estimate for Alternative 2 was not known with certainty, or if regulatory measures change the age and size structure of the population. If MSY based on Alternative 2 really were too low, then biomass would continue to increase and adjustments would be made through future assessments.

The Council's **Preferred Alternative 2** would redefine the MSY of the gag stock to equal the value recommended by the most recent SEDAR assessment (SEDAR 10 2007). **Alternative 2** would improve the scientific basis for managing gag because it is a biomass estimate based on the best available science. Designation of MSY may make it more likely management actions can be taken to reduce fishing pressure on a stock experiencing unsustainable fishing mortality or is overfished. Therefore, stocks with reference points based on SEDAR assessments are expected to provide the strongest positive environmental effects.

OY Alternative 1 would retain the OY definition established in the Snapper Grouper FMP Amendment 11 (SAFMC 1998); however, the value for OY was not specified. Not designating an OY value or designating one not based upon the best available science (**OY Alternative 1**) would have adverse, indirect effects on the gag stock. The SPR-based definition identifies a fixed fishing mortality rate, which would reduce the spawning biomass per recruit to 45% of the unfished level. Powers (1999) estimated $F_{45\%SPR}$ as 0.11.

The more conservative the estimate of OY, the larger the sustainable biomass. The biomass of the population would be least when the rate of fishing mortality is equal to

F_{MSY} and would be greatest when the fishing mortality rate was equivalent to 65% of F_{MSY}. Therefore, a larger sustainable biomass associated with a fishing mortality rate at 65% of F_{MSY} would be good for the stock, but could have negative social and economic effects, in the short term, because longer and/or harder short-term reductions in harvest would be needed to achieve larger sustainable biomass.

Like Alternative 1, **Alternatives 2-4** would specify fixed exploitation rates. However, the rates defined by **Alternatives 2-4** relate directly to what is expected to produce MSY (F_{MSY}), consistent with the definition of OY provided in the Magnuson-Stevens Act and as discussed in the National Standard Guidelines at 50 CFR 600.310(b). These alternatives would indirectly benefit the biological and ecological environment by providing a more precise estimation of OY based upon the recent stock assessment.

Alternatives 2-4 are distinguished from one another by the level of risk (and associated tradeoffs) each would assume. **Alternative 2** represents the most precautionary management program of those considered for each unit. This alternative defines OY to equal the average yield associated with fishing at just 65 percent of F_{MSY}. This OY definition would provide the largest buffer between MSY and OY relative to the other alternatives and, consequently, the greatest assurance that management measures designed to achieve OY would be effective in sustaining gag over the long term.

The Council's **Preferred Alternative 3** defines OY as the average yield associated with fishing at 75% of F_{MSY}. This definition reduces slightly the safety margin between MSY and OY relative to **Alternative 2**. Restrepo *et al.* (1998) state "that fishing at 75% of F_{MSY} would result in equilibrium yields at 94% of MSY or higher, and equilibrium biomass levels between 125% and 131% of B_{MSY} – a relatively small sacrifice in yield for a relatively large gain in biomass." A simple deterministic model described in Mace (1994) to describe to evaluate the effects of fishing at 75% of F_{MSY} indicates that the ratios are consistent across a broad set of life history characteristics ranging from species such as snowy grouper with low natural mortality rates to more productive species like vermilion snapper and black sea bass. Restrepo *et al.* (1998) determined the ratio between the yield of fishing at 75% of F_{MSY} relative to fishing at 75% of F_{MSY} relative to MSY would range from 0.949 and 0.983. Restrepo *et al.* (1998) also indicate fishing at this rate under equilibrium conditions is expected to reduce the risk of overfishing by 20-30%. Gag are vulnerable to overfishing because they are long-lived, late to mature, form spawning aggregations, and protogynous. Therefore, the biological and ecological effects of this definition for gag are still expected to be positive.

Alternative 4 defines OY to equal the average yield associated with fishing at 85% of F_{MSY}. This is the least conservative of those OY alternatives considered because it would further reduce the precautionary buffer between OY and MSY. Therefore, this definition would provide the least amount of indirect benefits to the biological and ecological environment of all the alternatives, and could make it more difficult to sustain gag over the long-term.

4.1.2.2 Economic Effects of Management Reference Point Alternatives

Defining the MSY and OY for gag does not alter the current harvest or use of the resource. Specification of these measures merely establishes benchmarks for fishery and resource evaluation from which additional management actions for the species would be based, should comparison of the fishery and resource with the benchmarks indicate that management adjustments are necessary. The impacts of these management adjustments will be evaluated at the time they are proposed. As benchmarks, these parameters would not limit how, when, where, or with what frequency participants in the fishery engage the resource. This includes participants who directly utilize the resource (principally, commercial vessels, for-hire operations, and recreational anglers), as well as participants associated with peripheral and support industries. All entities could continue normal and customary activities under any of the alternative specifications. Participation rates and harvest levels could continue unchanged.

Since there would be no direct effects on resource harvest or use, there would be no direct effects on fishery participants, associated industries or communities. Direct effects only accrue to actions that alter harvest or other use of the resource. Specifying MSY and OY, however, establishes the platform for future management, specifically from the perspective of bounding allowable harvest levels. In this sense, MSY and OY may be considered to have indirect effects on fishery participants.

Fishery management decisions influence public perception of responsible government control and oversight. These perceptions in turn influence public behavior. This behavior may be positive, such as cooperative participation in the management process, public hearings, and data collection initiatives, or negative, such as non-cooperation with data initiatives, legal action, or pursuit of political relief from management action. Positive behavior supports the efficient use of both the natural resource and the economic and human capital resources dedicated to the management process. Negative behavior harms the integrity of the information on which management decisions are based, induces inefficient use of management resources, and may prevent or delay efficient use of the natural resource. The specific benefits and costs of these behaviors cannot be calculated.

Although disagreement with the exact specifications contained in the MSY and OY alternatives may occur, any of the alternatives would establish the required platform from which future action can be taken and, thus, should generally induce satisfaction with the management of the resource. However, the alternatives vary in implications for total allowable harvest and constituents who favor more liberal harvests would likely prefer the alternatives in the decreasing order of the potential harvest implied by the alternative specifications, while those who favor more conservative harvests would likely hold the opposing preferences. The net effect of the behavioral responses from these opposing constituent groups cannot be determined.

Administrative costs of fishery management accrue to the time and labor involved in developing new regulations, permitting systems, or other management actions. To the extent that each of the MSY and OY alternatives provide fishery scientists and managers

with specific objective and measurable criteria to use in assessing the status and performance of the fishery, the impacts of the various alternatives on administrative costs are indistinguishable. However, the more conservative (lower) the equivalent allowable harvest level, the greater the potential for harvest overages, necessitating additional management action with attendant administrative costs at least in the short run.

Combined recreational and commercial gag harvests averaged approximately 1.172 million pounds from 2001 to 2006. In terms of equivalent poundage, the MSY implicit in **Alternative 1** is estimated at roughly 1.426 million pounds and that for **Preferred Alternative 2** at 1.238 million pounds. The closeness of harvests to either MSY specification indicates that either alternative would necessitate some restrictive measures at least in the short run. Considering, however, that **Preferred Alternative 2** provides better estimate of MSY, it affords greater probability for long-term protection of the stock and consequently higher probability for the long-term viability of both commercial and recreational fisheries.

OY is the long-term goal of fisheries management, and as such it sets the level of potential economic benefits fishery participants can derive from the fishery. OY levels specified in this amendment are mainly biological measures that can be translated to harvest levels. Given harvest levels at specified OY, the corresponding level of economic benefits derivable there from highly depends on the management system adopted for the fishery. A controlled access system, for example, in the commercial fishery is apt to generate more economic benefits than an open access system given the same OY and harvest level. In general, a higher OY (and harvest level) may be expected to allow greater economic benefits under an open access system but not necessarily under a controlled access system. It is highly possible that under a controlled access system, the equality of marginal cost and marginal benefit occurs at a harvest level below OY so that harvests above such level and possibly equal to OY would only result in net economic loss to the fishery. Of course, if OY is set at a very high level, total harvests at which marginal cost equals marginal benefit may occur at a level that would not allow long-term sustainability of the stock although the level would still be below OY. Naturally, the situation would be worse under an open access system because harvest levels would be driven up to the allowable maximum. The key issue in this discussion is that OY be set at more sustainable level and that it be set at a lower level under an open access management system than under a controlled access system.

OY is not specified in **Alternative 1.** Under **Preferred Alternative 2**, OY ranges from 1.188 million pounds (**Alternative 2a**) to 1.230 million pounds (**Alternative 2c**). With the possible exception of Alternative 1, all OY alternatives set harvest levels higher than the current landings. Among the sub-options for **Preferred Alternative 2**, the highest OY level would likely generate higher economic benefits in the long-run, but noting that the fishery although under some form of controlled access pretty much operates like an open access fishery, the highest level is probably not an ideal choice. A better choice from a long-term economic perspective is either **Alternative 2a** or **Alternative 2b**.

Catch levels are provided in this amendment to address the overfishing condition of gag stocks. **Alternative 1**, which does not provide a catch level, may be ruled out since it does not address the current overfishing condition of gag. **Preferred Alternative 2** sets the catch level at 694,000 pounds, and this is expected to correct the current overfishing condition of gag. Relative to the 2001-2006 average gag harvest, the fishery is expected to face a rather significant harvest reduction of about 40 percent. The actual reduction to the commercial and recreational sectors would depend on some other measures in this amendment, such as the commercial/recreational allocation, quota, bag limits, size limits, and closures. The economic impacts of these other measures are discussed in pertinent sections of this amendment.

4.1.2.3 Social Effects of Management Reference Point Alternatives

Defining the MSY, OY, or MSST for a species or species complex would not cause direct social impacts because it would not place specific controls on the amount or manner in which the resources are harvested. These parameters simply provide management targets and thresholds needed to assess the status and performance of the fishery. All current direct, indirect, consumptive, and non-consumptive uses of the resources will be unaffected. Evaluation of the resource relative to the benchmarks, however, may trigger harvest and/or effort controls, which would directly impact the individuals, social networks, and associated industries related to the fishery, inducing short-term adverse economic impacts until less restrictive management is allowable.

Designation of these benchmarks, therefore, establishes the foundation for subsequent regulatory change. Regulatory change may cause some of the following direct and indirect consequences: increased crew and dockside worker turnover; displacement of social or ethnic groups; increased time at sea (potentially leading to increased risk to the safety of life and boat); decreased access to recreational activities; demographic population shifts (such as the entrance of migrant populations replacing or filling a market niche); displacement and relocation as a result of loss of income and the ability to afford to live in coastal communities; increased efforts from outside the fishery to affect fishing related activities; changes in household income source; and increased gentrification of coastal communities as fishery participants are unable to generate sufficient revenue to remain in the community. Ultimately, one of the most important measurements of social change is how these social forces, in coordination with the strategies developed and employed by local fishermen to adapt to the regulatory changes, combine to affect the local fishery, fishing activities and methods, and the community as a whole.

A major indirect effect of fisheries management on the fishing community and related sectors is increased confusion and differences between the community and the management sector in levels of understanding and agreement on what is best for both the resource and the community. The fact that “the science” can cause relatively large reductions in harvests is particularly disconcerting to many fishermen and concerned stakeholders. The potential for unemployment and financial uncertainty looms large in their envisioned future. An attitude of defeat and resignation among fishermen has been

noted in the snapper-grouper fishery, and it is not known to what extent mental health may be affected by proposed regulatory change. This "lack of enthusiasm" for fishery management, however defined, coupled with confusion about scientific premises and concepts, has direct and indirect effects on other elements in the fishery, such as enforcement efforts and compliance with current and future regulations. This can lead to inefficient use of resources, ineffectual regulations, and failure to meet management targets, which may precipitate additional restrictions.

Data deficiencies and the complexity of the task make it difficult to determine the biological reference points with certainty. The selection of a particular benchmark has potential implications on resource users depending upon its accuracy relative to the true value. Selection of the wrong alternative, while protecting the resource, may subject the human environment to overly restrictive regulations, increasing the risk to the economic viability of participants in the fishery and associated industries. Alternatively, the erroneous choice of a less conservative alternative when more conservatism is warranted could result in short term increased economic benefits to fishery participants, but lead to reduced stock sustainability, ultimately leading to more severe social and economic disruptions than would occur under more conservative management. In general, however, the higher the MSY and OY, the greater the allowable, long-term sustainable yield for the fishery and, hence, the greater the long-term social benefits of a sustainable and healthy resource.

Since none of the alternative MSY and OY specifications imply harvest reductions, each implies the potential for increased social benefits once the resource is rebuilt. Among the MSY alternatives, MSY is not directly specified in **Alternative 1**; however, the MSY implicit in **Alternative 1** is estimated at roughly 1.426 million pounds using the old estimate of the fishing mortality rate at MSY. **Preferred Alternative 2** is based on the new value from SEDAR 10 and MSY equals 1.238 million pounds. This is based on the most recent information, is more accurately reflective of harvest patterns in the fishery and, thus, is expected provide the social benefits of a stable and sustainable fishery.

Among the OY alternatives, OY is not specified in **Alternative 1**. **Alternative 2c** would allow the largest harvests and provide the greatest long-term social benefits, if the specified difference between OY and MSY is sufficient to capture the environmental variability of the resource. **Preferred Alternative 2b**, however, may provide a better hedge against harvest overages, thereby supporting more stable harvests and social benefits. **Alternative 2a** would be more restrict the on the fishery and, if unnecessarily conservative, it would generate the least long-term social benefit.

MSST has been updated from SEDAR 10. Given that current biomass is above this level, no social impacts are expected.

4.1.2.4 Administrative Effects of Management Reference Point Alternatives

The potential administrative effects of these alternatives differ in that the scenarios defined by each vary in terms of the implied restrictions required to constrain the fisheries to the respective benchmarks. Of the two MSY alternatives, only Preferred **MSY Alternative 2** identifies a specific harvest level.

In theory, the larger the allowable harvest, the less restrictive and administratively burdensome subsequent management is needed to be. From this perspective **MSY** and **OY Alternative 1** would allow the largest harvest, and therefore less restriction. However, the more conservative the estimate of OY, the larger the sustainable biomass, which translates into a lower administrative burden. **Preferred OY Alternative 2b** represents an intermediate level of restriction compared to that of **Alternatives 2a** and **2c**. **Alternative 2a** reflects the highest level of restriction, based on 65 percent of F_{msy}, and **Alternative 2c** reflects the lowest level of restriction, based on 85 percent of F_{msy}. The **Preferred OY Alternative 2b** would establish an intermediate safety margin relative to **Alternatives 2a** and **2c**. However, it would reduce the possible administrative burden of justifying the potentially excessively conservative management position embodied by **Alternative 2a**, and correcting the problems induced by the potential management programs that could lead to overfishing under **OY Alternative 2c**.

For gag, the council has specified MSST as 6,816,000 (lbs gutted weight). The catch level to end overfishing has also been established for gag based on yield at F_{oy} and would be 694,000 (lbs gutted weight) for 2009 onwards. This would represent a large reduction in harvest. The establishment of a gag TAC is not expected to result in a substantially increased administrative burden.

4.1.2.5 Council Conclusions

This will be added after the March 2008 meeting.

4.1.3 Interim Gag Allocation Alternatives and Resulting Commercial Quota & Recreational Allocation

Alternative 1 (no action). Do not define interim allocations for gag. Status quo based on landings from 2004-2005.

Alternative 2 (preferred). Define interim allocations for gag based upon landings from the ALS, MRFSS, and headboat databases. The allocation would be based on landings from the years 1999-2003. The allocation would be 51% commercial and 49% recreational (Table 4-10). This alternative would establish a commercial quota of 353,940 pounds gutted weight and a recreational allocation of 340,060 pounds gutted weight.

Alternative 3. Define interim allocations for gag based upon landings from the ALS, MRFSS, and headboat databases. The allocation would be based on landings from the years 1986-1998. The allocation would be 66% commercial and 34% recreational (Table 4-10). This alternative would establish a commercial quota of 458,040 pounds gutted weight and a recreational allocation of 235,960 pounds gutted weight.

Alternative 4. Define allocations for gag based upon landings from the ALS, MRFSS, and headboat databases. The allocation would be based on landings from the years 1986-2005. The allocation would be 61% commercial and 39% recreational (Table 4-10). This alternative would establish a commercial quota of 423,340 pounds gutted weight and a recreational allocation of 270,660 pounds gutted weight.

Table 4-10. Commercial quotas and recreational allocations* for gag (pounds gutted weight) based on the catch level required to end overfishing.

		Alternative 2 (preferred)		**Alternative 3**		**Alternative 4**	
Year	**Catch Level**	**Comm**	**Rec**	**Comm**	**Rec**	**Comm**	**Rec**
2009 Onwards	694,000	353,940	340,060	458,040	235,960	423,340	270,660

Allocation Alternatives 2-4 are compared to the average 2004-2006 landings in Table 4-11 to determine the percentage reduction to each sector (Table 12).

Table 4-11. Historical gag landings.

Gag Landings (gutted weight)				Total	Total
Year	Commercial	Headboat	MRFSS	Recreational	Landings
2001	532,000	53,000	455,000	508,000	1,040,000
2002	534,000	51,000	266,000	317,000	851,000
2003	560,000	32,000	519,000	551,000	1,111,000
2004	551,000	82,000	517,000	599,000	1,150,000
2005	568,681	71,736	468,814	540,550	1,109,231
2006	520,824	46,537	437,493	484,031	1,004,854
Avg 04-06	546,835	66,758	474,436	541,194	1,008,028

Note: 2001-2004 data are from the SSC based on gutted weight in the SEDAR 10 (2007) assessment; 2005 and 2006 data are from ALS and converted to gutted weight.

Table 4-12. Percentage reductions by sector across the alternative gag allocations.

Alternative	Commercial Reduction	Recreational Reduction
2 (Preferred)	35%	37%
3	16%	56%
4	23%	50%

4.1.3.1 Biological Effects of Allocation Alternatives

Alternative 1 would not specify a commercial or recreational allocation for gag. If an allocation was not specified then it would not be possible to identify the allowable catch in the recreational sector; however, the commercial quota could be specified as the status quo assumes 51% of the landings are from the commercial sector. This alternative would also perpetuate the existing levels of risk to ESA-listed species.

Alternatives 2-4 would range from 51% commercial/49% recreational (**Alternative 2**) to 66% commercial/34% recreational (**Alternative 3**). **Preferred Alternative 2** which includes data from 1999-2003 results in the same allocation as was observed using data from 2004-2005 (**Alternative 1**) and therefore reflects proportions taken most recently by the commercial and recreational sectors. **Preferred Alternative 2** (51% commercial/49% recreational is the closest to the Snapper Grouper Advisory Panel's (AP) recommendation for a 50/50 allocation. The AP examined the allocation tables and noted the distribution of catch was about 50/50 in recent years and they felt this was fair among the two sectors. **Alternative 3** uses data from 1986-1998 that results in a 66% commercial and 34% recreational allocation and includes landings data before the regulations from Amendment 9 were implemented. **Alternative 4** represents the longest time series of data including the time period prior to Amendment 9 when commercial landings were dominant to more recent years when landings have been fairly evenly split between sectors.

Preferred Alternative 2 would specify commercial and recreational allocation at percentages that have occurred in recent years. As a result there would be no increase in gag bycatch. Further, as a reduction in fishing mortality is needed to end overfishing of

gag and vermilion snapper, a reduction in the number of dead discards would be expected if there was a reduction in fishing effort. The magnitude of reduction in dead discards would depend on the management measures selected.

SEDAR 10 (2007) indicated release mortality was higher for the commercial sector (40%) than the recreational sector (25%). Therefore, one might expect alternatives that allocate a greater percentage of harvest to the commercial sector could result in a greater number of dead discards. However, the SEDAR 10 (2007) assessment indicated the number of gag discarded was much lower for the commercial sector (average 3,655 individuals 2000-2004) compared to the recreational sector (average 24,378 individuals 2000-2004). Therefore, **Alternative 3 and 4**, which would allocate a greater percentage of the catch to the commercial sector would probably not increase the magnitude of dead discards unless fishermen incidentally caught gag when harvesting co-occurring species. Commercial fishermen may be able to avoid gag by their method of fishing and where they deploy gear.

The overall impacts of **Alternatives 2-4** on ESA-listed species are uncertain. Sea turtle abundance in the South Atlantic changes seasonally and the impact of fishing effort shifts, if any, resulting from these alternatives is difficult to predict. Current monitoring programs will allow NMFS to track and evaluate any increased risk to ESA-listed species. If necessary, an ESA consultation can be re-initiated to address any increased levels of risk.

4.1.3.2 Economic Effects of Allocation Alternatives

4.1.3.2.1 *General Discussion*

The various allocation alternatives for gag would determine the distribution of harvest reductions to the commercial and recreational sector due to the proposed catch level to address overfishing of gag. These alternatives were generated through an examination of sector harvests for different harvest years rather than an attempt to identify the allocation that maximized net benefits, or in the present case minimized net losses, because application of the maximum benefit analysis is not possible at this time with available data. Because the alternatives are not the result of loss minimization analysis, comparison of the alternatives is reduced to a simple case of determining the magnitude of losses to a sector from a given allocation alternative.

Under **Alternative 1** (no action), each sector would be expected to experience equal percent reduction in harvests regardless of the base period chosen although the absolute amount of harvests would depend on the sector's harvest during the base period. The percent reductions to each sector under **Alternatives 2 to 4** as presented in Table 4-12 above are: 37 percent commercial, 40 percent recreational for **Alternative 2**; 18 percent commercial, 59 percent recreational for **Alternative 3**; and, 24 percent commercial, 52 percent recreational for **Alternative 4**. These reductions were computed relative to the average 2004-2005 harvests of the commercial and recreational sectors. Since under **Alternative 1** the harvest reduction for each sector would be about 40 percent each, **Alternatives 2 to 4** would favor the commercial sector since all percent reductions would be below the 40 percent mark. The farther away the commercial percent reduction is from 40 percent, the greater the harvest reduction would be for the recreational sector. Thus **Alternative 3**, which would reduce commercial harvest the least, would result in the greatest reduction for the recreational sector. **Alternatives 2 to 4** would also imply that an increasing allowable catch level over time would result in more allowable harvests to the commercial sector than to the recreational sector.

To the extent that **Alternatives 2 to 4** would favor the commercial sector, each alternative may be expected to increase the "benefits" to this sector but only at the expense of the recreational sector. Whether the trade-offs in benefits/losses would result in net gain to society cannot be determined in the absence of a quantitative model that shows the respective sector's marginal benefit curves. Also in the absence of such a model, it would not be possible to rank the various alternatives based on net economic benefits to society. At any rate, some quantitative implications of the various alternatives are presented below to provide some insights into the magnitude of effects.

4.1.3.2.2 *Commercial Sector*

Estimates of economic effects on the commercial sector were derived using a simulation model developed by Waters (2008 pers. comm.). More detailed description of the model can be found in Appendix F to Amendment 15A. Estimates of net operating revenues were generated by subtracting trip costs from total revenues. Trip costs were predicted based on gear specific cost functions. If trip revenues exceeded trip costs after accounting for the expected effects of proposed regulations on trip-level harvests, then short-term economic losses were measured as the resulting reduction in trip revenues. Conversely, if the combination of proposed alternatives would cause trip revenues to fall below trip costs, then the trip was recorded as not taken, and losses were measured as a reduction in net operating revenues, which included the loss in revenues from all species minus the savings of trip costs not incurred.

It should be noted that this analytical approach might overestimate actual impacts. The analysis relies on actual historic trip records from 2001 to 2006. Models of how fishing behavior might change in response to increased restrictions for individual species are not available for South Atlantic snapper-grouper fishery. As a result, while changes in harvests and revenues on historic trips can be examined to identify which trips would remain profitable, it is not currently possible to identify how fishing behavior might change, targeting substitute species in order to maintain revenues. In essence, the current model can only eliminate trips, or allow them to occur with decreased revenues, but neither more trips nor trips with substituted revenues can be modeled at this time. Since this limitation applies to all of the management measures on the commercial sector, it is not expected to affect ranking of the alternatives. Caution is necessary, however, if an attempt is made to compare these values with those generated for the recreational sector.

The model used logbook records, including the economic add-on survey, supplemented by ALS ex-vessel price information and Bureau of Labor Statistics data on price indices. Since the model is fishery-wide, the effects of each alternative were estimated in conjunction with alternatives from other actions in this amendment. The baseline scenario refers to the model run using all the no action alternatives and assuming all preferred alternatives of previous amendments whether or not they have been implemented. In analyzing each alternative, the choice of other alternatives was based on their being consistent with the subject alternative. For example, a quota of 458,040 pounds could not be combined with an allocation that would result in a lower harvest level of, say, 353,940 pounds. As much as possible, however, the no action alternatives were chosen to comprise the "other alternatives."

Simulation results of the various allocation alternatives are presented in the next two tables, one by gear type and the other by area. Only the baseline scenario is presented in terms of absolute numbers (in 2005 dollars) while the alternatives are shown as percent changes from the baseline. The two baseline numbers differ only in the discount factor used, i.e., 3% vs. 7%. In addition, two types of vessel trips are presented, one pertains to vessel trips landing at least one pound of gag and the other to vessel trips landing at least

one pound of any snapper-grouper species. The ranking of alternatives is unaffected by the use of two different discount factors or the consideration of two types of vessel trips.

The effects of the various allocation alternatives are generally higher for vessel trips landing at least one pound of gag than for those landing at least one pound of any snapper-grouper species (Table 4-13 and Table 4-14). This indicates that many vessel trips would likely be unaffected by a change in commercial gag allocations considered in this amendment. Reductions in net operating revenues for vessel trips landing at least one pound of gag would range from 1.2 percent (**Alternative 3**) to 21 percent (**Alternative 2**), or using a 3 percent discount rate, from $48 thousand to $845 thousand. The range of effects would be substantially lower for vessel trips landing at least one pound of any snapper-grouper species, i.e., from 0.2 percent to 3.3 percent, or from $20 thousand to $319 thousand. The ranking of alternatives in terms of economic effects exactly matches with the relative percent landings reduction expected from the various alternatives, but the differences in magnitude of economic impacts are substantially different. For example, the expected percent reduction harvest is 18 percent for **Alternative 3** and 37 percent for **Alternative 2**, but the corresponding reductions in net operating revenues would be 1.2 percent ($48 thousand) for Alternative 3 and 21 percent ($845 thousand) for Alternative 2.

As can perhaps be expected, vessels generating larger net operating revenues using a certain gear type would bear larger losses, in absolute magnitude but not necessarily in percentage terms, than other vessels using different gear types. Among vessels landing at least one pound of gag, vertical line vessels generated the largest net operating revenues and so would also bear the largest share of losses, and this is true regardless of the alternative considered (Table 4-13). In percentage terms, vessels using traps/pots and trolling lines would experience larger reductions than vertical line vessels. This large percentage reduction is more a function of the small net operating revenues these vessels generated before any possible allocation changes. Percentage revenue reductions by vertical line vessels would essentially determine the overall percentage reduction from each allocation alternative. It needs noting, however, that although trap/pot and trolling vessels generated small revenues, the relatively large percentage reductions in their net operating revenues could have significant effects on their net profitability. In terms of percentage reductions, trap/pot and trolling vessels would experience substantial reductions in their net operating income, followed by the larger net revenue generators, vertical line and diving vessels. Vessels using longlines and other gear would appear to be marginally affected by gag allocation changes.

Although the overall ranking of alternatives mentioned earlier would also apply to each vessel categorized according to gear usage, there are expected variations in each alternative's effects on vessels with different gear. **Alternative 2** would exact the largest percentage reductions on trolling vessels, then on trap/pot vessels, vertical line vessels, diving vessels and vessels using other gear. **Alternative 3** would hit hardest diving vessels, then trolling and trap/pot vessels, and then vertical line vessels. Alternative 4 would hit hardest trap/pot vessels, then trolling vessels, followed by diving vessels and

vertical line vessels. All alternatives would practically not affect longline vessels, and only **Alternative 2** would affect vessels using other gear types.

Table 4-13. Reductions in commercial vessels' net operating revenues from the various gag allocation alternatives, in thousand 2005 dollars, by gear type.

Model	Diving	Vertical Lines	Longlines	Other Gears	Traps / Pots	Trolling	not recorded	Total
	Vessel trips landing at least one pound of gag							
Baseline (3%)	472	3,449	34	12	13	42	0	4,023
Baseline (7%)	455	3,321	33	11	13	40	0	3,872
Alt. 2	-17.4%	-21.5%	0.0%	-5.3%	-28.7%	-38.8%	0.0%	-21.0%
Alt. 3	-1.8%	-1.2%	0.0%	0.0%	-1.5%	-1.7%	0.0%	-1.2%
Alt. 4	-5.6%	-4.9%	0.0%	0.0%	-11.1%	-9.0%	0.0%	-5.0%
	Vessel trips landing at least one pound of any snapper-grouper species							
Baseline (3%)	615	7,894	528	377	296	337	3	10,050
Baseline (7%)	592	7,599	509	362	285	324	3	9,674
Alt. 2	-5.7%	-3.8%	0.0%	-0.1%	0.9%	-0.8%	0.0%	-3.3%
Alt. 3	-0.4%	-0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%
Alt. 4	-1.8%	-0.8%	0.0%	0.0%	0.2%	-0.3%	0.0%	-0.8%

As may be expected, the economic effects of various allocation alternatives would vary by area and would partly be determined by the importance of gag in those areas. Under **Alternatives 2 and 4**, North Carolina vessels would experience the largest percentage reductions in net operating revenues (23.3%) for trips landing at least one pound of gag. Percentage reductions would fall off going southward to the Florida Keys. For **Alternative 3,** the largest reduction would fall on Georgia/Northeast Florida, followed by South Carolina, North Carolina, and the rest of Florida. A slightly different situation would occur when considering trips landing at least one pound of any snapper-grouper species. For this case, all alternatives would result in the largest percentage reduction on South Carolina vessels, with North Carolina vessels following closely except for Alternative 3 where Georgia/Northeast Florida vessels would experience the second largest reduction in net operating revenues.

Table 4-14. Reductions in commercial vessels' net operating revenues from the various gag allocation alternatives, in thousand 2005 dollars, by area.

	North Carolina	South Carolina	Georgia and northeast FL	Central and south FL	Florida Keys	Other	Total
	Vessel trips landing at least one pound of gag						
Baseline (3%)	1,135	1,508	919	442	18	0	4,023
Baseline (7%)	1,093	1,452	884	426	17	0	3,872
Alt. 2	-23.3%	-22.0%	-19.5%	-15.4%	-8.0%	0.0%	-21.0%
Alt. 3	-1.0%	-1.2%	-1.6%	-0.9%	-0.5%	0.0%	-1.2%
Alt. 4	-5.3%	-5.2%	-4.5%	-4.4%	-2.3%	0.0%	-5.0%
	Vessel trips landing at least one pound of any snapper-grouper						
Baseline (3%)	2,480	2,149	1,313	1,931	2,174	3	10,050
Baseline (7%)	2,388	2,068	1,264	1,859	2,093	3	9,674
Alt. 2	-8.0%	-11.9%	-6.6%	-2.0%	-1.7%	-6.2%	-6.1%
Alt. 3	-0.4%	-0.7%	-0.6%	-0.2%	-0.2%	0.0%	-0.4%
Alt. 4	-1.7%	-2.8%	-1.6%	-0.6%	-0.5%	0.0%	-1.5%

4.1.3.2.3 *Recreational Sector*

In the absence of recreational fishery model comparable to that for the commercial sector, estimates of economic impacts on the recreational sector were generated by simply measuring potential changes in producer and consumer surplus using available information. Some of these information were taken from other fisheries outside of the South Atlantic Council's area of jurisdiction. The focal point of estimating these surpluses is the 2001-2006 average target trips for gag and other species. It should be pointed out at this stage that for the 2001-2006 period, target effort differed substantially from catch effort, as noted in the discussion of the affected environment. In fact, target effort for gag and other species registered at very low levels especially when taking into account area distribution. At any rate, target effort is used since it presents a more reasonable proxy for demand for gag trips than catch effort. Target effort was represented by target trips for gag and other species.

Producer surplus was proxied by the net operating revenue of for-hire vessels, or more specifically by the net revenue to captain and crew per individual passenger trip. Values of value of $150 for charterboats and $67 for headboat per angler per trip were used. These are the same values used in Amendment 15A and described in Appendix G of that amendment. These values were originally collected from a survey of for-hire vessels in the Gulf of Mexico. The value for consumer surplus was set at $3.03 per fish, and again this was the same value used in Amendment 15A. Another value lifted from Amendment

15A was the keep rate elasticity of 1.46, which specifies the percent change in target trip demand relative to the percent change in keep rate.

To estimate a change in producer surplus, the projected percent change in catch rate was first translated into a percent change for target trip demand via the keep rate elasticity. The percent change in target trip demand was then applied to target trips to arrive at the change in target trips. This latter value was subsequently multiplied by the corresponding producer surplus for charterboat and headboat to arrive at the change in charterboat and headboat producer surplus. Estimating the change in consumer surplus followed a similar procedure except that estimation proceeded in determining the change if demand for fish with the latter multiplied by consumer surplus per fish. To do this, catches in pounds were converted to catches in number of fish using the 2001-2006 gag average weight of 12.42 pounds for charterboats, 9.41 pounds for headboat, and 12.42 pounds for private boats (McGovern pers. comm. 2008).

Estimates of changes (reductions in the present case) in producer and consumer surplus are presented in the next two tables, one by fishing mode Table 4-15) and the other by area (Table 4-16). In terms of relative magnitudes, the economic effects of various allocation alternatives on the recreational sector may be considered mirror images of those on the commercial sector. That is, **Alternative 3** would result in the largest reduction for the recreational sector and least for the commercial sector; **Alternative 2** would result in the least reduction for the recreational sector and largest for the commercial sector. Naturally, **Alternative 4** would fall in between the two other alternatives. If only the commercial and recreational values were strictly comparable, it would have been straightforward to calculate the net effects and thus determine the economically best allocation ratio. At any rate, the values presented in Tables 4-15 and 4-16 are deemed to provide some possible levels of the economic effects of the various allocation alternatives.

Using a 3% discount factor, the total reductions in recreational economic values would range from $420,926 for **Alternative 3** to $620,866 for **Alternative 2** (Table 4-15). This range is not as wide as the one found for the commercial sector where the losses ranged from $48,000 to $848,000 with a 3 percent discount rate. The comparative range of effects between the commercial and recreational sectors appears to indicate that the commercial sector may be more sensitive to changes in allocation than the recreational sector. One should not construe this to imply that for gag allocation, decisions should be mainly based on the magnitude of economic effects on the commercial sector. Economic consequences on the recreational sector could also be large, as the tabulated results would indicate.

On balance, a greater portion of the economic value reductions would fall on the for-hire segment of the recreational sector. With a 3 percent discount factor, the producer surplus reductions would range from $331,378 for **Alternative 2** to $488,783 for **Alternative 3**. Reductions in consumer surplus would be less than a third of those in producer surplus. The charterboat segment would bear most of the reductions in producer surplus, ranging from $395,784 for **Alternative 2** to $395,784 for **Alternative 3** under a 3 percent

discount factor. Reductions in consumer surplus would be mostly borne by the private mode, ranging from $61,864 for **Alternative 2** to $91,249 for **Alternative 3** under a 3 percent discount factor.

Table 4-15. Reductions in producer and consumer surplus from the various gag allocation alternatives, in 2005 dollars, by fishing mode.

		Producer Surplus	**Consumer Surplus**	**Total Effects**	**Producer Surplus**	**Consumer Surplus**	**Total Effects**
		3% Discount Rates			**7% Discount Rate**		
Alt. 2	Charter	$268,328	$16,340	$284,668	$258,297	$15,729	$274,026
	Headboat	$63,050	$11,345	$74,394	$60,693	$10,920	$71,613
	Private/Shore		$61,864	$61,864		$59,551	$59,551
	TOTAL	$331,378	$89,548	$420,926	$318,990	$86,200	$405,190
Alt. 3	Charter	$395,784	$24,101	$419,885	$380,988	$23,200	$404,188
	Headboat	$92,998	$16,733	$109,732	$89,522	$16,108	$105,630
	Private/Shore		$91,249	$91,249		$87,838	$87,838
	TOTAL	$488,783	$132,083	$620,866	$470,510	$127,146	$597,656
Alt. 4	Charter	$348,827	$21,241	$370,068	$335,786	$20,447	$356,234
	Headboat	$81,965	$14,748	$96,713	$78,901	$14,197	$93,097
	Private/Shore		$80,423	$80,423		$77,417	$77,417
	TOTAL	$430,791	$116,412	$547,204	$414,687	$112,060	$526,748

Florida would bear more than 90 percent of the reductions in recreational economic values, ranging from $392,913 for **Alternative 2** to $579,546 for **Alternative 3** using a 3 percent discount factor (Table 4-16). Considering that Florida registered most of recreational gag harvests, this result is rather expected. What is not expected are the results for the other states. North Carolina, which registered the second highest recreational gag harvests, would experience economic value reductions less than South Carolina in all alternatives. It may be noted, though, that the difference in value reductions between the two states is very narrow.

Table 4-16. Reductions in producer and consumer surplus from the various gag allocation alternatives, in 2005 dollars, by area.

		Producer Surplus	Consumer Surplus	Total Effects	Producer Surplus	Consumer Surplus	Total Effects
		3% Discount Rate			7% Discount Rate		
Alt. 2	Florida	$308,011	$84,902	$392,913	$296,497	$81,728	$378,224
	Georgia	$1,437	$419	$1,856	$1,383	$403	$1,786
	South Carolina	$12,051	$2,177	$14,228	$11,600	$2,096	$13,696
	North Carolina	$9,879	$2,050	$11,930	$9,510	$1,974	$11,484
	TOTAL	$331,378	$89,548	$420,926	$318,990	$86,200	$405,190
Alt. 3	Florida	$454,316	$125,230	$579,546	$437,332	$120,548	$557,881
	Georgia	$2,119	$618	$2,737	$2,040	$595	$2,635
	South Carolina	$17,775	$3,211	$20,986	$17,110	$3,091	$20,202
	North Carolina	$14,572	$3,024	$17,596	$14,027	$2,911	$16,938
	TOTAL	$488,783	$132,083	$620,866	$470,510	$127,146	$597,656
	Florida	$400,414	$110,372	$510,786	$385,446	$106,246	$491,692
	Georgia	$1,868	$544	$2,412	$1,798	$524	$2,322
	South Carolina	$15,666	$2,830	$18,496	$15,080	$2,725	$17,805
	North Carolina	$12,843	$2,665	$15,509	$12,363	$2,566	$14,929
Alt. 4	TOTAL	$430,791	$116,412	$547,204	$414,687	$112,060	$526,748

4.1.3.3 Social Effects of Allocation Alternatives

As discussed in Section 4.1.3.2, each gag allocation alternative to the status quo would result in economic losses to both the commercial and recreational sectors. Appropriate changes in social benefits would be expected to similarly result. No alternative allocation has been identified that would benefit one sector while not harming the other sector.

In addition to the expected adverse economic effects on the commercial sector, any allocation would be accompanied with effects that cannot be quantified. If these unquantifiable effects are compounded as the magnitude of the allocation increases, substantially increased adverse social impacts could accrue to the commercial sector as a result of **Preferred Alternative 2** relative to the other alternatives. Allocation away from historical distributions is a particularly divisive issue in fisheries, regardless of the amount of quantitative justification the allocation may appear to have. This is particularly true when incomes and livelihoods become affected. While appropriate data on business failure/exit does not exist, anecdotal information point to the increasing difficulty commercial fishermen have remaining in fisheries in general due to increased fuel costs, stagnant or declining ex-vessel prices, decreasing dock space and numbers of fish houses, fewer or more restrictive species options, and generally more restrictive management measures. Similar pressures exist for for-hire business operators. However, all of the

allocation alternatives, while mitigating the effects of some of these pressures on the recreational sector, would exacerbate these pressures on the commercial sector. While none of the allocation alternatives to the status quo would be neutral to the commercial sector, lower adverse social impacts to the commercial sector and associated industries and communities would be expected to accrue to those alternatives that result in the lowest allocation away from the commercial sector.

4.1.3.4 Administrative Effects of Allocation Alternatives

Alternatives 2, 3, and **4** would increase the administrative burden on NOAA Fisheries Service, as landings would need to be monitored in relation to the commercial and recreational portion of the allocation for overages and commercial quota purposes. However, there would be no measurable difference amongst **Alternatives 2, 3** and **4** in the degree to which the administrative burden would increase. Each allocation alternative, with the exception of the status-quo alternative, would require the establishment of a more sophisticated quota/allocation monitoring mechanism.

4.1.3.5 Council Conclusions

This will be added after the March 2008 meeting.

4.1.4 Management Alternatives

[Note: More than one alternative can be chosen from the list below. The Council has no preferred alternatives at this time.]

Alternative 1. No action. **Current Regulations:**

(i) Current gag commercial regulations = 24 inch total length size limit; March & April - no harvest above bag limit & no sale; vessels with longlines may only possess deepwater species; limited entry program with 2 for 1provision.

(ii) Current gag recreational regulations = 24 inch total length size limit; within 5 grouper bag limit only 2 may be gag or black grouper; March & April – no sale.

Alternative 2. Establish a gag spawning season closure January through April that applies to both the commercial (20% reduction) and recreational (31% reduction) sectors; no fishing for and/or possession of gag would be allowed. In addition, no fishing for and/or possession of the following species would be allowed: black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney.

Alternative 3. Directed Commercial Quota. Establish the following directed quota (quota after PQBM has been subtracted) for 2009 onwards until modified. *Different PQBM scenarios were presented to the Council and SSC at the 2007 Council meeting; Jack McGovern will contact Snapper Grouper AP members and others to verify the most likely level of PQBM. PQBM is a function of many different factors including magnitude of harvest reduction and management measures needed to end overfishing.* After the commercial quota is met, all purchase and sale of the following species is prohibited and harvest and/or possession is limited to the bag limit: gag, black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney.

Table 4-17. Commercial quotas associated with allocation alternatives for gag taking into consideration estimate of PQBM. Allocation alternative 2 is preferred.

With Jan-April Gag Seasonal Closure			
	Preferred Allocation Alt 2	Allocation Alt 3	Allocation Alt 4
Commercial quota	353,940	458,040	423,340
PQBM	1,000	0	0
Directed quota	**352,940**	**458,040**	**423,340**
With no Jan-April Gag Seasonal Closure			
	Preferred Allocation Alt 2	Allocation Alt 3	Allocation Alt 4
Commercial quota	353,940	458,040	423,340
PQBM	7,000	1,000	1,000
Directed quota	**346,940**	**457,040**	**422,340**

Notes: Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in lbs gutted weight.

Alternative 4. Divide the directed commercial quota into two regions: Allocate 63.3% to North and South Carolina (224,044 pounds gutted weight) and 36.7% to Georgia and Florida (129,896 pounds gutted weight). Each region's directed quota (after adjustment for PQBM) would be monitored from state trip ticket and logbook data based on state of landing. After the commercial quota is met in either region, all purchase and sale is prohibited in that region and harvest and/or possession is limited to the bag limit in that region.

Alternative 5. Recreational measures:

Alternative 5a. Reduce the 5-grouper aggregate bag limit to a 3-grouper aggregate bag limit, reduce the existing bag limit from 2 gag or black grouper to 1 gag or black grouper within the grouper aggregate bag limit, and exclude the captain and crew on for-hire vessels from possessing a bag limit for **groupers**. This plus the January through April spawning closure would be sufficiently close to the required 37% recreational reduction.

Alternative 5b. Close the month of December to recreational harvest and/or possession of gag, black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney. This alternative would retain the existing 5-grouper aggregate bag limit and 2 gag or black grouper bag limit. The December through April closure plus the reduction in bag limits would result in a 42% reduction.

4.1.4.1 Biological Effects of Management Alternatives

Alternative 1 would retain the current regulations used to manage catches of gag. In general, regulations include a commercial size limit, recreational size limit, recreational bag limit, and commercial seasonal closure. In addition, the *Oculina* Bank HAPC is closed to bottom fishing off of the coast of Florida (an area where the species is known to occur). Furthermore, a limited access system is in place.

Quotas, seasonal closures, and bag limits are designed to reduce the number of targeted fishing trips or time spent pursuing a species. When properly designed, these types of measures are generally expected to benefit the environment in the short-term and long-term by limiting the extent to which a stock is targeted. However, the extent to which such benefits are realized depends on what extent fishing effort changes or shifts in response to the select management measure. For example, discard mortality can limit the amount by which fishing mortality is reduced if fishermen continue to target co-occurring species after the catch quota or limit has been achieved, or within the closed area. As a result, proposed management measures for gag in Amendment 16 take into consideration dead discards that would be estimated to occur during a seasonal closure or after a quota is met. In addition, bag limit analyses takes into consideration the expected increase in dead discards as part of the harvest estimation.

To determine the actual environmental effects of the no action management alternative on gag, one must examine current trends in harvest levels, stock biomass levels, and life history characteristics, then predict the direction of future trends under status quo management. The recent SEDAR assessment determined the gag stock in the South Atlantic is not overfished and is currently undergoing overfishing (SEDAR 10 2007). However, biomass if the stock is less than biomass associated with MSY and the stock is approaching an overfished condition.

Gag are vulnerable to overfishing because they live for at least 26 years, change sex from female to male later in life, and form spawning aggregations at locations known to fishermen. During the 1990s, gag off the Southeastern U.S. was exhibiting many of the symptoms of an exploited population. Harris and Collins (2000) reported a lower age at first maturity and a significant increase in the observed mean length at age in the South Atlantic gag population in 1994-95 in comparison with data from 1976-82. Increased fishing pressure was suggested as a contributing factor in the described life history changes (Harris and Collins 2000). During the same period McGovern *et al.* (1998) found the sex ratio decreased from 19.6% males in 1976-82, to 5.5% males in 1994-95. The size at 50% maturity also declined in the later period.

There is some indication from a more recent life history study the status of the population has improved since the 1990s. Reichert and Wyanski (2005) found size at maturity during 2004-05 occurred at significantly larger sizes than during 1994-95. Age at maturity also increased since 1994-95, albeit less dramatically than for size at maturity. The percentage of males and individuals undergoing transition in the population increased from 5.5% in 1994-95 to 8.2%; however, the current percentage is still much

lower than the revised estimate of 19.4% for samples collected during 1976-82. Sex transition has occurred at progressively larger sizes and younger ages since 1977-82, a trend that is also probably related to the increasing growth rates over time.

The SEDAR 10 (2007) stock assessment also suggested despite continued overfishing, the condition of the gag stock has improved since the middle 1990s, perhaps in response to management measures. Figure 51 from the SEDAR 10 (2007) assessment showed a substantial decline in fishing mortality since 1990 with a second decline occurring after 1998 when the minimum size limit was increased to 24 inches TL and a two-month commercial spawning season closure was put into place (Figure 4-3). Fishing mortality was only slightly greater than F_{MSY} in 2004.

Figure 51. Gag- Base run with constant catchability: Estimated fishing mortality and exploitation rates. A) Fully selected fishing mortality rate and B) Exploitation rate of fish age 2^+. Solid horizontal line represents the level corresponding to MSY *and the horizontal dashed lines represent the 10th and 90th percentiles of the* MSY *level. The 90th percentile line is hidden by the solid* MSY *line.*

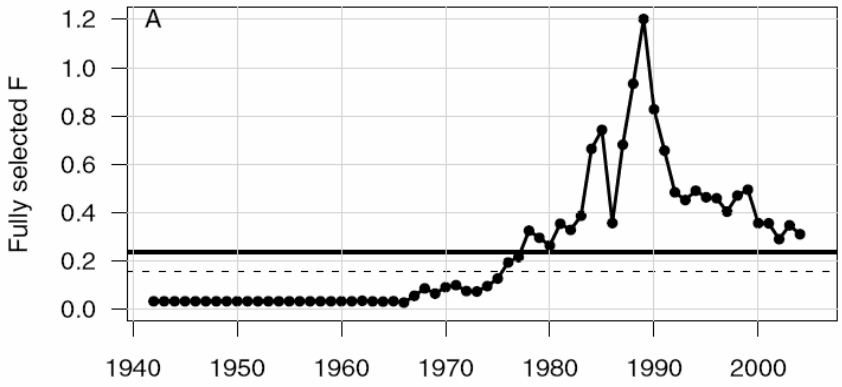


Figure 4-3. Figure 51 from the SEDAR 10 (2007) stock assessment showing trends in gag fishing mortality.

Figure 55. Gag- Base run with constant catchability: Estimated biomass time series. A) Total biomass and B) Spawning stock biomass (male mature biomass + female mature biomass). The solid horizontal line represents the level corresponding to MSY and the horizontal dashed lines represent the 10th and 90th percentiles of the MSY level.

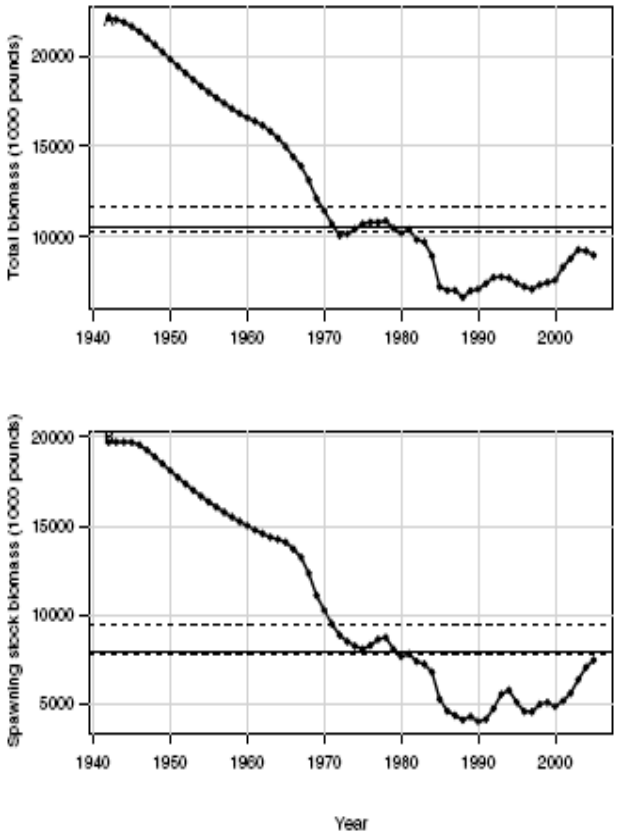


Figure 4-4. Figure 55 from SEDAR 10 (2007) stock assessment showing trends in gag biomass.

Figure 55 from the SEDAR 10 (2007) stock assessment showed an increasing trend in biomass since the mid-1990s, also suggesting an improved condition of the stock (Figure 4-4). Despite the apparent improved condition of the stock, gag is experiencing overfishing and the stock assessment indicates gag is approaching an overfished condition. Adverse trends in the size at age, size/age at maturity, size/age at transition, and percentage of males would be expected for gag if status quo regulations are maintained.

Gag are protogynous, functioning first as females and then transforming to males at older ages and larger sizes (McGovern *et al*. 2000). If protogynous fish are removed from the population at small sizes and young ages, the sex ratio can become abnormally skewed because fish are unable to transform into males. Shapiro (1987) suggested sex change is socially mediated in many protogynous species where the cues for sexual transition may be provided by the loss of larger males in a group of fish.

Some species, including gag, aggregate annually in the same locations to spawn, making them available for fishermen to target and to remove them in large numbers (Coleman *et al*. 2000). Furthermore, gag are often associated with structure such as live bottom and rocky outcrops, easily recognized with a fathometer and can be repeatedly located with the use of GPS. The largest members of an aggregation are often the most aggressive and may be the first to be removed by fishing gear (Thompson and Monroe 1974; Gilmore and Jones 1992). Because many grouper species (e.g. gag, snowy grouper, scamp) are aggregated for only a portion of the year, the sociodemographic factors responsible for sex change are only in place for a short period. Therefore, in the presence of heavy fishing pressure, it may not be possible for protogynous species, which form temporary spawning aggregations, to maintain a natural sex ratio since larger males are removed from the population when aggregations are not intact.

A decline in the number of males in a population may affect the reproductive fitness of grouper species. For example, large, aggressive males tend to have the favorable genetic characteristics which allow them to live for long periods of time, achieve large sizes, successfully reproduce, etc. Removal of specimens with the best genetic makeup may result in males having less desirable genetic characteristics to engage in successful mating encounters. In an unfished population where large, dominant males are not removed, sex reversal of large females may be naturally inhibited by the presence of these large males. This may allow the population to maintain greater numbers of older females, which have the highest fecundity (Gilmore and Jones 1992). Fishing such a population may indirectly result in more females transforming into males to take advantage of the absence of the dominant males and in an overall reduction in the period of successful mating for any particular fish, therefore reducing fecundity of the population (Gilmore and Jones 1992).

It is possible that the egg production potential of a protogynous stock subjected to selective removal of only males might not be affected as severely as a gonochoristic species where males and females are removed at the same rate. In protogynous species where the sex ratio is skewed toward females, egg production is very high. Therefore, fishing would not necessarily reduce fecundity if it removed only males. This assumes there would be enough males present in aggregations to fertilize eggs of all the females. However, most groupers are subject to fisheries targeting large fish. Therefore, not only are males being selected but also large females with the greatest reproductive potential are removed.

Fishing can indirectly affect fish reproduction by disrupting courtship and mating behaviors in spawning aggregations. These courtship displays can involve elaborate swimming behavior, color changes, and territorial behavior. Disruption of these displays and behaviors could negatively affect reproductive success (Shapiro 1987). Spawning aggregations are made up of fish, which normally reside elsewhere but travel to the spawning location each year. If the location of these sites is learned from previous generations, then depletion of larger individuals could result in decreased site fidelity from later generations because the younger fish cannot find the spawning site (Coleman *et al*. 2000).

Many species of snappers and groupers are extremely vulnerable to overexploitation. Species such as gag, snowy grouper, and speckled hind are slow growing, long lived, and mature at large sizes, which can result in the capture of large numbers of immature fishes. For example, the minimum size for gag (24" TL) is also the size at which 50% of the fish are mature. Although the average size of gag landed by fishermen is greater than 24 inches TL, some immature fish are being taken, particularly in the recreational sector.

Overfishing gag also can indirectly affect populations of co-occurring species who share the same habitat. For example, the average size at age, size/age at maturity, size/age at transition, and sex ratio of co-occurring species can change as a result of a reduced need to compete for resources, and selective removal of individuals by the fishing gear. Gag are taken with vermilion snapper, scamp, red grouper, red porgy, speckled hind, warsaw grouper, and others. When fishing reduces the abundance of conspecifics or other species that share available resources, the remaining fishes have access to more food and habitat, resulting in higher growth rates and larger size at age (Pitcher and Hart 1982, Rothschild 1986).

However, there is variability in size and growth within fish populations. As fishing pressure intensifies, individuals with a genetic makeup for achieving large sizes may be selectively removed from the population because of gear selectivity or economic value, leaving behind fishes with a genetic disposition for smaller size and slower growth. The overall effect of this heavy, sustained fishing pressure on a fish population can be a reduction in the growth rate, a change in size at age, a decrease in the size and age at transition from female to male (for protogynous species), a decrease in the percentage of males, a decline in the size and age at maturity and first reproduction, a decrease in the size and age structure of the population, a decrease in fecundity, and a decline in the number of spawning events. Snapper grouper species with a shorter lifespan, such as black sea bass and red porgy, would be expected to respond to fishing pressure sooner than species such as gag, which has a longer lifespan. Continued overfishing may ultimately disrupt the natural community structure of the reef ecosystems that support gag and co-occurring species.

Russ (1991) defines ecosystem overfishing of a multi-species stock as occurring when "fishing is of such intensity that it results in changes in the relative abundance of species or the species composition of the community". Often, the biomass of some stocks decreases (such as those targeted by fishing gear), while the biomass of some other stocks increases in response (such as an increase in abundance of a competitor of the fished species, or of a species preyed upon by the fished species). Fishing pressure targeting larger fish often results in a shift toward persistence of small individuals of the targeted species. These smaller individuals may occupy a different trophic level than they would if they grew to their normal adult size (Jennings *et al*. 2002). However, Russ (1991) found that "there is usually an overall reduction in CPUE since species that increase in biomass do not "compensate" for declines in others".

Competitor, predator, and prey relationships in marine ecosystems are complex and poorly understood. As a result, the exact nature and magnitude of the ecological effects of management measures are difficult to accurately predict or distinguish. There is evidence that during the mid-1990s, reef communities in the South Atlantic may have been altered by selective fishing pressure that targeted commercially valuable species. McGovern *et al*. (1999) used fishery-independent data collected during 1983-1996 in the South Atlantic to determine temporal trends in CPUE and mean length of many snapper grouper species. Increases in the abundance of gray triggerfish, tomtate, and bank sea bass may have been, in part, due to changes in reef fish community structure, which resulted from heavy fishing pressure on other reef species (i.e., red porgy, vermilion snapper, black sea bass, and various grouper species) (McGovern *et al*. 1999). Removal of some heavily fished species may have resulted in greater availability of food and habitat for the remaining reef species, while a decrease in abundance of apex predators such as large groupers may have reduced mortality on prey species.

Koenig *et al*. (2000) report that directed harvest and habitat destruction related to fishing activities have changed population demographics in an area off the South Atlantic coast identified as the Experimental *Oculina* Research Reserve (Koenig *et al*. 2000). Commercially important species, including gag, black sea bass, scamp, and greater amberjack, accounted for 76% of the observed reef fish videotaped during submersible dives in the area in 1980. However, those species comprised 5% of the reef fish observed in submersible dives at the same location in 1995 (Koenig *et al*. 2000). The *Oculina* HAPC closed area currently provides a biological benefit to snapper grouper species that cannot be quantified at this time. This area allows species like gag to achieve their natural age and size structure in the absence of fishing. Recent evidence indicates there has been an increase in abundance of many species including gag since the area was closed (Koenig 2001).

All the alternatives to status quo management evaluated for gag are intended to end overfishing. As a result, they are expected to directly and significantly benefit the biological environment by assisting in restoring stock status and population demographics to more natural conditions.

Alternative 2 Spawning Season Closures

Off the southeastern United States, gag spawn from December through May, with a peak in March and April (McGovern *et al.* 1998). There some evidence that spawning may occur earlier off Florida than areas north. Gag probably make annual late-winter migrations to specific locations to form spawning aggregations and many of these locations are known by fishermen. McGovern *et al.* (2005) found gag were capable of extensive movement and suggested movement may be related to spawning. Gilmore and Jones (1992) indicated gag may be selectively removed from spawning aggregations because they are the largest and most aggressive individuals and the first to be taken by fishing gear.

In 1998, the Council took action to reduce fishing mortality and protect spawning aggregations of gag. Actions included a March-April spawning season closure for the

commercial sector. While a March-April commercial closure may offer some protection to spawning aggregations including the selective removal of males, a longer spawning season closure would provide greater protection. Although gag spawn during December through May, aggregations are in place before and after spawning activity (Gilmore and Jones 1992). Therefore, males can be removed from spawning aggregations early in the spawning season and this could affect the reproductive output of the aggregation if there were not enough males present in an aggregation for successful fertilization of eggs.

The Snapper Grouper Advisory Panel (AP) recommended a January to March spawning closure, during which harvest and possession be prohibited. Their rationale was there is some spawning during January off Florida and gag form aggregations before spawning. Therefore, an earlier closure would help to protect males before they begin to spawn. There was some discussion during the AP meeting about adding two weeks on both ends of the current March/April closure.

The AP also felt any closure should be applied the commercial and recreational sectors. Extending the spawning season closure to the recreational sector would have positive biological benefits. Approximately half of the gag landings are from the recreational sector. Although recreational fishermen catch generally catch gag in shallower water than commercial fishermen; it is likely some spawning locations of gag are being targeted by recreational fishermen. In addition to protecting gag while aggregated and during the spawning season, a seasonal closure could prevent high harvest rates during period of cold water intrusion. During 2003, cold water upwelling may have caused gag to move inshore en masse where they may have become susceptible to harvest in large numbers by divers.

Similar to a quota, some bycatch of gag would be expected during a seasonal closure when fishermen target co-occurring species such as vermilion snapper, scamp, greater amberjack, red grouper, and others. Methodology for determining incidental catch of gag during a closure is provided in Appendix D. Briefly, six steps were taken to determine the effectiveness of a commercial seasonal closure. First, NMFS logbook data were examined to determine the species most commonly taken on trips with gag. Second, trips were identified that caught at least 100 pounds of the most common species taken identified in step 1. Third, landings of gag on trips identified in step 2 that targeted co-occurring species were determined. This would be considered to be incidental catch of gag. Fourth, incidental catch was compared to actual catch to determine percentage that would still be caught during a closed season. Fifth, the portion of the gag incidental catch that would die when no retention was allowed was determined by applying a release mortality rate of 40% (SEDAR 10 2007). Sixth, effectiveness of closure was determined by comparing the magnitude of dead discards to actual landings.

To determine the effectiveness of a recreational seasonal closure seven steps were taken. First, MRFSS and Headboat data were examined to determine the most commonly species taken on trips with gag during the proposed January through April closure. Second, trips were identified that caught at least 1 individual of the most common species taken identified in step 1. Third, landings of gag on trips identified in step 2 that targeted

co-occurring species were determined. This would be considered to be incidental catch of gag. Fourth, incidental catch was compared to actual catch to determine percentage that would still be caught during a closed season. Fifth, the portion of gag incidental catch that would die when no retention was allowed was determined by applying a release mortality rate of 25% (SEDAR 10 2007). Sixth, the magnitude of incidental catch was determined if the number of trips was reduced and if fishermen were able to avoid gag. Seven, effectiveness of closure was estimated by comparing the magnitude of dead discards to actual landings if a closure did not occur.

If the closure were 100% effective, the reductions expected for gag are shown in Table 4-17. If the closure were less than 100% effective, the reductions expected for gag would be those shown in Table 4-18. NOTE: THE SNAPPER GROUPER AP IS REVIEWING THE METHODOLOGY FOR ESTIMATING EFFECTIVENESS OF A SEASONAL CLOSURE AND WILL VERIFY THE MOST LIKELY LEVEL.

The Snapper Grouper Committee wants input from the public on the alternatives before choosing a preferred alternative.

Table 4-18. Percent reductions from spawning season closures (100% effective) by sector.

Months	Commercial	Headboat	MRFSS Private	MRFSS Charterboat	MRFSS All Modes	MRFSS & Headboat
March/April	0.70%	20.20%	15.30%	19.80%	16.40%	16.80%
Feb/Mar/April	11.00%	26.20%	24.90%	28.00%	25.50%	25.50%
Jan/Feb/Mar/April	21.40%	31.90%	34.40%	36.30%	34.60%	34.30%

Table 4-19. Percent reductions from spawning season closures (less than 100% effective; effectiveness shown by sector) by sector.

Months	Commercial (95%)	Headboat (89%)	MRFSS Private (89%)	MRFSS Charterboat (89%)	MRFSS (89%)	MRFSS & Headboat (89%
March/April	0.70%	18.00%	13.60%	17.60%	14.60%	14.90%
Feb/Mar/April	10.50%	23.30%	22.10%	24.70%	22.70%	22.70%
Jan/Feb/Mar/April	20.30%	28.40%	30.60%	32.30%	30.80%	30.50%

Alternative 3. Directed Commercial Quota

Based on the preferred allocation alternative, the commercial quota reduction proposed in **Alternative 3** would initially (in 2009) reduce commercial catches by 35% of the average landings recorded from 2004 to 2006 (Tables 4-17 to 4-19) A reduction in fishing mortality and subsequent increase in biomass would be expected to restore the natural population structure of the stock and reverse the trends of decreasing males and mean length documented in recent studies. A reduction in fishing mortality would benefit the ecosystem in which gag occur, as described above.

There is a concern that if a quota is met for gag before the end of the year, discards of gag could occur when fishermen target vermilion snapper, scamp, greater amberjack, red grouper, gray triggerfish, and others.

Tables 4-20 and 4-21 provide estimates of dead discards that could occur after a quota was met if only a quota was put into place. If the seasonal closure for gag is not extended and one assumes there would be no reduction in effort after a quota is met and fishermen cannot avoid gag, then the magnitude of dead discards would be aprroximately 14,000 lbs gutted weight, which would be subtracted from the quota. However, it is likely that there will be some decrease in effort and that fishermen will be able to fish differently of for other species in areas where gag do not occur. For example, if one assumes that fishing trips that previously caught gag would be reduced by 20% after a quota is met and fishermen can avoid 20% of the gag by using different techniques and fishing in different areas then the magnitude of dead discards might only be approximately 7,000 lbs gutted weight (Table 4-20).

Expanding the seasonal closure would decrease the magnitude of PQBM since the quota would be met later in the year (Table 4-x). If the commercial seasonal closure for gag was extended from January through April, the magnitude of discards to be subtracted from the quota would be approximately 2,000 lbs gutted weight if there was no reduction in effort and approximately 1,000 lbs gutted weight if fishing trips that previously caught gag are reduced by 20% after a quota is met and fishermen can avoid 20% of the gag by using different techniques. Effectiveness of the seasonal closure is considered separately and addressed under Alternative 3. NOTE: THE SNAPPER GROUPER AP IS REVIEWING THE METHODOLOGY FOR PQBM AND WILL VERIFY THE MOST LIKELY LEVEL. IN ADDITION, PQBM ANALYSES BASED ON LOGBOOK DATA, WHICH ARE SLIGHTLY LOWER THAN ALS. THEREFORE, ADJUSTMENTS FOR PQBM COULD BE WARRANTED.

Alternative 4. Divide the directed commercial quota into two regions.

Alternative 4 would Allocate 63.3% of the commercial quota identified in Alternative 2 to North and South Carolina, and 36.7% to Georgia and Florida (Table 4-22). The biological effects of **Alternative 4** would be similar to **Alternative 3**. After the commercial quota was met in a particular region, all purchase and sale would be prohibited in that region and harvest and/or possession would be limited to the bag limit in the region. There is a chance that harvest could continue in a particular region and gag would be landed in the region where harvest is still allowed. This could result in some localized depletion but would not be expected to negatively impact the population.

Table 4-20. Incidental catch of gag assuming a range in trips (0 to 60%) are not taken after quota is met and fishermen can avoid gag (range 0 to 60%) by changing fishing methods if there is no seasonal closure.

Trip reduction after quota	0%				20%				40%				60%			
Percent of discards avoided	0%	20%	40%	60%	0%	20%	40%	60%	0%	20%	40%	60%	0%	20%	40%	60%
Discards	34,798	27,838	16,703	6,681	20,456	16,365	9,819	3,928	15,244	12,195	7,317	2,927	11,733	9,386	5,632	2,253
Dead Discards	13,919	11,135	6,681	2,672	8,182	6,546	3,928	1,571	6,098	4,878	2,927	1,171	4,693	3,755	2,253	901

Table 4-21. Incidental catch of gag assuming a range in trips (0 to 60%) are not taken after quota is met and fishermen can avoid gag (range 0 to 60%) by changing fishing methods. Includes effect of expanding seasonal closure to January through April.

Trip reduction after quota	0%				20%				40%				60%			
Percent of discards avoided	0%	20%	40%	60%	0%	20%	40%	60%	0%	20%	40%	60%	0%	20%	40%	60%
Discards	4,816	3,853	2,312	925	2,597	2,078	1,247	499	2,640	2,112	1,267	507	1,510	1,208	725	290
Dead Discards	1,927	1,541	925	370	1,039	831	499	199	1,056	845	507	203	604	483	290	116

Table 4-22. Regional quotas by region for three allocation alternatives.

Year	**Annual**	**PreferredAllocation Alternative 2. 51%C/49%R**			**Allocation Alternative 3. 66%C/34%R**			**Allocation Alternative 4. 61%C/39%R**		
		Commercial	**FL-GA**	**SC-NC**	**Commercial**	**FL-GA**	**SC-NC**	**Commercial**	**FL-GA**	**SC-NC**
	Catch Limit	**Quota**	**36.70%**	**63.30%**	**Quota**	**36.70%**	**63.30%**	**Quota**	**36.70%**	**63.30%**
		(gutted weight)	(gutted weight)	(gutted weight)	(gutted weight)	(gutted weight)	(gutted weight)	(gutted weight)	(gutted weight)	(gutted weight)
2009	694,000	353,940	129,896	224,044	458,040	168,101	289,939	423,340	155,366	267,974
Current Seasonal Closure										
PQBM		7,000	2569	4431	1,000	367	633	1,000	367	633
Directed Quota		346,940	127,327	219,613	457,040	167,734	289,306	422,340	154,999	267,341
Jan-Apr Seasonal Closure										
PQBM		1,000	367	633	0	0	0	0	0	0
Directed Quota		352,940	129,529	223,411	458,040	168,101	289,939	423,340	155,366	267,974

Alternative 5. Recreational Measures

Alternatives 5a and 5b includes management measures that would reduce bag limits and impose a seasonal closure for the recreational sector (Tables 4-23 and 4-24). The AP recommended reducing the gag bag limit from 2 to a maximum of 1 within the 5-grouper aggregate bag limit; they also recommended reducing the 5-grouper aggregate bag limit to 3 with a maximum of 1 being gag or black grouper and excluding the captain and crew on for-hire vessels.

Bag limits have some desirable characteristics as management tools. They are commonly used management measures, which are readily understood by fishermen. Violations of bag limits are readily apparent by simply counting the number of fish that are retained, which aids in enforcement of fishery regulations. The rationale for bag limits is that they reduce the amount of harvest and are often used in conjunction with size limits to achieve a desired reduction.

There are a number of shortcomings with bag limits. Once bag limits are reached, some fishermen may continue to fish, keeping larger fish and throwing smaller dead fish back. The snapper grouper fishery represents many species occupying the same location at the same time. Fishermen could continue to target other co-occurring species and throw back fish that have bag limits, many of which will die. It would be expected fishermen would continue to target the largest most desirable species. Therefore, there still could be a problem with removing the larger faster growing fish, reducing genetic variability, and reducing the variability in the age structure of the population that ensures against recruitment failure.

Alternative 5a would also exclude the captain and crew on for-hire vessels from possessing a bag limit for groupers. This action is supported by the Advisory Panel. Excluding the captain and crew from possessing the bag limit would provide a slight reduction in harvest. The combined effect of reducing the gag and black grouper bag limit to 1 fish, reducing the grouper aggregate bag limit to 3 fish, excluding captain and crew on for-hire vessels from possessing groupers, and a January through April spawning closure would provide reduction in recreational harvest of approximately 37%. These reductions take into consideration a 25% release mortality rate and continued non-compliance with the bag limit.

Alternative 5b would the month of December to the recreational spawning seasona closure. Recreational harvest and/or possession of gag, black grouper, red grouper, scamp, red hind, rock hind, yellowmouth grouper, tiger grouper, yellowfin grouper, graysby, and coney would be prohibited. This alternative would retain the existing 5-grouper aggregate bag limit and 2 gag or black grouper bag limit but would not exclude captain and crew from possessing groupers. The December through April closure, combined with reducing the bag limits would result in a 42% reduction. These reductions take into consideration a 25% release mortality rate and continued non-compliance with the bag limit.

Table 4-23. Estimate of harvest reduction associated with reducing the aggregate bag limit from 5 to 3, gag and black grouper from 2 to 1, and gag from 2 to 1.
SOURCE: Data from 1999-2005 for (1) headboat, (2) private MRFSS, (3) charter MRFSS, (4) private/charter MRFSS combined, and (5) all recreational sectors combined.
Notes: Assumes a release mortality of 25% for gag, black grouper, red grouper, scamp, tiger grouper, yellowfin grouper, coney, sand tilefish, graysby, rock hind, red hind, and yellowmouth grouper. Assumes 100% release mortality for snowy grouper golden tilefish, blueline tilefish, yellowedge grouper, and misty grouper. **Assumes non-compliance with bag limit.**

Species	Estimated Harvest Reductions				
	Headboat	Private	Charter	MRFSS	Combined
Aggregate	0.7	1.3	2.5	1.6	1.4
Gag and Black	2.1	3.1	6.6	4.0	3.8
Gag	2.3	5.4	6.1	5.6	5.3
Gag w/ aggregate*	3.3	5.4	8.4	6.1	5.9
Gag w/ agg & black*	3.8	5.4	10.7	6.7	6.4

*Includes effect on gag of reducing aggregate bag limit to 3 fish and black grouper to 1 fish.

Table 4-24. Same as Table 4-23, except analyses **exclude captain and crew** from retaining any grouper species.
with bag limit. Release mortality rate = 25%.

Species	Estimated Harvest Reductions				
	Headboat	Private	Charter	MRFSS	Combined
Aggregate	0.7	1.3	3.3	1.8	1.6
Gag and Black	2.4	3.1	9.2	4.6	4.4
Gag	2.6	5.4	6.5	5.7	5.4
Gag w/ aggregate*	3.6	5.4	8.7	6.2	5.9
Gag w/ agg & black*	4.1	5.4	11.1	6.8	6.5

Notes: Adjustments not made to private sector of MRFSS. **Assumes non-compliance**
*Includes effect on gag of reducing aggregate bag limit to 3 fish and black grouper to 1 fish.

4.1.4.2 Economic Effects of Management Alternatives

4.1.4.2.1 *General Discussion*

The alternatives in this section have varying applicability by sector. **Alternative 2** would apply to both the commercial and recreational sectors; **Alternative 3** and **Alternative 4** would apply to the commercial sector only; and, **Alternative 5** would apply to the recreational sector only.

Management alternatives for gag are generally designed to keep each sector within its respective allocation of allowable catch levels. If successful, they are expected to generate benefits in the future that would outweigh their short-run costs. The following discussions deal only with the economic costs of management measures in the short-run. No attempt is made to compare them with the expected future benefits.

Alternative 2 is a spawning closure measure that would add two more months to the current two-month closure of the commercial and recreational fisheries. If effectively enforced, a fishery closure would result in the expected harvest reduction from both the commercial and recreational sectors. As discussed, however, in the biological effects above some level of bycatch mortality would still occur even under a 100 percent effective enforcement. Part of the bycatch problem is the level of compliance fishermen may undertake. Compliance is here taken to mean not only with respect to harvest limitation but also with respect to bycatch minimization. The latter involves costs that fishermen would have to include in their decision when altering their fishing behavior to address the bycatch issue. This cost item cannot be determined. Apart from the bycatch issue, a closure affects the commercial and recreational sectors in different ways although both sectors are banned from harvesting gag. Without harvest, the commercial sector is essentially shut out of the fishery, although some vessels could still make the trips if revenues from other species were still sufficient to cover costs. On the other hand, recreational trips, with the possible exception of for-hire trips solely targeting gag, can still occur albeit with reduced quality of fishing experience from non-possession of caught gag. Under such situation, a closure may be more burdensome to the commercial than to the recreational sector.

Alternative 3 would impose a single overall quota on the commercial sector. Even under the current controlled access management system of the fishery, a derby can still occur especially with low and strictly binding quota levels such as the ones contemplated in this amendment. One major consequence of a derby condition is the increase in cost and possible reduction in ex-vessel price when gag are landed within a short period. .

Alternative 4 would divide the commercial quota into two: North/South Carolina sub-quota and Georgia/Florida sub-quota. This subdivision of the commercial quota would not solve the potential derby problem that may occur in the fishery, although it probably would alleviate certain disparities among vessels located in one or the other region in harvesting gag. Since the quota is monitored based on area of landing, there is the

possibility for some vessels traditionally landing in the region subject to quota closure to land their fish in the open region. This naturally would involve additional cost in addition to the possibility these vessels may not secure the necessary state permit to land their in that area.

Alternative 5a would reduce the recreational aggregate bag limit for grouper and the individual species bag limit within the aggregate bag limit. In addition, it would ban the for-hire captain and crew from possessing a grouper bag limit. **Alternative 5b** would add a December recreational harvest closure to the spawning closure under **Alternative 2**. The bag limit reduction would not necessarily result in trip cancellation; it would reduce the quality of fishing experience. Thus, it would likely reduce consumer surplus more than producer surplus. The prohibition on the captain and crew from possessing a bag limit would impinge on producer surplus. The additional closure would only compound the recreational benefit reductions from the spawning closure.

4.1.4.2.2 *Commercial Sector*

Simulation runs for the various alternatives affecting the commercial sector are presented in Table 4-25 by gear type and Table 4-26 by area. The model run for **Alternative 2** was conducted assuming a 51 percent allocation to the commercial sector. Six model runs were performed for **Alternative 3**. The first 3 runs were done using the three allocation alternatives, with bycatch mortality provision for the 51 percent allocation. The second 3 runs were done for each of the three allocation alternatives in conjunction with the spawning closure. Similarly, six runs were performed for **Alternative 4**, with the first 3 assuming only the various allocation alternatives and the second 3 assuming the various allocation alternatives in conjunction with the spawning closure. Each table provides numerous information, so only the major features are highlighted here.

There are several issues worth noting with respect to the information provided in Table 4-26. First, the economic impacts of Alternatives 3a-3c do not differ from those earlier discussed under the various allocation alternatives, because previous discussions on allocation assumed the quotas would be imposed and binding. The one thing worth recalling from earlier discussions, which holds true in the present case, is that the impacts on trips landing at least one pound of gag would be larger than those on trips landing at least one pound of any snapper-grouper species. Second, the ranking of the various alternatives in terms of economic impacts would largely be conditioned by the allocation alternatives. Under any set of alternatives, the allocation most favorable to the commercial sector (66%) would provide the least amount of reductions in net operating revenues, and the lowest allocation (51%) would yield the largest reductions. Third, the quota alternatives, regardless of whether they are single or regional quotas, would bring about the sharp contrast in economic effects conditioned by the allocation alternatives. For example, a 51 percent commercial allocation would result in net operating revenue reductions of 21 percent under a single quota (**Alternative 3a**) or 23.9 percent under a regional quota (**Alternative 4a**). A 66 percent allocation would reduce net operating revenues by 1.2 percent under a single quota (**Alternative 3b**) or 5.3 percent under a

regional quota (**Alternative 4b**). Fourth, a spawning closure, whether combined with a single quota or regional quota, would tend to neutralize the differential effects of the various allocation alternatives. For example, under a single quota with spawning closure, the resulting net operating revenue reductions corresponding to commercial allocations of 51 percent, 66 percent, and 61 percent would respectively be 20.1 percent (**Alternative 3aS**), 17.4 percent (**Alternative 3bS**), and 18.1 percent (**Alternative 3cS**). The differences in percentage reductions from the various allocation alternatives would not be as wide with spawning closure as with quota only alternatives. Fifth and based on the fourth issue just discussed, it would appear that the spawning closure alternative would exercise stronger effects than quotas. This is not true in general because fishermen would have more flexibility in planning their fishing operations under a spawning or seasonal closure than under a quota closure. A spawning/seasonal closure is generally known well ahead of the actual closure whereas an imminent quota closure is known only within a short period before the actual closure. In the present case, however, the results shown in Table 4-XX6 would seem to imply that a spawning closure would be more limiting than a quota closure, particularly when the quota is relatively higher as in the case of a 66 percent versus a 61 percent allocation. Sixth, the distributive effects of the spawning closure alternative would be markedly different from those of the quota alternatives. In **Alternative 3a** (quota only), for example, the largest percentage reduction would fall on the trolling vessels but in **Alternative 2** (spawning closure only) longline vessels would take that place. Longline vessels, in fact, would remain virtually unaffected under a single overall quota (**Alternative 3a**). Despite this wide disparity in the distribution of percentage reductions between the spawning closure and single quota alternatives, vertical line and diving vessels would suffer the largest losses in absolute magnitudes primarily because these vessels registered the largest harvests of gag among vessels using different gear types. Lastly, conditional on the allocation chosen, some ranking of the various alternatives may be made. At a commercial allocation of 51 percent, the alternatives may be ranked in descending order as follows: **Alternative 3aS** (or **Alternative 2**), **Alternative 3a**, **Alternative 4aS**, and **Alternative 4a**. At a 66 percent allocation, the ranking in descending order would be: **Alternative 3b**, **Alternative 4b**, and **Alternatives 3bS and 4bS**. At a 61 percent allocation, the ranking in descending order would be: **Alternative 3c**, **Alternative 4c**, and **Alternatives 3cS and 4cS**.

Table 4-25. Reductions in commercial vessels' net operating revenues from various alternatives on gag spawning closure, overall quotas, and regional quotas, in thousand 2005 dollars, by gear type.

Model	Diving	Vertical Lines	Longlines	Other Gears	Traps / Pots	Trolling	not recorded	Total
Vessel trips landing at least one pound of gag								
Baseline (3%)	$472	$3,449	$34	$12	$13	$42	$0	$4,023
Baseline (7%)	$455	$3,321	$33	$11	$13	$40	$0	$3,872
	Spawning closure							
Alt. 2	-25.3%	-18.9%	-50.0%	-37.2%	-31.3%	-32.5%	0.0%	-20.1%
	Single quota							
Alt. 3a	-17.4%	-21.5%	0.0%	-5.3%	-28.7%	-38.8%	0.0%	-21.0%
Alt. 3b	-1.8%	-1.2%	0.0%	0.0%	-1.5%	-1.7%	0.0%	-1.2%
Alt. 3c	-5.6%	-4.9%	0.0%	0.0%	-11.1%	-9.0%	0.0%	-5.0%
	Single quota with spawning closure							
Alt. 3aS	-25.3%	-18.9%	-50.0%	-37.2%	-31.3%	-32.5%	0.0%	-20.1%
Alt. 3bS	-22.6%	-16.2%	-50.0%	-37.2%	-25.2%	-28.4%	0.0%	-17.4%
Alt. 3cS	-22.6%	-16.9%	-50.0%	-37.2%	-29.2%	-30.4%	0.0%	-18.1%
	Regional quota							
Alt. 4a	-27.0%	-23.3%	-25.2%	-20.4%	-30.9%	-36.8%	0.0%	-23.9%
Alt. 4b	-8.8%	-4.8%	0.0%	-1.7%	-9.2%	-7.7%	0.0%	-5.3%
Alt. 4c	-14.9%	-9.7%	-0.9%	-1.7%	-15.8%	-17.8%	0.0%	-10.4%
	Regional quota with spawning closure							
Alt. 4aS	-23.9%	-23.1%	-50.0%	-37.2%	-39.3%	-36.4%	0.0%	-23.6%
Alt. 4bS	-22.6%	-16.2%	-50.0%	-37.2%	-25.2%	-28.4%	0.0%	-17.4%
Alt. 4cS	-22.6%	-16.9%	-50.0%	-37.2%	-29.2%	-30.4%	0.0%	-18.1%
Vessel trips landing at least one pound of any snapper-grouper species								
Baseline (3%)	$615	$7,894	$528	$377	$296	$337	$3	$10,050
Baseline (7%)	$592	$7,599	$509	$362	$285	$324	$3	$9,674
	Spawning closure							
Alt. 2	-16.3%	-8.8%	-1.9%	-1.0%	0.0%	-3.7%	0.0%	-8.2%
	Single quota							
Alt. 3a	-8.1%	-7.1%	0.0%	-0.2%	0.8%	-1.8%	0.0%	-6.1%
Alt. 3b	-0.9%	-0.4%	0.0%	0.0%	0.1%	-0.2%	0.0%	-0.4%
Alt. 3c	-2.7%	-1.6%	0.0%	0.0%	0.2%	-0.5%	0.0%	-1.5%
	Single quota with spawning closure							
Alt. 3aS	-16.3%	-8.8%	-1.9%	-1.0%	0.0%	-3.7%	0.0%	-8.2%
Alt. 3bS	-14.8%	-8.0%	-1.9%	-1.0%	0.1%	-3.4%	0.0%	-7.4%
Alt. 3cS	-14.8%	-8.1%	-1.9%	-1.0%	0.0%	-3.4%	0.0%	-7.5%
	Regional quota							
Alt. 4a	-7.1%	-5.0%	-0.4%	-0.4%	0.1%	-1.7%	0.0%	-4.5%
Alt. 4b	-2.0%	-1.1%	0.0%	0.0%	0.0%	-0.4%	0.0%	-1.0%
Alt. 4c	-3.9%	-2.0%	-0.1%	0.0%	0.1%	-0.7%	0.0%	-1.8%
	Regional quota with spawning closure							
Alt. 4aS	-15.5%	-9.2%	-1.9%	-1.0%	0.1%	-3.8%	0.0%	-8.5%
Alt. 4bS	-14.8%	-8.0%	-1.9%	-1.0%	0.1%	-3.4%	0.0%	-7.4%
Alt. 4cS	-14.8%	-8.1%	-1.9%	-1.0%	0.0%	-3.4%	0.0%	-7.5%

As can be gleaned from Table 4-26, there are marked differences in the area distribution of economic impacts from various management alternatives. There are two general issues worth noting regarding the area distribution of economic impacts. First, a single quota would tend to effect distinctly clear differences in the area distribution of economic impacts whereas a regional quota would tend to equalize the economic impacts among the various areas. This statement is premised on comparing alternatives with identical commercial allocation. Take the case of **Alternative 3a**, which provides for a single quota with 51 percent commercial allocation, and **Alternative 4a**, which provides for a regional quota with 51 percent commercial allocation. Under **Alternative 3a** and reading the table from left to right, the percent reductions in net operating revenues would be 23.3 percent for North Carolina, 22 percent for South Carolina, 19.5 percent for Georgia/Northeast Florida, 15.4 percent for Central/South Florida, and 8 percent for the Florida Keys. In contrast, **Alternative 4a** would result in the following percent distribution of economic impacts: 23.7 percent for North Carolina, 22.3 percent for South Carolina, 27.3 percent for Georgia/Northeast Florida, 23 percent for Central/South Florida, and 27.5 percent for the Florida Keys. Thus, the economic impacts would be more evenly distributed among the various areas under a regional quota (**Alternative 4a**) than under a single quota (**Alternative 3a**). A similar conclusion would be inferred if comparisons were instead made between **Alternative 3b** and **Alternative 4b** or between **Alternative 3c** and **Alternative 4c**. Second and as already noted previously, a spawning closure would tend to neutralize the economic effects of various allocation alternatives. Hence, if a spawning closure were combined with a regional quota, the resulting economic impacts would be neutralized across areas and allocations. Since the contrast between a single quota and regional quota has already been discussed, it is instructive to proceed to contrasting the economic effects of a regional quota without spawning closure with those of a regional quota with spawning closure. Consider **Alternatives 4a and 4b** and contrast them with **Alternatives 4aS and 4bS**. Under Alternative 4a, the percent reductions in net operating revenues for North and South Carolina would, respectively, be 23.7 percent and 22.3 percent under a 51 percent commercial allocation; the reductions would fall down to 5 percent and 4.5 percent, respectively, for North and South Carolina under a 66 percent allocation. Under Alternative 4aS, the respective percent reductions for North and South Carolina would be 18.9 percent and 24.5 percent under a 51 percent commercial allocation. These percent reductions would respectively drop down to 10 percent and 15.1 percent under a 66 percent allocation. Although there are still large differences due to the different allocation ratios under a quota with spawning closure (**Alternatives 4aS and 4bS**), the change in percent reductions would not be as dramatic as with the alternatives without spawning closure (**Alternatives 4a and 4b**). What is even more interesting in comparing the two sets of alternatives is the resulting effects on the other areas. Under **Alternative 4a**, the respective percent reductions for Georgia/Northeast Florida, Central/South Florida, and the Florida Keys would be 27.3 percent, 23 percent, and 27.5 percent with a 51 percent commercial allocation. Under **Alternative 4b**, these percent reductions would respectively decrease to 6.5 percent, 6 percent, and 2.2 percent with a 66 percent allocation. In contrast, a regional quota with spawning closure would virtually neutralize the differential effects of the allocation alternatives. Under **Alternative 4aS**, the respective percent reductions for

Georgia/Northeast Florida, Central/South Florida, and the Florida Keys would be 23.3 percent, 32.9 percent, and 38.3 percent with a 51 percent allocation. On the other hand, the respective percent reductions under **Alternative 4bS** would be 22.7 percent, 32.7 percent, and 38.3 percent with a 66 percent allocation. These percentage reductions are only marginally different from those under a different allocation ratio.

Table 4-26. Reductions in commercial vessels' net operating revenues from various alternatives on gag spawning closure, overall quotas, and regional quotas, in thousand 2005 dollars, by area.

	North Carolina	South Carolina	Georgia and northeast FL	Central and south FL	Florida Keys	Other	Total
Vessel trips landing at least one pound of gag							
Baseline (3%)	$1,135	$1,508	$919	$442	$18	$0	$4,023
Baseline (7%)	$1,093	$1,452	$884	$426	$17	$0	$3,872
	Spawning closure						
Alt. 2	-12.7%	-18.3%	-25.0%	-34.5%	-38.8%	0.0%	-20.1%
	Single quota						
Alt. 3a	-23.3%	-22.0%	-19.5%	-15.4%	-8.0%	0.0%	-21.0%
Alt. 3b	-1.0%	-1.2%	-1.6%	-0.9%	-0.5%	0.0%	-1.2%
Alt. 3c	-5.3%	-5.2%	-4.5%	-4.4%	-2.3%	0.0%	-5.0%
	Single quota with spawning closure						
Alt. 3aS	-12.7%	-18.3%	-25.0%	-34.5%	-38.8%	0.0%	-20.1%
Alt. 3bS	-10.0%	-15.1%	-22.7%	-32.7%	-38.3%	0.0%	-17.4%
Alt. 3cS	-11.0%	-16.1%	-22.7%	-32.7%	-38.3%	0.0%	-18.1%
	Regional quota						
Alt. 4a	-23.7%	-22.3%	-27.3%	-23.0%	-27.5%	0.0%	-23.9%
Alt. 4b	-5.0%	-4.5%	-6.5%	-6.0%	-2.2%	0.0%	-5.3%
Alt. 4c	-10.0%	-9.4%	-12.7%	-9.7%	-8.6%	0.0%	-10.4%
	Regional quota with spawning closure						
Alt. 4aS	-18.9%	-24.5%	-23.3%	-32.9%	-38.3%	0.0%	-23.6%
Alt. 4bS	-10.0%	-15.1%	-22.7%	-32.7%	-38.3%	0.0%	-17.4%
Alt. 4cS	-11.0%	-16.1%	-22.7%	-32.7%	-38.3%	0.0%	-18.1%
Vessel trips landing at least one pound of any snapper-grouper species							
Baseline (3%)	$2,480	$2,149	$1,313	$1,931	$2,174	$3	$10,050
Baseline (7%)	$2,388	$2,068	$1,264	$1,859	$2,093	$3	$9,674
	Spawning closure						
Alt. 2	-7.2%	-13.5%	-11.5%	-5.5%	-4.5%	-0.1%	-8.2%
	Single quota						
Alt. 3a	-8.0%	-11.9%	-6.6%	-2.0%	-1.7%	-6.2%	-6.1%
Alt. 3b	-0.4%	-0.7%	-0.6%	-0.2%	-0.2%	0.0%	-0.4%
Alt. 3c	-1.7%	-2.8%	-1.6%	-0.6%	-0.5%	0.0%	-1.5%
	Single quota with spawning closure						
Alt. 3aS	-7.2%	-13.5%	-11.5%	-5.5%	-4.5%	-0.1%	-8.2%
Alt. 3bS	-6.5%	-11.8%	-10.7%	-5.2%	-4.2%	-0.1%	-7.4%
Alt. 3cS	-6.7%	-12.1%	-10.7%	-5.2%	-4.2%	-0.1%	-7.5%
	Regional quota						
Alt. 4a	-5.6%	-8.5%	-5.3%	-2.0%	-0.8%	0.0%	-4.5%
Alt. 4b	-1.0%	-1.8%	-1.7%	-0.5%	-0.2%	0.0%	-1.0%
Alt. 4c	-2.0%	-3.5%	-2.7%	-0.8%	-0.3%	0.0%	-1.8%
	Regional quota with spawning closure						
Alt. 4aS	-7.9%	-14.7%	-11.0%	-5.2%	-4.3%	-0.1%	-8.5%
Alt. 4bS	-6.5%	-11.8%	-10.7%	-5.2%	-4.2%	-0.1%	-7.4%
Alt. 4cS	-6.7%	-12.1%	-10.7%	-5.2%	-4.2%	-0.1%	-7.5%

4.1.4.2.3 *Recreational Sector*

Unlike the commercial sector, the recreational sector would not be subject to quotas and quota closures. In this respect, the management measures consisting of spawning/seasonal closure (Alternatives 2 and 5b) and bag limits with spawning closure (Alternative 5a) are assumed to achieve their expected harvest reductions. With this assumption, the economic impacts of the various alternatives for the recreational sector were estimated without regard to allocation ratios. The spawning season provision that applies to all three alternatives was assumed to apply to gag and other species considered in this amendment. The addition of effects on these other species would result in larger impacts than those under the allocation alternatives that focused solely on the recreational gag fishery.

The overall economic impacts of Alternatives 5a and 5b would not significantly differ from each other, but these impacts would be substantially higher than those for Alternative 2. Total economic impacts using a 3 percent discount factor would be about $1.35 million for **Alternative 5a** and $1.32 for **Alternative 5b** whereas they would about $1.05 million for Alternative 2 (Table 4-27). Higher economic impacts for **Alternatives 5a and 5b** were as expected because they would impose additional measures over the spawning closure of **Alternative 2**. Hence, the alternatives in terms of overall impacts may be ranked in descending order as follows: Alternative 2, Alternative 5b, and Alternative 5a.

In all three alternatives, reduction in consumer surplus would be substantially higher than reductions in producer surplus. In fact, losses in producer surplus would only be slightly over a third that of consumer surplus for Alternatives 2 and 5a and slightly over a quarter that of consumer surplus for Alternative 5b. Charterboats may be expected to incur larger losses than headboats for all three alternatives. Among anglers, those using private boats would lose more than those fishing through the for-hire vessels. The losses to charterboats across the alternatives would follow a pattern similar to that for the overall losses. That is, charterboats would lose least under Alternative 2 and highest under Alternative 5a. Similar patterns would hold for headboats and anglers.

Table 4-27. Reductions in producer and consumer surplus from various alternatives on gag spawning closure and bag limits, in 2005 dollars, by fishing mode.

		Producer Surplus	Consumer Surplus	Total Effects	Producer Surplus	Consumer Surplus	Total Effects
		3% Discount Rate			7% Discount Rate		
Alt 2	Charter	$219,621	$123,178	$342,799	$211,411	$118,573	$329,984
	Headboat	$57,323	$235,006	$292,329	$55,180	$226,221	$281,401
	Private/Shore		$417,706	$417,706		$402,090	$402,090
	TOTAL	$276,944	$775,889	$1,052,833	$266,591	$746,884	$1,013,475
Alt. 5a	Charter	$279,995	$158,939	$438,934	$269,528	$152,997	$422,525
	Headboat	$71,510	$303,234	$374,743	$68,836	$291,898	$360,734
	Private/Shore		$538,975	$538,975		$518,826	$518,826
	TOTAL	$351,504	$1,001,147	$1,352,652	$338,364	$963,721	$1,302,085
Alt. 5b	Charter	$276,297	$154,965	$431,263	$265,968	$149,172	$415,141
	Headboat	$72,116	$295,653	$367,769	$69,420	$284,600	$354,021
	Private/Shore		$525,501	$525,501		$505,856	$505,856
	TOTAL	$348,414	$976,119	$1,324,532	$335,389	$939,628	$1,275,017

The distribution of economic impacts from the three alternatives would be highly skewed against Florida, which would account for slightly over 90 percent of all losses (Table 4-28). Florida losses would come from large reductions in producer surplus and even larger reductions in consumer surplus. North and South Carolina would incur most of the remaining losses with a greater portion of their losses resulting from reductions in consumer surplus.

Table 4-28. Reductions in producer and consumer surplus from various alternatives on gag spawning closure and bag limits, in 2005 dollars, by area.

		Producer Surplus	Consumer Surplus	Total Effects	Producer Surplus	Consumer Surplus	Total Effects
		3% Discount Rate			7% Discount Rate		
Alt. 2	Florida	$256,226	$702,456	$958,682	$246,648	$676,196	$922,844
	Georgia	$1,114	$325	$1,438	$1,072	$312	$1,384
	South Carolina	$10,946	$44,638	$55,583	$10,536	$42,969	$53,505
	North Carolina	$8,659	$28,471	$37,130	$8,335	$27,407	$35,742
	TOTAL	$276,944	$775,889	$1,052,833	$266,591	$746,884	$1,013,475
	Florida	$330,614	$906,395	$1,237,009	$318,255	$872,511	$1,190,766
	Georgia	$1,437	$419	$1,856	$1,383	$403	$1,786
	South Carolina	$14,123	$57,597	$71,720	$13,595	$55,444	$69,039
	North Carolina	$11,173	$36,737	$47,910	$10,755	$35,363	$46,119
Alt. 5a	TOTAL	$357,347	$1,001,147	$1,358,495	$343,989	$963,721	$1,307,710
Alt. 5b	Florida	$322,349	$883,735	$1,206,084	$310,298	$850,698	$1,160,997
	Georgia	$1,401	$408	$1,809	$1,349	$393	$1,742
	South Carolina	$13,770	$56,157	$69,927	$13,255	$54,058	$67,313
	North Carolina	$10,894	$35,818	$46,712	$10,486	$34,479	$44,966
	TOTAL	$348,414	$976,119	$1,324,532	$335,389	$939,628	$1,275,017

4.1.4.3 Social Effects of Management Alternatives

Impacts from this suite of proposed alternatives will vary depending on sector/fishery, the specific alternative, and whether one looks at the short or long-term impacts.

In general, by ending overfishing and keeping gag at a sustainable status, long-term benefits are expected to accrue to all participants in the fishery, commercial, recreational, and the general public. Alternatives differ in how they would allow the stock to arrive at a long-term sustainable status. As a result, each of these alternatives differs in the degree and type of negative short- and long-term impacts imposed on each fishing and non-fishing sector. Below is a more detailed analysis of the negative and positive short-term impacts of the proposed alternatives. Long-term benefits are discussed throughout the analysis but as there are sparse data to analyze long-term effects of management measures on communities, future conditions of communities cannot be predicted with confidence.

4.1.4.3.1 *Commercial Fishery*

While the **No Action Alternative 1** would pose the least short-term negative impacts, the stock assessment indicates the stock cannot sustain the current rate of fishing mortality over time and still provide maximum sustainable yield. If stock status worsened in the future and more restrictive management measures were needed, adverse impacts to the commercial fishing sector and associated communities would be substantial.

Alternative 2 would establish a spawning season closure January through April for both the commercial and recreational sectors. This would remove a perceived inequity with the current regulations that allow continued recreational fishing during the spawning season closure. Short-term social impacts would be negative but long-term benefits would accrue from protecting gag during the spawning season.

Alternatives 3 would establish a directed commercial quota and could result in disproportionate impacts by region, that is, catch from one region could prevent fishermen in the other region from obtaining their "fair" share. Short-term social impacts would be negative but long-term benefits would accrue from preventing overfishing of gag thereby leading to higher, more sustainable catches.

Alterative 4 would divide the directed commercial quota into two regions. This alternative would reduce the concern that one region's catch would prevent the other region from catching their fair share. This will be viewed as being more equitable than **Alternative 3** alone.

4.1.4.3.2 *Recreational Fishery*

While the **No Action Alternative 1** would pose the least short-term negative impacts, the stock assessment indicates the stock cannot sustain the current rate of fishing mortality over time and still provide maximum sustainable yield. If stock status worsened in the future and more restrictive management measures were needed, adverse impacts to the recreational fishing sector and associated communities would be substantial.

Alternative 2 would establish a spawning season closure January through April for both the recreational and commercial sectors. This would remove a perceived inequity with the current regulations that allow continued recreational fishing during the spawning season closure. However, some in the recreational sector will not be supportive of this change due to the loss of fishing opportunity during this time period. Short-term social impacts would be negative but long-term benefits would accrue from protecting gag during the spawning season.

Alternative 5a would reduce the aggregate bag limit from 5 to 3, reduce the gag or black grouper bag limit from 2 to 1, and exclude captain and crew on for hire vessels. Short-term social impacts would be negative but long-term benefits would accrue from eliminating overfishing. **Alternative 5a** would retain the existing bag limits but add the month of December to the spawning season closure for the recreational sector. Short-term social impacts would not be as negative for those who prefer the existing bag limit; long-term benefits would accrue from protecting gag during the spawning season.

4.1.4.3.3 *General Non-Fishing Public*

For the general non-fishing public of the U.S., all the alternatives to status quo offer long-term benefits related to ending overfishing and improving stock status. These alternatives benefit those in the U.S. who derive satisfaction from knowing the marine environment is managed sustainably and is thriving. The U.S. consumer may benefit from potential increased consumption of locally caught fish as the stock recovers.

There is the potential of long-term negative impacts to the general non-fishing public who enjoy coming to the coast to experience a "fishing community," eat locally caught seafood, and enjoy the heritage tourism benefits of many coastal communities. If the infrastructure for commercial fishing in the South Atlantic continues to wane, and the proposed management measures hasten that decline, communities will lose this attraction for their tourist trade, and visitors may have a diminished coastal tourism experience. However, these communities can only be expected to exist and prosper if healthy resources and fisheries also exist. So, ending overfishing of the gag resource, as a component of the marine ecosystem, is essential to the existence and sustenance of these communities.

4.1.4.4 Administrative Effects of Management Alternatives

Maintaining the status-quo under **Alternative 1** could potentially have the greatest administrative effect on NOAA Fisheries Service and the Council. If more restrictive management measures are not put in place overfishing would continue and the risk of this stock being designated as a stock that is overfished would increase. Managing a stock that is overfished has the potential to burden the administrative environment. Since designation of an overfished condition triggers a requirement to develop and implement a rebuilding plan. The greater the likelihood of being declared overfished, the greater the administrative burden.

Alternative 2 could create a low level administrative burden, because fishing for and possession of several species in addition to gag would be prohibited from January through April annually. This would require a coordination of enforcement efforts, and the formulation and issuance of new management guidance to fishery participants in the commercial and recreational sectors.

The establishment of a directed commercial quota a specified in **Alternative 3** is not likely to increase the administrative burden on NOAA Fisheries Service or the Council, since a commercial quota monitoring system is currently in place.

Under **Alternative 4**, the administrative burden on NOAA Fisheries Service would increase substantially. Rather than monitoring the quota/allocation of one commercial and one recreational sector of the fishery, as is specified in **Preferred Alternative 2**, the agency would be responsible for monitoring two regional commercial quotas, and the recreational allocation for possible overages. This would require a coordination of enforcement efforts, and the formulation and issuance of new management guidance to fishery participants in the commercial and recreational sectors. It would also require the development and implementation of a more sophisticated catch level monitoring system in the South Atlantic Region.

Alternative 5a would require no additional administrative action, whereas **Alternative 5b** would require a coordination of enforcement efforts, and the formulation and issuance of new management guidance to fishery participants in the commercial and recreational sectors.

The combination of **Alternatives 2** and **5b**, would induce the same type of administrative burden, and most likely to the same or lesser degree than combining **Alternatives 4** and **Alternative 5a**. **Alternatives 4** and **5b** together would create the greatest administrative burden, while the combination of **Alternative 3**, and **5a** would generate a minimal administrative burden. The administrative environment would be effected on an intermediate level under a combination of **Alternatives 2** and **5a**, Alternatives **4** and **5a**, or **Alternatives 3** and **5b**.

4.1.4.5 Council Conclusions

This will be added after the March 2008 meeting.

4.2 *Vermilion Snapper*

4.2.1 Background

An update to the vermilion snapper Southeast Data Assessment and Review (SEDAR) stock assessment indicates the stock is undergoing overfishing (SEDAR Update #3 2007). The Council's SSC did not have confidence in the biomass reference points from the SEDAR assessment; therefore, it is unknown if vermilion snapper is overfished. However, the SSC did have confidence in the fishing mortality rate estimates and indicated a 61% reduction in overall harvest (commercial and recreational sectors) would be needed to reduce fishing mortality to the yield associated with F_{OY}. This is equivalent to a catch level of 566,179 lbs gutted weight (628,459 lbs whole weight). Based on allocation alternatives suggested thus far by the Council this would correspond to harvest reductions of 58% in the commercial sector and 69% in the recreational sector (Table 4-29).

Table 4-29. Commercial and recreational portions of catch (pounds gutted weight) associated with allocations suggested by Council thus far.

Vermilion Snapper		**Allocation Alternative 2. 68%C/32%R**	
	Annual	**Commercial**	**Recreational**
Year	**Catch Limit** (gutted weight)	**Proportion** (gutted weight)	**Proportion** (gutted weight)
2008	566,179	385,002	181,177

A new age-based benchmark assessment will be conducted in 2008, which will update the status determination criteria for vermilion snapper.

Review of Previous Stock Assessments

The first stock assessment for vermilion snapper was conducted in 1990 (PDT 1990) using data from 1972 through 1988/89. Spawning Stock Ratio (SSR) (considered to be the same as Spawning Potential Ratio (SPR)) was calculated separately for recreational and commercial fisheries (Table 4-30).

Table 4-30. Spawning Stock Ratio (SSR) values for vermilion snapper. Source: PDT 1990.

RECREATIONAL	COMMERCIAL
Carolinas = 19%	Carolinas = 20 - 28%
Florida = 26 - 19%	Florida = 17 - 27%
SSR with 10 inch Recreational Minimum Size Limit:	SSR with 12 inch Commercial Minimum Size Limit:
30%	25%

A series of stock assessments provided estimates of SSR based on catch curves (NMFS 1991; Huntsman *et al.* 1992; Huntsman *et al.* 1993) (Table 4-28). Virtual Population Analyses conducted by Zhao and McGovern (1995) and Manooch *et al.* (1998) provided SPR values (Manooch *et al.* 1998) (Table 4-31).

Table 4-31. Spawning Stock Ratio (SSR) values provided by NMFS 1991; Huntsman *et al.* 1992; Huntsman *et al.* 1993; Zhao and McGovern 1995.

Assessment Year	Catch Data From	Overall SSR	SSR with Minimum Sizes
1991	1988	23%	28%
1992	1990	20%	27%
1993	1991	16%	27%
1995	1993	25%	?
1998	1997	21-27%	>30%

Regulations, which may have affected the catch of vermilion snapper are shown in Table 4-32 and Figure 4-5.

Table 4-32. Regulations for vermilion snapper.

Regulation	Effective Date	Plan or Amendment
4" trawl mesh size to achieve a 12" TL minimum size	8/31/83	Original FMP (SAFMC 1983)
Prohibit trawls	1/12/89	Amendment 1 (SAFMC 1988)
Prohibit fish traps, entanglement nets & longlines within 50 fathoms; bag limit of 10 vermilion per person per day; 10" TL recreational minimum size limit & 12" TL commercial minimum size limit	1/1/92	Amendment 4 (SAFMC 1991)
Oculina Experimental Closed Area	6/27/94	Amendment 6 (SAFMC 1993)
Limited entry program: transferable permits and 225-lb non-transferable permits	12/98	Amendment 8 (SAFMC 1997)
Recreational size limit increased to 11" TL; Vessels with longlines may only possess deepwater species	2/24/99	Amendment 9 (SAFMC 1998c)
Commercial quota set at 1.1 million lbs gutted weight; recreational size limit increased for 12" TL.	10/23/06	Amendment 13C (SAFMC 2006)

Commercial harvest was less than 1,000,000 lbs whole weight during 1992-1999 then spiked to over 1,600,000 lbs whole weight in 2001; commercial landings decreased to about 760,000 lbs whole weight in 2003 (Figure 4-5). In 2004, landings were about 1.1 million lbs whole weight but decreased during 2005. Based on data from ALS, the headboat survey and MRFSS, 68% of the harvest during 1986-2005 was by commercial fishermen and 32% by recreational fishermen (Figure 4-5).

The mean length of vermilion snapper caught by commercial, recreational, and headboat fishermen has generally increased since 1984 (Figure 4-6). The mean size of vermilion snapper is largest for commercially caught fish and smallest for vermilion snapper taken

by headboat fishermen. Noticeable increases in the mean size occurred when minimum sizes of 10" total length recreational and 12" total length commercial were implemented in 1992 (Figure 4-6).

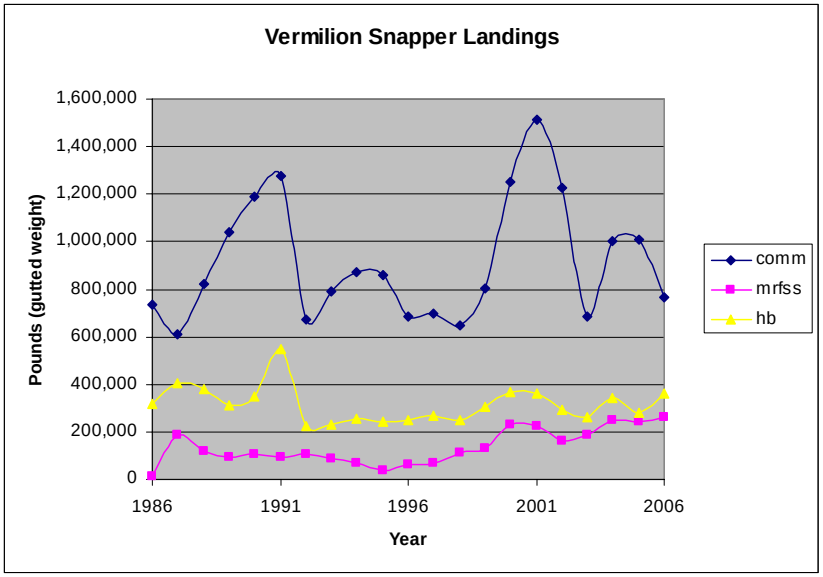


Figure 4-6. Annual landings (lbs whole weight) of vermilion snapper.
SOURCE: Commercial landings are from the NMFS Accumulative Landings System (ALS), Headboat data are from NMFS-Beaufort, and MRFSS data are from the MRFSS web site.

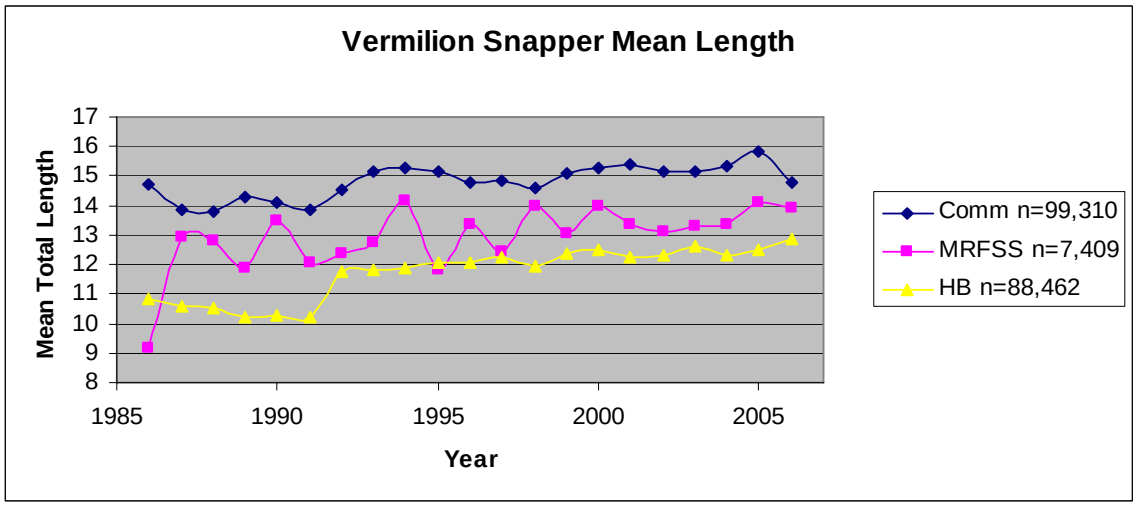


Figure 4-6. Mean lengths (inches, total length) of vermilion snapper taken by commercial, headboat, and recreational (MRFSS) fishermen during 1984-2006.

4.2.2 Management Reference Point Alternatives

Maximum Sustainable Yield (MSY) for Vermilion Snapper

Alternatives are shown because the current definition for MSY is being replaced (Table 4-33). In the future, this will not be an action item unless the Council decides to change how MSY is calculated; the value will be updated from the most recent SEDAR assessment.

Optimum Yield (OY) for Vermilion

Alternatives are shown because the current definition for OY is being replaced (Table 4-33). In the future, this will not be an action item unless the Council decides to change the way OY is calculated; the value will be updated from the most recent SEDAR assessment.

Discussion

Alternatives are being considered by the Council because the current definition for MSY is being replaced (Table 4-33). In the future, this will not be an action item unless the Council decides to change how the MSY is calculated; the value will be updated from the most recent SEDAR assessment.

The Council has chosen Alternative 2 as the preferred where MSY is specified. The Council is aware of the concerns the SSC had with uncertainty and that the SSC did not support the use of this estimate. An assessment is currently being planned and completion is expected late in 2008. The SSC has confidence in the F estimates from the SEDAR Assessment Update, but the SSC does not feel the biomass estimates are reliable.

The value specified for MSY at equilibrium has not been endorsed by the SSC. OY Values for 65% and 85% F_{MAX} (Alternatives 2a and 2c) were determined using the Baranov equation just as the SSC did to calculate the yield at 75% of F_{MAX}. These MSY and OY values will be updated after the new assessment is completed in 2008.

Table 4-33. MSY and OY alternatives for vermilion snapper.

Alternatives	Equation	F_{MSY} & F_{OY} Values	MSY & OY Values
Alternative 1 (no action)	MSY equals the yield produced by F_{MSY}. $F_{30\%SPR}$ is used as the F_{MSY} proxy for all stocks. OY equals the yield produced by F_{OY}. $F_{40\%SPR}$ is used as the F_{OY} proxy.	**F_{MSY}** = 0.35* **F_{OY}** = 0.25*	Not specified Not specified
Alternative 2 (preferred)	MSY equals the yield produced by F_{MSY}. MSY and F_{MSY} are defined by the most recent SEDAR. OY equals the yield produced by F_{OY}. If a stock is overfished, F_{OY} equals the fishing mortality rate specified by the rebuilding plan designed to rebuild the stock to SSB_{MSY} within the approved schedule. After the stock is rebuilt, F_{OY} = a fraction of F_{MSY}. The overfished status of vermilion snapper is unknown.	**F_{MSY}** = 0.355** See subalts. below	2,699,957 lbs whole weight (2.432.394 lbs gutted weight)
Alternative 2a		(65%)(F_{MSY})	547,887 lbs whole weight** (493,592 lbs gutted weight)
Alternative 2b (preferred)		(75%)(F_{MSY})	628,459 lbs whole weight** (566,179 lbs gutted weight)
Alternative 2c		(85%)(F_{MSY})	692,916 lbs whole weight** (624,249 lbs gutted weight)

*Source: Powers 1999 **Source: Recommendation from SEFSC based on the results from SEDAR Update (2007). F_{MAX} used as a proxy for F_{MSY}. *** The Council's SSC did not endorse the estimate of MSY from the vermilion snapper SEDAR Update (2007).

The Council has specified the Minimum Stock Size Threshold (MSST) as the biomass using the formula MSST = (1-M)*SSB_{MSY}. This formula is recommended in the Technical Guidance Document developed by NMFS and represents 1 minus the natural mortality multiplied by the spawning stock biomass at maximum sustainable yield. **This value is unknown at this time given the high level of uncertainty with the biomass values.** A new age-based stock assessment will be available in late 2008 and that should provide an estimate of the MSST.

Vermilion Catch Level To End Overfishing

Vermilion snapper is experiencing overfishing but the overfished status is unknown. The Council's SSC recommended a restriction in harvest to F_{OY} equal to the yield associated with 75% of F_{MSY}. The would correspond to a TAC of 566,179 pounds gutted weight for all sectors (Table 4-34).

Table 4-34. Vermilion snapper catch levels to end overfishing.

Alternatives	Catch Levels to end Overfishing (pounds whole weight)
Alternative 1 (no action)	Do not specify a catch level to end overfishing.
Alternative 2 (preferred)	Set the catch level = 628,459 pounds whole weight* (566,179 pounds gutted weight) for 2009 onwards
*Source: SSC.	

4.2.2.1 Biological Effects of Management Reference Point Alternatives

Alternatives are shown because the current definitions for MSY and OY are being replaced. In the future, these will not be an action items unless the Council decides to change how the MSY is calculated; the value will be updated from the most recent SEDAR assessment.

The Council has chosen Alternative 2 as the preferred where MSY is specified. The Council is aware of the concerns the SSC had with uncertainty and that the SSC did not support the use of this estimate. An assessment is currently being planned and completion is expected late in 2008. The SSC is confident with the F estimates from the SEDAR Assessment Update but not biomass estimates.

Council selected yield at $75\%F_{MSY}$ as the preferred OY alternative for snowy grouper, black sea bass, and red porgy in Amendment 15A. Equilibrium OY is uncertain for vermilion snapper. Until a new assessment is completed, the interim OY is the yield at $75\%F_{MAX}$ as suggested by the SSC. OY Alternatives 2 and 4 represent the yield at 65% and 85% of F_{MSY}, respectively. The values were estimated using the Baranov equation and will also serve as placeholders until the new benchmark assessment is completed.

National Environmental Policy Act (NEPA) 40 CFR §1508.8 (a) defines direct effects "which are caused by the action and occur at the same time and place". NEPA) 40 CFR §1508.8 (b) defines indirect effects "which are caused by the action and are later in time or farther removed by distance." According to the NEPA definitions of direct and indirect effects, defining MSY, and OY for vermilion snapper will not directly affect the biological or ecological environment, including ESA-listed species, because these parameters are not used in determining immediate harvest objectives. MSY and OY are reference points used by fishery managers to assess fishery performance over the long term. As a result, redefined management reference points could require regulatory changes in the future as managers monitor the long-term performance in reference to the new reference points. Therefore, these parameter definitions will indirectly affect subject stocks and the ecosystem of which they are a part, by influencing decisions about how to maximize and optimize the long-term yield of fisheries under equilibrium conditions and triggering action when stock biomass decreases below a threshold level.

MSY Alternative 1 would retain SPR based MSY definitions as a proxy for MSY established for the vermilion snapper stock in Snapper Grouper Amendment 11 (1998). This SPR-based definition specifies a fixed fishing mortality rate, which would reduce the spawning biomass per recruit to 30% of the unfished level.

MSY provides fishery managers a specific reference point against which to evaluate the sustainability of catches over the long term. MSY is often treated as a limit that should not be exceeded. Not designating a MSY value or designating one not based upon the

best available science **(Alternative 1)** could have adverse, indirect effects on the vermilion snapper stock in the south Atlantic.

MSY in **Alternative 1** is defined as the yield produced by F_{MSY}, where $F_{30\%SPR}$ is used as the F_{MSY} proxy. The F_{MSY} based on the SPR proxy associated with the MSY definition in the no action Alternative 1 (F = 0.35) is very similar to the estimate of F_{MAX} = 0.355 that serves as a proxy for F_{MSY} from SEDAR Assessment Update #3 (2007).

The Council's **Preferred MSY Alternative 2** would redefine the MSY of vermilion snapper to equal the value recommended by the most recent SEDAR stock assessment. Neither value would be expected to result in overexploitation of the stock but the new definition is more precise because it is based on scientific information. **Preferred Alternative 2** would indirectly benefit the biological and ecological environment. Specifying MSY provides fishery managers a specific reference point against which to evaluate the sustainability of catches over the long term. Designation of MSY may make it more likely management actions can be taken to reduce fishing pressure on a stock experiencing unsustainable fishing mortality or is overfished. Therefore, stocks with reference points based on SEDAR assessments are expected to provide the strongest positive indirect environmental effects.

OY Alternative 1 would retain the OY definition established in the Snapper Grouper FMP Amendment 11; however, the value for OY was not specified. Not designating an OY value or designating one that is not based upon the best available science (OY **Alternative 1**) would have adverse, indirect effects on the vermilion snapper stock. This SPR-based definition specifies a fixed fishing mortality rate, which would reduce the spawning biomass per recruit to 40% of the unfished level. Powers (1999) estimated $F_{40\%SPR}$ as 0.25. As **Alternative 3** is based on a recent assessment, it would provide a better estimate of the OY than **Alternative 1**.

The more conservative the estimate of OY, the larger the sustainable biomass. The biomass of the population would be least when the rate of fishing mortality is equal to F_{MSY} and would be greatest when the fishing mortality rate was equivalent to 65% of F_{MSY}. Therefore, a larger sustainable biomass associated with a fishing mortality rate at 65% of F_{MSY} would be good for the stock, but bad for the fishery, in the short term, because longer and/or harder short-term reductions in harvest would be needed to achieve larger sustainable biomass.

Like **Alternative 1**, **Alternatives 2-4** would specify fixed fishing mortality rates. However, the rates defined by **Alternatives 2-4** relate directly to what is expected to produce MSY (F_{MSY}), consistent with the definition of OY provided at 50 CFR 600.310(b). These alternatives would indirectly benefit the biological and ecological environment by providing a more precise estimation of OY based upon the recent stock assessment.

Alternatives 2-4 are distinguished from one another by the level of risk (and associated tradeoffs) each would assume. **Alternative 2** represents the most precautionary

management program of those considered for each unit. This alternative defines OY to equal the average yield associated with fishing at just 65 percent of F_{MSY}. This OY definition would provide the largest buffer between MSY and OY relative to the other alternatives and, consequently, the greatest assurance that management measures designed to achieve OY would be effective in sustaining vermilion snapper over the long term.

The Council's **Preferred Alternative 3** defines OY to equal the average yield associated with fishing at 75% of F_{MSY}. This definition reduces slightly the safety margin between MSY and OY relative to **Alternative 2**. Restrepo *et al.* (1998) state "that fishing at 75% of F_{MSY} would result in equilibrium yields at 94% of MSY or higher, and equilibrium biomass levels between 125% and 131% of B_{MSY} – a relatively small sacrifice in yield for a relatively large gain in biomass." A simple deterministic model described in Mace (1994) to describe to evaluate the effects between the yield of fishing at 75% of F_{MSY} relative to fishing at F_{MSY} indicates that the ratios are consistent across a broad set of life history characteristics ranging from species such as snowy grouper with low natural mortality rates to more productive species like vermilion snapper and black sea bass. Restrepo *et al.* (1998) determined the ratio of the yield of fishing at 75% of F_{MSY} relative to F_{MSY} would range from 0.949 and 0.983. Restrepo *et al.* (1998) also indicate fishing at this rate under equilibrium conditions is expected to reduce the risk of overfishing by 20-30%. Vermilion snapper are vulnerable to overfishing because they are moderately long-lived (max age = 14 years), achieve sizes as great as 24" TL, and form schools. Therefore, the biological and ecological effects of this definition for vermilion snapper are still expected to be positive.

Alternative 4 defines OY to equal the average yield associated with fishing at 85% of F_{MSY}. This is the least conservative of those OY alternatives considered because it would further reduce the precautionary buffer between OY and MSY. Therefore, this definition would provide the least amount of benefits to the biological and ecological environment of all the alternatives, and could make it more difficult to sustain vermilion snapper over the long-term.

4.2.2.2 Economic Effects of Management Reference Point Alternatives

As in the case with gag, defining the MSY and OY for vermilion snapper does not alter the current harvest or use of the resource. Specification of these measures merely establishes benchmarks for fishery and resource evaluation from which additional management actions for the species would be based, should comparison of the fishery and resource with the benchmarks indicate that management adjustments are necessary. The impacts of these management adjustments will be evaluated at the appropriate sections of this amendment document. As benchmarks, these parameters would not limit how, when, where, or with what frequency participants in the fishery engage the resource. This includes participants who directly utilize the resource (principally, commercial vessels, for-hire operations, and recreational anglers), as well as participants associated with peripheral and support industries. All entities could continue normal and customary activities under any of the alternative specifications. Participation rates and harvest levels could continue unchanged.

Since there would be no direct effects on resource harvest or use, there would be no direct effects on fishery participants, associated industries or communities. Direct effects only accrue to actions that alter harvest or other use of the resource. Specifying MSY and OY, however, establishes the platform for future management, specifically from the perspective of bounding allowable harvest levels. In this sense, MSY and OY may be considered to have indirect effects on fishery participants.

Combined recreational and commercial harvests of vermilion snapper averaged approximately 1.6 million pounds gutted weight from 2001 to 2006. The Council's choice of **Alternative 2** as the preferred alternative was based on its being scientifically more correct than the current one under **Alternative 1**. In terms of equivalent poundage, the MSY for **Preferred Alternative 2** would be about 2.4 in gutted weight, which is significantly greater than current harvests. Considering that **Preferred Alternative 2** provides more correct estimate of MSY, it affords greater probability for long-term protection of the stock and consequently higher probability for the long-term viability of both commercial and recreational fisheries. In addition, the relatively high MSY level relative to current harvests indicates that even if restrictive measures were to be imposed their short-run costs would likely be outweighed by future benefits.

OY is the long-term goal of fisheries management, and as such it sets the level of potential economic benefits fishery participants can derive from the fishery. OY levels specified in this amendment are mainly biological measures that can be translated to harvest levels. Given harvest levels at specified OY, the corresponding level of economic benefits derivable therefrom highly depends on the management system adopted for the fishery. A controlled access system, for example, in the commercial fishery is apt to generate more economic benefits than an open access system given the same OY and harvest level. In general, a higher OY (and harvest level) may be expected to allow greater economic benefits under an open access system but not necessarily under a controlled access system. It is highly possible that under a controlled access system,

the equality of marginal cost and marginal benefit occurs at a harvest level below OY so that harvests above such level and possibly equal to OY would only result in net economic loss to the fishery. Of course, if OY is set at a very high level, total harvests at which marginal cost equals marginal benefit may occur at a level that would not allow long-term sustainability of the stock although the level would still be below OY. Naturally, the situation would be worse under an open access system because harvest levels would be driven up to the allowable maximum. The key issue in this discussion is that OY be set at more sustainable level and that it be set at a lower level under an open access management system than under a controlled access system.

In poundage terms, the various OY alternatives would be 547,887 pounds for **Alternative 2a**, 628,459 pounds for **Preferred Alternative 2b**, and 692,916 pounds for **Alternative 2c**. Given current landings of vermilion snapper, all OY alternatives would provide for highly restrictive harvest levels, with **Alternative 2a** being relatively more restrictive than **Preferred Alternative 2a** and **Alternative 2c**. From the standpoint of commercial and recreational fishing operations, any of the alternatives would likely bring about large reductions in their net benefits derivable from the vermilion fishery. In order to compensate for this relatively large short-run losses, long-term gains especially if they occur farther into the future would have to be very high. Given the preferred MSY level and potential upward drift in OY as the overfishing problem with vermilion gets to be overcome, such large long-term gains may be deemed to be within reasonable realms of probability.

Catch levels are provided in this amendment to address the overfishing condition of vermilion snapper**. Alternative 1**, which does not provide a catch level, may be ruled out since it does not address the current overfishing condition of vermilion snapper. **Preferred Alternative 2** sets the catch level at 692,916 pounds, and this is expected to correct the current overfishing condition of vermilion snapper. Relative to the 2001-2006 average harvest of vermilion snapper, the fishery is expected to face a rather significant harvest reduction of about 60 percent. The actual reduction to the commercial and recreational sectors would depend on some other measures in this amendment, such as the commercial/recreational allocation, quota, bag limits, size limits, and closures. The economic impacts of these other measures are discussed in pertinent sections of this amendment.

4.2.2.3 Social Effects of Management Reference Point Alternatives

Defining the MSY, OY, or MSST for a species or species complex would not cause direct social impacts because it would not place specific controls on the amount or manner in which the resources are harvested. These parameters simply provide management targets and thresholds needed to assess the status and performance of the fishery. All current direct, indirect, consumptive, and non-consumptive uses of the resources will be unaffected. Evaluation of the resource relative to the benchmarks, however, may trigger harvest and/or effort controls, which would directly impact the individuals, social networks, and associated industries related to the fishery, inducing short-term adverse economic impacts until less restrictive management is allowable.

Designation of these benchmarks, therefore, establishes the foundation for subsequent regulatory change. Regulatory change may cause some of the following direct and indirect consequences: increased crew and dockside worker turnover; displacement of social or ethnic groups; increased time at sea (potentially leading to increased risk to the safety of life and boat); decreased access to recreational activities; demographic population shifts (such as the entrance of migrant populations replacing or filling a market niche); displacement and relocation as a result of loss of income and the ability to afford to live in coastal communities; increased efforts from outside the fishery to affect fishing related activities; changes in household income source; and increased gentrification of coastal communities as fishery participants are unable to generate sufficient revenue to remain in the community. Ultimately, one of the most important measurements of social change is how these social forces, in coordination with the strategies developed and employed by local fishermen to adapt to the regulatory changes, combine to affect the local fishery, fishing activities and methods, and the community as a whole.

A major indirect effect of fisheries management on the fishing community and related sectors is increased confusion and differences between the community and the management sector in levels of understanding and agreement on what is best for both the resource and the community. The fact that "the science" can cause relatively large reductions in harvests is particularly disconcerting to many fishermen and concerned stakeholders. The potential for unemployment and financial uncertainty looms large in their envisioned future. An attitude of defeat and resignation among fishermen has been noted in the snapper-grouper fishery, and it is not known to what extent mental health may be affected by proposed regulatory change. This "lack of enthusiasm" for fishery management, however defined, coupled with confusion about scientific premises and concepts, has direct and indirect effects on other elements in the fishery, such as enforcement efforts and compliance with current and future regulations. This can lead to inefficient use of resources, ineffectual regulations, and failure to meet management targets, which may precipitate additional restrictions.

Data deficiencies and the complexity of the task make it difficult to determine the biological reference points with certainty. The selection of a particular benchmark has potential implications on resource users depending upon its accuracy relative to the true value. Selection of the wrong alternative, while protecting the resource, may subject the human environment to overly restrictive regulations, increasing the risk to the economic viability of participants in the fishery and associated industries. Alternatively, the erroneous choice of a less conservative alternative when more conservatism is warranted could result in short term increased economic benefits to fishery participants, but lead to reduced stock sustainability, ultimately leading to more severe social and economic disruptions than would occur under more conservative management. In general, however, the higher the MSY and OY, the greater the allowable, long-term sustainable yield for the fishery and, hence, the greater the long-term social benefits of a sustainable and healthy resource.

Since none of the alternative MSY and OY specifications imply harvest reductions, each implies the potential for increased social benefits once the resource is rebuilt. Among the MSY alternatives, MSY is not directly specified in **Alternative 1**. **Preferred Alternative 2** is based on the new value from SEDAR Update (2007) and MSY equals 2.7 million pounds whole weight. This is based on the most recent information, is more accurately reflective of harvest patterns in the fishery and, thus, is expected provide the social benefits of a stable and sustainable fishery.

Among the OY alternatives, OY is not specified in **Alternative 1**. **Alternative 2c** would allow the largest harvests and provide the greatest long-term social benefits, if the specified difference between OY and MSY is sufficient to capture the environmental variability of the resource. **Preferred Alternative 2b**, however, may provide a better hedge against harvest overages, thereby supporting more stable harvests and social benefits. **Alternative 2a** would be more restrict the on the fishery and, if unnecessarily conservative, it would generate the least long-term social benefit.

MSST is unknown at this time..

4.2.2.4 Administrative Effects of Management Reference Point Alternatives

The potential administrative effects of these alternatives differ in that the scenarios defined by each vary in terms of the implied restrictions required to constrain the fisheries to the respective benchmarks. Of the two MSY alternatives, only **Preferred MSY Alternative 2** identifies a specific harvest level.

In theory, the larger the allowable harvest, the less restrictive and administratively burdensome subsequent management is needed to be. From this perspective **MSY** and **OY Alternative 1** would allow the largest harvest, and therefore less restriction. However, the more conservative the estimate of OY, the larger the sustainable biomass, which translates into a lower administrative burden. **Preferred OY Alternative 2b** represents an intermediate level of restriction compared to that of Alternatives 2a and 2c. **Alternative 2a** reflects the highest level of restriction, based on 65 percent of F_{msy}, and **Alternative 2c** reflects the lowest level of restriction, based on 85 percent of F_{msy}. The **Preferred OY Alternative 2b** would establish an intermediate safety margin relative to **Alternatives 2a and 2c**. However, it would reduce the possible administrative burden of justifying the potentially excessively conservative management position embodied by **Alternative 2a**, and correcting the problems induced by the potential management programs that could lead to overfishing under **OY Alternative 2c**.

The vermilion snapper MSST is unknown at this point but an estimate will be forthcoming after the 2008 age-based stock assessment has been completed. Catch levels to end overfishing of vermilion snapper have been established based on yield at F_{oy}, which would be 566,179 (lbs gutted weight). This TAC, from which the commercial and recreational allocations are derived, represents a large reduction in harvest. The establishment of a vermilion snapper TAC is not expected to result in a substantially increased administrative burden.

4.2.2.5 Council Conclusions

This will be added after the March 2008 meeting.

4.2.3 Interim Vermilion Snapper Allocation Alternatives

Alternative 1 (no action). Do not define interim allocations for vermilion snapper.

Alternative 2 (preferred). Define interim allocations for vermilion snapper based upon landings from the NMFS landings (ALS), NMFS Marine Recreational Fisheries Statistics Survey (MRFSS), and NMFS headboat databases. The allocation would be based on landings from the years 1986-2005. The allocation would be 68% commercial and 32% recreational. This alternative would establish a commercial quota of 385,002 pounds gutted weight (427,352 pounds whole weight) and a recreational allocation of 181,177 pounds gutted weight (201,107 pounds whole weight).

Table 4-35. Historical vermilion snapper landings (gutted weight).

Vermilion Snapper Landings (pounds gutted weight)				**Total**	**Total**
Year	**Commercial**	**Headboat**	**MRFSS**	**Recreational**	**Landings**
2001	1,515,535	362,718	222,690	585,408	2,100,943
2002	1,228,928	294,094	159,450	453,544	1,682,472
2003	686,586	258,957	187,733	446,690	1,133,276
2004	1,001,297	342,138	238,594	580,732	1,582,029
2005	1,009,300	281,059	251,560	532,619	1,541,919
2006	765,216	362,476	262,328	624,804	1,390,021
Avg 04-06	925,271	328,558	251,311	579,868	1,505,139

Source: ALS, MRFSS Web site; Headboat survey. Data do not include dead discards and MRFSS data are A+B1; weight not converted from numbers.

4.2.3.1 Biological Effects of Allocation Alternatives

Alternative 1 would not specify a commercial or recreational allocation for vermilion snapper. If an allocation was not specified then it would not be possible to identify the allowable catch in the recreational sector; however, the commercial quota could be specified as the status quo assumes 64% of the landings are from the commercial sector.

The Advisory Panel recommended **Alternative 2**. The Council examined the complete time series and noticed there was little difference in the percentage commercial and recreational when any time series was examined. The Council concluded the longest time series (**Alternative 2**) was the best approach. Also, the Council discussed whether an additional alternative was necessary but given the similar distribution over the years of data, the Council concluded two alternatives were appropriate for this action.

Using the landings data (in pounds whole weight) and the allocations for the two time periods shown below results in the commercial quotas and recreational allocations shown in Table 4-36.

Table 4-36. Preliminary vermilion snapper commercial quotas and recreational allocations (pounds gutted weight).

Vermilion Snapper		Allocation Alternative 1. 64%C/36%R		Allocation Alternative 2. 68%C/32%R	
	Annual	Commercial	Recreational	Commercial	Recreational
Year	TAC* (gutted weight)	Quota** (gutted weight)	Allocation** (gutted weight)	Quota (gutted weight)	Allocation (gutted weight)
2009 Onwards	566,179	362,355	203,824	385,002	181,177

*The harvest based on 75% of F_{MAX} is being used to determine TAC. This number may be modified based on the SSC's deliberations in June 2008.
**Alternative 1 would not specify a commercial or recreational allocation for vermilion snapper.

Alternative 1 would perpetuate the existing level of risk to ESA-listed species. The overall impact of **Alternative 2** on ESA-listed species are uncertain. Sea turtle abundance in the South Atlantic changes seasonally and the impact of fishing effort shifts, if any, resulting from these alternatives is difficult to predict. Current monitoring programs will allow NOAA Fisheries Service to track and evaluate any increased risk to ESA-listed species. If necessary, an ESA consultation can be re-initiated to address any increased levels of risk.

4.2.3.2 Economic Effects of Allocation Alternatives

4.2.3.2.1 *General Discussion*

There is only one alternative allocation ratio to the no action alternative. In general, allocation alternatives for vermilion snapper would determine the distribution of harvest reductions to the commercial and recreational sector due to the proposed catch level to address overfishing of vermilion snapper. **Alternative 2** was generated through an examination of sector harvests for some harvest years rather than an attempt to identify the allocation that maximized net benefits, or in the present case minimized net losses, because application of the maximum benefit analysis is not possible at this time with available data. Because **Alternative 2** is not the result of loss minimization analysis, assessment of its economic impacts is reduced to a simple case of determining the magnitude of losses to a sector from the given allocation alternative

4.2.3.2.2 *Commercial Sector*

Assuming that the commercial allocation would be implemented by quota and quota closures, **Alternative 2** is expected to reduce commercial net operating revenues by 61.1 percent or about $2.8 million using a 3 percent discount rate and vessel trips landing at least one pound of vermilion snapper (Table 4-37). Diving and vertical line vessels would bear most of the revenue losses in terms of both percentage and absolute values. Vertical line vessels especially could experience net revenue losses of about $2.6 million, which is over 90 percent of total net revenue losses. Net revenue losses would be much less when considering vessel trips landing at least one pound of any snapper-grouper species.

Table 4-37. Reductions in commercial vessels' net operating revenues from a vermilion snapper allocation alternative, in thousand 2005 dollars, by gear type.

Model	Diving	Vertical Lines	Longlines	Other Gears	Traps / Pots	Trolling	not recorded	Total
Vessel trips landing at least one pound of vermilion snapper								
Baseline (3%)	$109	$4,348	$4	$9	$18	$24	$0	$4,511
Baseline (7%)	$105	$4,185	$4	$9	$17	$23	$0	$4,342
Alt. 2	-61.6%	-61.4%	0.0%	-34.3%	-59.1%	-35.3%	0.0%	-61.1%
Vessel trips landing at least one pound of any snapper-grouper species								
Baseline (3%)	$615	$7,894	$528	$377	$296	$337	$3	$10,050
Baseline (7%)	$592	$7,599	$509	$362	$285	$324	$3	$9,674
Alt. 2	-0.8%	-19.5%	0.0%	-0.2%	0.4%	-0.6%	0.0%	-15.4%

Percentage-wise, the distribution of losses across the various areas would be slightly close to being uniform and ranges from 48.6 percent for the Florida Keys to 66.4 percent for North Carolina (Table 4-38). In absolute terms, North Carolina, South Carolina, and Georgia/Northwest Florida would suffer large losses in net operating revenues.

Table 4-38. Reductions in commercial vessels' net operating revenues from a vermilion snapper allocation alternative, in thousand 2005 dollars, by area.

Model	North Carolina	South Carolina	Georgia and northeast FL	Central and south FL	Florida Keys	Other	Total
Vessel trips landing at least one pound of vermilion snapper							
Baseline (3%)	$1,514	$1,812	$1,090	$69	$25	$0	$4,511
Baseline (7%)	$1,458	$1,744	$1,050	$67	$24	$0	$4,342
Alt. 2	-66.4%	-60.8%	-55.1%	-54.6%	-48.6%	0.0%	-61.1%
Vessel trips landing at least one pound of any snapper-grouper species							
Baseline (3%)	2,480	2,149	1,313	1,931	2,174	3	10,050
Baseline (7%)	2,388	2,068	1,264	1,859	2,093	3	9,674
Alt. 2	-23.8%	-24.1%	-31.6%	-0.8%	-0.3%	0.0%	-15.4%

4.2.3.2.3 *Recreational Sector*

Assuming that the recreational harvest of vermilion snapper would be controlled to the sector's allocation, **Alternative 2** may be expected to result in recreational benefit losses of about $1.91 million (Table 4-39). About 96 percent of all losses would be in terms of reduction in consumer surplus. Losses in charterboat producer surplus ($36,677 at the 3 percent discount factor) would be slightly less than those for headboats ($41,942).

Table 4-39. Reductions in producer and consumer surplus from an allocation alternative for vermilion snapper, in 2005 dollars, by fishing mode.

		Producer Surplus	Consumer Surplus	Total Effects	Producer Surplus	Consumer Surplus	Total Effects
		3% Discount Rate			7% Discount Rate		
Alt. 2	Charter	$36,677	$389,636	$426,313	$35,306	$375,070	$410,376
	Headboat	$41,942	$1,257,759	$1,299,701	$40,374	$1,210,740	$1,251,114
	Private/Shore		$262,026	$262,026		$252,231	$252,231
	TOTAL	$78,619	$1,909,421	$1,988,040	$75,680	$1,838,041	$1,913,721

It can be seen from Table 4-40 that most of the losses (about 74%) to the recreational sector would be borne by Florida for-hire vessels and anglers. The rest of the losses would be about equally shared by North Carolina and South Carolina. A significantly greater portion of total losses for all areas would be in the form of consumer surplus.

Table 4-40. Reductions in producer and consumer surplus from an allocation alternative for vermilion snapper, in 2005 dollars, by fishing area.

		Producer Surplus	Consumer Surplus	Total Effects	Producer Surplus	Consumer Surplus	Total Effects
		3% Discount Rate			7% Discount Rate		
Alt. 2	Florida	$59,443	$1,410,971	$1,470,414	$57,221	$1,358,225	$1,415,446
	Georgia	$0	$0	$0	$0	$0	$0
	South Carolina	$8,548	$249,187	$257,734	$8,228	$239,871	$248,099
	North Carolina	$10,628	$249,264	$259,892	$10,231	$239,945	$250,176
	TOTAL	$78,619	$1,909,421	$1,988,040	$75,680	$1,838,041	$1,913,721

4.2.3.3 Social Effects of Allocation Alternatives

As discussed in Section 4.2.3.2, the Council' vermilion snapper allocation alternative relative to the status quo would result in economic losses to both the commercial and recreational sectors. Appropriate changes in social benefits would be expected to similarly result. No alternative allocation has been identified that would benefit one sector while not harming the other sector.

In addition to the expected adverse economic effects on the commercial sector, any allocation would be accompanied with effects that cannot be quantified. If these unquantifiable effects are compounded as the magnitude of the allocation increases, substantially increased adverse social impacts could accrue to the commercial sector as a result of **Preferred Alternative 2** relative to the other alternatives. Allocation away from historical distributions is a particularly divisive issue in fisheries, regardless of the amount of quantitative justification the allocation may appear to have. This is particularly true when incomes and livelihoods become affected. While appropriate data on business failure/exit does not exist, anecdotal information point to the increasing difficulty commercial fishermen have remaining in fisheries in general due to increased fuel costs, stagnant or declining ex-vessel prices, decreasing dock space and numbers of fish houses, fewer or more restrictive species options, and generally more restrictive management measures. Similar pressures exist for for-hire business operators. However, all of the allocation alternatives, while mitigating the effects of some of these pressures on the recreational sector, would exacerbate these pressures on the commercial sector. While none of the allocation alternatives to the status quo would be neutral to the commercial sector, lower adverse social impacts to the commercial sector and associated industries and communities would be expected to accrue to those alternatives that result in the lowest allocation away from the commercial sector.

4.2.3.4 Administrative Effects of Allocation Alternatives

Alternative 1 would maintain the status quo with no commercial or recreational allocations specified for vermilion snapper, and therefore would not have an effect on the administrative environment. **Preferred Alternatives 2** would allocate 68% of the ACL to the commercial sector, and 32% to the recreational sector. The preferred alternative would increase the administrative burden on NOAA Fisheries Service, as landings would need to be monitored in relation to the commercial and recreational portion of the allocation for overages and commercial quota purposes. **Preferred Alternative 2** would require the establishment of a more sophisticated quota/allocation monitoring system.

4.2.3.5 Council Conclusions

This will be added after the March 2008 meeting.

4.2.4 Potential Management Regulations for Vermilion Snapper

[Note: More than one alternative can be chosen from the list below. The Council does not have any preferred alternatives at this stage.]
[Add Yield per recruit analyses from SEFSC. See Appendix G.]

Alternative 1. No action. **Current Regulations:**

(i) Current vermilion snapper commercial regulations = 12 inch size limit; commercial quota = 1,100,000 pounds gutted weight (1,221,000 pounds whole weight); vessels with longlines may only possess deepwater species; limited entry program with 2 for 1 provision.

(ii) Current vermilion snapper recreational regulations = 12 inch size limit; 10 vermilion snapper bag limit.

Alternative 2. Directed Commercial Quota. Establish a directed commercial quota based on an interim allocation of 68% commercial and 32% recreational (Table 4-41). *Different PQBM scenarios were presented to the Council and SSC at the 2007 Council meeting; Jack McGovern will contact Snapper Grouper AP members and others to verify the most likely level of PQBM. PQBM is a function of many different factors including magnitude of harvest reduction and management measures needed to end overfishing.* After the commercial quota is met, all purchase and sale is prohibited and harvest and/or possession is limited to the bag limit.

Table 4-41. Commercial quota taking into consideration estimate of PQBM.

Commercial quota	385,002
PQBM	57,000
Directed quota	**328,002**

Notes: Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in lbs gutted weight.

Alternative 3. Divide the directed commercial quota into seasons.

Alternative 3a. Allocate the directed commercial quota 50% to the period January 1st through June 30th and 50% to the period July 1st through December 31st (Table 42). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Table 4-42. Commercial quotas for January-June (50%) and July-December (50%) taking into consideration estimate of PQBM.

Commercial quota	385,002
Jan-June 50%	192,501
PQBM	24,000
Directed quota Jan-June	**168,501**
July-Dec 50%	192,501
PQBM	37,000
Directed quota July-Dec	**155,501**

Notes: Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in lbs gutted weight.

Alternative 3b. Allocate the directed commercial quota 40% to the period January 1st through June 30th and 60% to the period July 1st through December 31st (Table 43). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Table 4-43. Commercial quotas for January-June (40%) and July-December (60%) taking into consideration estimate of PQBM.

Commercial quota	385,002
Jan-June 40%	154,001
PQBM	27,000
Directed quota Jan-June	**127,001**
July-Dec 60%	231,001
PQBM	35,000
Directed quota July-Dec	**196,001**

Notes: Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in lbs gutted weight.

Alternative 3c. Allocate the directed commercial quota 50% to the period January 1st through August 31th and 50% to the period September 1st through December 31st (Table 44). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward

Table 4-44. Commercial quotas for January-August (50%) and September-December (50%) taking into consideration estimate of PQBM.

Commercial quota	385,002
Jan-Aug 50%	192,501
PQBM	43,000
Directed quota Jan-Aug	**149,501**
Sept-Dec 50%	192,501
PQBM	21,000
Directed quota Sept-Dec	**171,501**

Notes: Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in lbs gutted weight.

Alternative 4. Adjust recreational bag/size limit and establish a recreational closed season; no fishing for and/or possession of vermilion snapper would be allowed during the closed season; and captain crew on for-hire vessels would not be able to retain vermilion snapper.

Alternative 4a. Increase the recreational size limit to 14" and reduce the bag limit to 3 vermilion snapper (Total Reduction = 71%).

Alternative 4b. Increase the recreational size limit to 13" and reduce the bag limit to 1 vermilion snapper (Total Reduction = 73%).

Alternative 4c. Increase the recreational size limit to 13" and reduce the bag limit to 6 vermilion snapper (53% reduction) and close September & October (16% reduction) (Total Reduction = 61%).

Alternative 4d. Reduce the bag limit from 10 to 4 vermilion snapper (45% reduction) and a season closure (no fishing for and/or possession) of October through April (32% reduction) (Total reduction = 63%).

Alternative 5. Reduce recreational and commercial bycatch mortality by requiring the following for a person on board a vessel to fish for snapper grouper species in the South Atlantic EEZ: (a) use of venting and dehooking tools and (b) use of non-offset, non-stainless steel circle hooks when using natural baits to fish for snapper grouper species in one of the following South Atlantic EEZ fisheries:

Alternative 5a. Commercial snapper grouper fishery.

Alternative 5b. Recreational snapper grouper fishery.

Alternative 5c. Both commercial and recreational snapper grouper fisheries.

HERE ARE HOW THE REGS WILL BE WRITTEN FOR THIS ACTION IN THE GULF THROUGH AMENDMENT 14/27:

(m) Required gear in the Gulf reef fish fishery. For a person on board a vessel to fish for Gulf reef fish in

the Gulf EEZ, the vessel must possess on board and such person must use the gear as specified in paragraphs (m)(1) through (m)(3) of this section.

(1) Non-stainless steel circle hooks. Non-stainless steel circle hooks are required when fishing with natural baits.

(2) Dehooking device. At least one dehooking device is required and must be used to remove hooks embedded in Gulf reef fish with minimum damage. The hook removal device must be constructed to allow the hook to be secured and the barb shielded without re-engaging during the removal process. The dehooking end must be blunt, and all edges rounded. The device must be of a size appropriate to secure the range of hook sizes and styles used in the Gulf reef fish fishery.

(3) Venting tool. At least one venting tool is required and must be used to deflate the swim bladders of Gulf reef fish to release the fish with minimum damage. This tool must be a sharpened, hollow instrument, such as a hypodermic syringe with the plunger removed, or a 16-gauge needle fixed to a hollow wooden dowel. A tool such as a knife or an ice-pick may not be used. The venting tool must be inserted into the fish at a 45-degree angle approximately 1 to 2 inches (2.54 to 5.08 cm) from the base of the pectoral fin. The tool must be inserted just deep enough to release the gases, so that the fish may be released with minimum damage.

Alternative 6. Allow the Regional Administrator to make adjustments to the management measures based on outcome of new benchmark assessment.

Alternative 6a. Change measures in the following order: (1) Reduce or eliminate closed season, (2) reduce size limit, and (3) increase the bag limit.

Alternative 6b. Change measures in the following order: (1) Reduce or eliminate closed season, (2) increase the bag limit, and (3) reduce size limit.

Alternative 6c. Change measures in the following order: (1) Reduce size limit, (2) REDUCE or eliminate closed season, and (3) increase the bag limit.

THE COUNCIL DIRECTED THE TEAM AND REGION DEVELOP AN APPROACH TO DEAL WITH THIS; ALTERNATIVES 6 AND 7 ADDRESS THIS REQUEST.

Table 4-45. Reduction from size limit, bag limit, and seasonal closure.
Assumes 25% release mortality, non compliance with size limit, and excludes captain and crew. Vermilion Snapper 12" TL size limit; 88% effectiveness of seasonal closure

closure	open	9 fish	8 fish	7 fish	6 fish	5 fish	4 fish	3 fish	2 fish	1 fish
sept-may	June-Aug	65.99%	66.87%	68.37%	69.82%	71.54%	73.44%	75.82%	78.63%	82.31%
sept-april	May-Aug	57.69%	58.78%	60.65%	62.46%	64.59%	66.95%	69.92%	73.42%	77.99%
oct-april	May-Sept	52.06%	53.29%	55.41%	57.46%	59.88%	62.55%	65.91%	69.88%	75.06%
nov-april	May-Oct	46.14%	47.53%	49.90%	52.21%	54.93%	57.93%	61.70%	66.16%	71.98%
nov-mar	April-Oct	40.86%	42.39%	45.00%	47.53%	50.51%	53.81%	57.96%	62.85%	69.24%
dec-mar	April-Nov	38.11%	39.70%	42.43%	45.08%	48.21%	51.66%	55.99%	61.11%	67.80%
dec-feb	Mar-Nov	34.77%	36.45%	39.33%	42.12%	45.41%	49.05%	53.62%	59.02%	66.06%
jan-feb	Mar-Dec	33.30%	35.02%	37.96%	40.82%	44.18%	47.90%	52.58%	58.09%	65.30%
jan-mar	Apr-Dec	36.64%	38.27%	41.07%	43.78%	46.98%	50.51%	54.95%	60.19%	67.04%
jan-apr	May-Dec	41.91%	43.41%	45.97%	48.46%	51.39%	54.63%	58.70%	63.50%	69.78%
sept-oct	nov-aug	40.97%	42.49%	45.09%	47.62%	50.60%	53.89%	58.03%	62.91%	69.29%
no closure	All year	29.41%	31.23%	34.35%	37.37%	40.93%	44.87%	49.81%	55.65%	63.28%

Table 4-46. Reduction from size limit, bag limit, and seasonal closure.
Assumes 25% release mortality, non compliance with size limit, and excludes captain and crew. Vermilion Snapper 13" TL size limit; 88% effectiveness of seasonal closure.

Closure	open	9 fish	8 fish	7 fish	6 fish	5 fish	4 fish	3 fish	2 fish	1 fish
sept-may	June-Aug	74.51%	75.16%	75.16%	77.38%	78.67%	80.09%	81.87%	83.98%	86.74%
sept-april	May-Aug	68.28%	69.10%	69.10%	71.86%	73.46%	75.23%	77.45%	80.07%	83.50%
oct-april	May-Sept	64.06%	64.99%	64.99%	68.11%	69.93%	71.93%	74.45%	77.42%	81.30%
nov-april	May-Oct	59.62%	60.67%	60.67%	64.18%	66.21%	68.46%	71.29%	74.63%	79.00%
nov-mar	April-Oct	55.67%	56.82%	56.82%	60.67%	62.91%	65.38%	68.48%	72.15%	76.94%
dec-mar	April-Nov	53.61%	54.80%	54.80%	58.84%	61.18%	63.76%	67.01%	70.85%	75.86%
dec-feb	Mar-Nov	51.10%	52.36%	52.36%	56.61%	59.08%	61.81%	65.23%	69.28%	74.56%
jan-feb	Mar-Dec	50.00%	51.29%	51.29%	55.64%	58.16%	60.95%	64.45%	68.59%	73.99%
jan-mar	Apr-Dec	52.50%	53.73%	53.73%	57.86%	60.25%	62.90%	66.23%	70.16%	75.29%
jan-apr	May-Dec	56.46%	57.58%	57.58%	61.36%	63.56%	65.99%	69.04%	72.64%	77.35%
sept-oct	nov-aug	55.75%	56.89%	56.89%	60.74%	62.97%	65.44%	68.54%	72.20%	76.98%
no closure	All year	47.09%	48.45%	48.45%	53.05%	55.72%	58.67%	62.38%	66.76%	72.47%

Table 4-47. Reduction from size limit, bag limit, and seasonal closure.
Assumes 25% release mortality, non compliance with size limit, and excludes captain and crew. Vermilion Snapper 14" TL size limit; 88% effectiveness of seasonal closure.

Closure	open	9 fish	8 fish	7 fish	6 fish	5 fish	4 fish	3 fish	2 fish	1 fish
sept-may	June-Aug	80.09%	80.60%	80.60%	82.33%	83.34%	84.45%	85.84%	87.49%	89.64%
sept-april	May-Aug	75.23%	75.87%	75.87%	78.02%	79.27%	80.65%	82.39%	84.44%	87.11%
oct-april	May-Sept	71.93%	72.65%	72.65%	75.09%	76.51%	78.08%	80.04%	82.36%	85.40%
nov-april	May-Oct	68.47%	69.28%	69.28%	72.02%	73.61%	75.37%	77.58%	80.19%	83.60%
nov-mar	April-Oct	65.38%	66.27%	66.27%	69.28%	71.03%	72.96%	75.39%	78.25%	81.99%
dec-mar	April-Nov	63.77%	64.70%	64.70%	67.85%	69.68%	71.70%	74.24%	77.23%	81.15%
dec-feb	Mar-Nov	61.81%	62.79%	62.79%	66.11%	68.04%	70.17%	72.85%	76.01%	80.13%
jan-feb	Mar-Dec	60.95%	61.96%	61.96%	65.35%	67.32%	69.50%	72.24%	75.47%	79.68%
jan-mar	Apr-Dec	62.90%	63.86%	63.86%	67.09%	68.96%	71.03%	73.63%	76.69%	80.70%
jan-apr	May-Dec	65.99%	66.87%	66.87%	69.83%	71.54%	73.44%	75.82%	78.63%	82.31%
sept-oct	nov-aug	65.44%	66.33%	66.33%	69.33%	71.08%	73.00%	75.43%	78.29%	82.02%
no closure	All year	58.68%	59.74%	59.74%	63.33%	65.42%	67.72%	70.62%	74.04%	78.50%

Alternative 7 that has a range of commercial quotas from which the regional administrator can make a selection based on the outcome of the new benchmark assessment.

Alternative 7. Allow the Regional Administrator to make adjustments to the commercial quotas based on outcome of the new vermilion snapper benchmark assessment.

The directed commercial quota would be calculated using the 68% commercial, 32% recreational allocations specified in Alternative 2; the same estimate of post quota bycatch mortality (PQBM) is to be used.

Alternative 7a. Allocate the directed commercial quota 50% to the period January 1st through June 30th and 50% to the period July 1st through December 31st (Table 2-13). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Alternative 7b. Allocate the directed commercial quota 40% to the period January 1st through June 30th and 60% to the period July 1st through December 31st (Table 2-14). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Alternative 7c. Allocate the directed commercial quota 50% to the period January 1st through August 31th and 50% to the period September 1st through December 31st (Table 2-15). Any remaining quota from period 1 would transfer to period 2 Any remaining quota from period 2 would not be carried forward.

4.2.4.1 Biological Effects of Management Regulations Alternatives

The benchmark SEDAR assessment and the updated SEDAR assessment are based on lengths. There is uncertainty about the biomass-based conclusions from these assessments, and the SSC has recommended the Council not use these values. The SSC has confidence in the fishing mortality rate values and recommends the Council use those values to reduce harvest and end overfishing. The Council is basing stock status and management decision on the fishing mortality rate values and not the biomass-based values from the SEDAR Update.

During the scoping process, many individuals commented what they are seeing on the water does not agree with assessment results. Some individuals believe the vermilion snapper population is in good shape. NOAA Fisheries Service will complete aging of otolith samples for vermilion snapper in early 2008 and the SEDAR process will be used to complete a new age-based benchmark assessment by fall 2008.

However, under current law, the Council must move forward based on the information they have in hand (SEDAR Update). Given the high level of uncertainty associated with the length based assessment, the Council could consider a phased-in approach for regulations to end overfishing. The Council may propose little change for 2008 with the full reductions coming in 2009. This would allow time for the new, age-based SEDAR assessment to be completed before any significant change to regulations take place. If the new assessment indicates the same level of action is necessary, then those regulations would take place in 2009. If the new assessment indicates a lower level of reduction or no reduction is necessary, the Council would then have time to prepare and implement a regulatory amendment to change the level of regulations being implemented.

The Advisory Panel recommended that, until the Council gets an updated stock assessment with biomass values, the Council take no action except to develop the allocation action. They noted the regulations from Amendment 13C have not been in place long enough to have much of an effect.

Alternative 1 would retain the current regulations used to manage catches of vermilion snapper. In general, regulations include limited access system, a 1.1 million pound gutted weight commercial quota, a 12" total length commercial and recreational size limit, and a 10 fish bag limit. In addition, the *Oculina* HAPC is closed to all bottom fishing off the coast of Florida (an area where vermilion snapper are known to occur). Limited access systems are designed to limit the type and amount of effort applied to a fishery. Minimum size limits are generally used to maximize the yield of each fish recruited to the fishery and to protect a portion of a stock from fishing mortality. The idea behind maximizing yield is to identify the size that best balances the benefits of harvesting fish at larger, more commercially valuable sizes against losses due to natural mortality. Protecting immature and newly mature fish from fishing mortality provides them increased opportunities to reproduce and replace themselves before they are captured. If the size limit chosen is larger than the size at first reproduction for the species in question, then a sufficient pool of spawners could be retained even if fishing

pressure is heavy. The Science Center is currently conducting an analysis to determine the size limit that maximizes the yield of each fish recruited to the fishery. The analysis will be completed by February 15, 2008.

These types of measures are generally expected to benefit the environment in the short term and long term by limiting the extent to which a stock is targeted. However, the extent to which such benefits are realized depends on the appropriateness of a measure when applied to a specific stock, as well as if and to what extent fishing effort changes or shifts in response to the select management measure. Minimum size limits can have detrimental effects on fish stocks because they do not protect the older year classes. Recruitment problems can occur in a fishery that has fewer age classes than an unfished population. For example, a population might live for ten years, but minimum sizes might allow for the harvesting of all fish less than four years of age. Recruitment failure could occur if there were several consecutive years of poor recruitment due to environmental conditions. The older age classes might not be present to guard against recruitment failure as they would under natural conditions. This truncation of average size is often undesirable from an economic perspective, because larger fish are sought after by recreational fishermen and because commercial markets often favor fish of a certain size.

Additionally, minimum sizes encourage the harvest of older, larger fish that have the greatest reproductive potential. For example, fecundity has an exponential relationship with size. One 60.5 cm female red snapper can produce the same number of eggs as 212 females at 42 cm (PDT 1990). Therefore, the size of the spawner, not just the overall number of spawners, is important when considering the reproductive potential of a population, and removal of all the large spawners can be catastrophic even if some smaller spawners remain. If the size limit is set below the minimum size for reproduction, heavy fishing pressure may lead to reproductive failure, as the size limit does not protect fish of spawning size.

Discard mortality also can limit the amount by which fishing effort and mortality is reduced by, limited access systems, trip limits, and minimum size limits, if fishermen catch and discard vermilion snapper when targeting co-occurring species. Additionally, the environmental benefits of a closed area management strategy can be reduced or negated if not integrated with some form of control on fishing mortality and effort outside the closed area.

Amendment 13C increased the size limit of vermilion snapper taken by recreational fishermen from 11 inches TL to 12 inches TL. There was some concern from the Council and the public that an increased size limit could increase the magnitude of discards if a large portion of vermilion snapper taken by recreational fishermen are less than 12 inches TL. Examination of Waves 1-5 during 2007 relative to 2006 reveal an increase in the number of discards during Waves 3, 4, and 5 when most of the vermilion snapper are caught (Table 4-48).

Table 4-48. Harvested (A+B1) and discards (B2) catch of vermilion snapper for Waves 1-5 during 2005 and 2006.

	2006		
	A+B1	B2	%B2s
Wave 1	8,610	47	0.54%
Wave 2	32,271	53,517	62.38%
Wave 3	47,847	8,482	15.06%
Wave 4	107,442	15,258	12.44%
Wave 5	35,274	21,610	37.99%
Total	231,444	98,914	29.94%

	2007		
	A+B1	B2	%B2s
Wave 1	23,819	7,627	24.25%
Wave 2	33,187	13,543	28.98%
Wave 3	75,918	80,154	51.36%
Wave 4	103,079	99,631	49.15%
Wave 5	43,096	66,212	60.57%
Total	279,099	267,167	48.91%

The effect of increasing the minimum size on the magnitude of discards is more pronounced when annual MRFSS data (Figure 4-5). No increase in the number of discards was observed in 1991 when a 10 inch TL size limit was imposed for vermilion snapper. However, a large spike in the number of discarded vermilion snapper occurred in 1999 when the minimum size limit was increased to 11 inches TL. The number of discards decreased after 2000 as fish grew into the new size limit. Another very large increase in the number of discarded fish occurred in 2007 after the recreational minimum size limit was increased to 12 inches TL through actions taken in Amendment 13C.

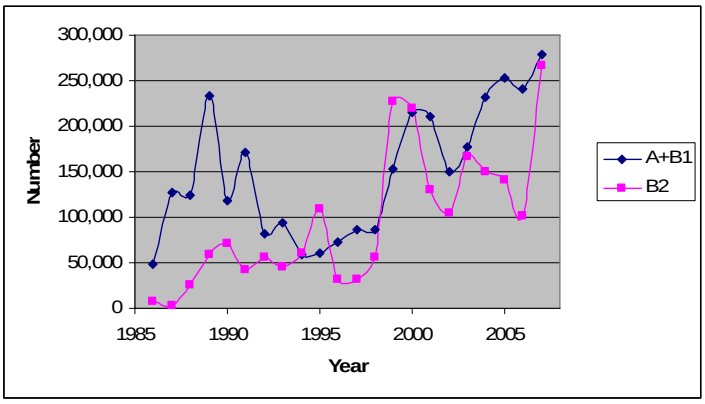


Figure 4-5. Annual number of vermilion snapper harvested (A+B1) and discarded (B2) during 1986 – 2007.
Notes: Data for 2007 do not include Wave 6 (November – December) numbers.

Alternative 1, which retains the status quo management strategy is expected to adversely impact the vermilion snapper stock, if results from the vermilion snapper assessment update are correct. To determine the actual environmental effects of the no action management alternative on vermilion snapper, one must first examine current trends in harvest levels, stock biomass levels, and life history characteristics, then predict the direction of future trends under status quo management. The recent SEDAR assessment update determined the vermilion snapper stock in the South Atlantic is undergoing overfishing (SEDAR assessment update 2007). The Council's Scientific and Statistical Committee (SSC), in June 2007, recommended the Council not adopt the biomass and yield benchmarks used to determine whether the stock is overfished, as they were deemed unreliable for management purposes.

Commercial landings of vermilion snapper rose from 743,000 to 954,000 lbs whole weight during 1992 to 1995. Landings declined to 718,000 lbs whole weight followed by a large increase to 1,682,000 lbs whole weight in 2001. A sharp decline in landings to 760,000 lbs whole weight occurred in 2003 followed by a modest increase to 1,095,000 lbs whole weight in 2004. Landings decreased further in 2005. The CPUE of vermilion snapper taken with MARMAP trapping gear showed similar trends to commercial landings with an increase during 1994-1996 from 5.8 to 6.2 fish caught per hour followed by a decrease to 2.2 fish caught per hour in 1999. CPUE increased to 4.7 fish caught per hour in 2001 with a sharp decrease in 2003 to 0.35 fish per trap hour, the lowest value recorded since 1988. Low CPUE in 2003, as well as low commercial catches, was probably due to a prolonged cold water upwelling event. A slight increase in CPUE occurred in 2004 and 2005-2006 values were similar to 2004. Headboat CPUE increased during 1992-2002, decreased in 2003 and then increased again during 2004-2006 (SEDAR assessment update 2007).

Zhao *et al*. (1997) and Zhao and McGovern (1997) report during the middle 1990s, the vermilion snapper stock was exhibiting many of the symptoms of an overexploited population, including a decrease in size at age, possibly caused by fishing pressure. Since these studies were conducted, the Council established a program to limit initial eligibility for the snapper grouper fishery and raised the vermilion snapper recreational size limit to 11" total length in 1999, increased recreational size limit to 12" total length in 2006, and imposed a 1.1 million pound gutted weight commercial quota. Additionally, the Council recently extended indefinitely the *Oculina* closed area. Although the biological benefits of this area cannot be quantified at this time, evidence indicates there has been an increase in abundance of many species within the area since it was closed (Koenig 2001). Koenig *et al.* (in press) documented the presence of vermilion snapper in the *Oculina* closed area.

These management measures may have reduced fishing mortality (F) during the late 1990s as the SEDAR stock assessment noted a substantial decline in fishing mortality during 1997 and 1998; however, F increased during 1999-2001. The SEDAR assessment update (2007) indicates overfishing is still occurring. Such trends are expected to continue if status quo commercial management regulations are maintained, and could have a significant adverse effect on the stocks if allowed to continue indefinitely. The

adverse effects of decreasing size and age trends on stock biomass and reproduction, population structure, and the marine ecosystem are described Amendment 13C (2006). However, it must be noted a new benchmark assessment is being conducted for vermilion snapper with a completion date expected in late 2008. Results of the new age-based benchmark assessment could be different from either the SEDAR 2 (2003) benchmark assessment or the 2007 SEDAR Assessment Update, both of which were length based.

All the alternatives to status quo management evaluated for vermilion snapper are intended to reduce fishing mortality. As a result, they are expected to directly and significantly benefit the biological environment by assisting in restoring stock status and population demographics to more natural conditions. The indirect effects of these alternatives on the ecological environment are less certain. Improving the status of the vermilion snapper stock would likely promote more natural ecological functions. However, competitor, predator, and prey relationships in marine ecosystems are complex and poorly understood.

The snapper grouper ecosystem includes many species, which occupy the same habitat at the same time. For example, vermilion snapper co-occur with tomtate, scup, red porgy, white grunt, black sea bass, red grouper, scamp, gag, and others. Therefore, snapper grouper species are likely to be caught when regulated since they will be incidentally caught when fishermen target other co-occurring species. Continued overexploitation of any snapper grouper species may disrupt the natural community structure of the reef ecosystems that support these species. Predators exploited species could be expected to decrease in abundance in response to a decline of an exploited species. Alternatively, predators would target other species as prey items. Conversely, the abundance of those prey and competitor species of the overexploited species that are not targeted in fisheries (e.g., scup and tomtate) could increase in response to a decline in the abundance of sea bass.

Alternative 2. Commercial Quota

Alternative 2 would implement a commercial quota of 385,002 lbs gutted weight, which would then be reduced for PQBM. The actual magnitude of PQBM would depend on other management measures used to reduce fishing mortality and assumptions concerning ability of fishermen to avoid vermilion snapper after a quota is met. The SSC and Council approved the methodology for PQBM analyses at their December 2007 meeting. However, they recommended the Snapper Grouper Advisory Panel review the methodology to provide an estimate of the number of trips that might not be taken to target snapper grouper species during a closure for vermilion snapper or gag and provide an estimate of the ability of fishermen to avoid vermilion snapper or gag by modifying fishing techniques.

Adjusting the quota for PQBM would take into consideration the dead discards that could occur after a quota is met and end overfishing. Ending overfishing of vermilion snapper is expected to increase stock biomass and promote a more natural population structure by helping to reverse any trends in decreasing mean length and size/age at sexual maturity that could occur. These effects would benefit the vermilion snapper stock and associated

species by protecting the stock against recruitment overfishing and reducing its vulnerability to adverse environmental conditions.

Based on data from 1999-2005, this quota would be achieved sometime between May and September, at which time the fishery for vermilion snapper would be closed. As a result, the quota could encourage derby conditions, where fishermen compete with each other to catch as many fish as possible before the quota is taken and the fishery is closed for the remainder of the fishing year. Derby fisheries can unnecessarily increase discards by providing participants less flexibility in deciding when, where, and how to fish. Vermilion snapper are also taken on trips that target gag, scamp, red grouper, snowy grouper, greater amberjack, and almaco jack. Due to incidental catch of vermilion snapper, the quota might not provide the needed reduction in harvest if dead discards after the quota is met are not accounted for. However, it is likely that fishermen can change fishing methods to decrease the change of hooking vermilion snapper and can avoid "hot spots" where vermilion snapper occur.

Alternative 3. Divide the commercial quota seasonally.

As in Alternative 2, **Alternatives 3a, 3b, and 3c** would adjust the quota for PQBM. However, the magnitude of PQBM would not be the same for the two time periods. PQBM is based on historic landings takes into consideration an estimation of dead discards that could occur when fishermen target co-occurring species. Since the magnitude of vermilion snapper has historically been greater during fall than during the early part of the year, the estimate of PQBM is greater for the second seasonal quota under **Alternatives 3a and 3b**.

Alternative 3a would allocate 50% of the directed commercial quota to January 1st through June 30th and 50% to the period July 1st through December 31st (Table 49). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Table 4-49. Commercial quotas for January-June (50%) and July-December (50%) taking into consideration estimate of PQBM. Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in lbs gutted weight.

Commercial quota	385,002
Jan-June 50%	192,501
PQBM	24,000
Directed quota Jan-June	**168,501**
July-Dec 50%	192,501
PQBM	37,000
Directed quota July-Dec	**155,501**

Based on data from 1999-2005, the 168,501 pound gutted weight quota would be met in March or April and the 155,501 pound gutted weight quota would be achieved sometime between July and September, at which time the fishery for vermilion snapper would be closed.

Alternative 3b would allocate 40% of the directed commercial quota to January 1st through June 30th and 60% to period July 1st through December 31st (Table 4-50). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Table 4-50. Commercial quotas for January-June (40%) and July-December (60%) taking into consideration estimate of PQBM. Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in lbs gutted weight.

Commercial quota	385,002
Jan-June 40%	154,001
PQBM	27,000
Directed quota Jan-June	**127,001**
July-Dec 60%	231,001
PQBM	35,000
Directed quota July-Dec	**196,001**

Based on data from 1999-2005, the 127,001 pound gutted weight quota would be met in March and the 196,001 pound gutted weight quota would be achieved sometime between July and September, at which time the fishery for vermilion snapper would be closed.

Alternative 3c would allocate 50% the directed commercial quota to January 1st through August 31th and 50% to September 1st through December 31st (Table 4-51). Any remaining quota from period 1 would transfer to period 2. Any remaining quota from period 2 would not be carried forward.

Table 4-51. Commercial quotas for January-August (50%) and September-December (50%) taking into consideration estimate of PQBM. Different values of PQBM could be used in the future. PQBM is rounded to the nearest 1,000 lbs. Weight is in lbs gutted weight.

Commercial quota	385,002
Jan-Aug 50%	192,501
PQBM	43,000
Directed quota Jan-Aug	**149,501**
Sept-Dec 50%	192,501
PQBM	21,000
Directed quota Sept-Dec	**171,501**

Based on data from 1999-2005, the 149,501 pound gutted weight quota would be met in March and the 171,501 pound gutted weight quota would be achieved sometime between September and November, at which time the fishery for vermilion snapper would be closed. Since the first seasonal quota would be met as early as March and vermilion snapper would likely be closed from April through the end of August, PQBM under **Alternative 3c** would be greater for the first seasonal quota than the second.

Dividing the small quota into two time periods would result in the fishery being opened for a very short period of time. Therefore, **Alternatives 3a, 3b, and 3c** could encourage

derby conditions to a greater extent than **Alternative 2**. A new age-based benchmark assessment is being conducted for vermilion snapper.

Ending overfishing of vermilion snapper is expected to increase stock biomass and promote a more natural population structure by helping to reverse any trends in decreasing mean length and size/age at sexual maturity that could occur. These effects would benefit the vermilion snapper stock and associated species by protecting the stock against recruitment overfishing and reducing its vulnerability to adverse environmental conditions.

Alternative 4 – Combined bag/size limit and recreational seasonal closure

Alternative 4. Adjust recreational bag/size limit and establish a recreational closed season; no fishing for and/or possession of vermilion snapper would be allowed during the closed season; and captain crew on for-hire vessels would not be able to retain vermilion snapper.

Alternative 4a. Increase the recreational size limit to 14" and reduce the bag limit to 3 vermilion snapper (Total Reduction = 71%).

Alternative 4b. Increase the recreational size limit to 13" and reduce the bag limit to 1 vermilion snapper (Total Reduction = 73%).

Alternative 4c. Increase the recreational size limit to 13" and reduce the bag limit to 6 vermilion snapper (53% reduction) and close September & October (16% reduction) (Total Reduction = 61%).

Alternative 4d. Reduce the bag limit from 10 to 4 vermilion snapper (45% reduction) and a season closure (no fishing for and/or possession) of October through April (32% reduction) (Total reduction = 63%).

Alternative 4a would increase the recreational size limit to 14 inches TL in combination with a reduction in the bag limit; whereas **Alternative 4b** would increase the size limit to 13 inches TL in combination with a reduced bag limit. **Alternative 4c** would also increase the minimum size limit along with an adjustment to the bag limit and an establishment of a recreational seasonal closure. An increase in the minimum size limit under **Alternatives 4a, 4b, and 4c** would be expected to increase the number of regulatory discards. The number of discarded vermilion snapper spiked when the recreational size limit was increased to 11 inches TL in 1999 and again in 2007, when the recreational size limit was increased to 12 inches TL. Since recreational fishermen fish in shallower water and bring fish to the surface at a slower rate than commercial fishermen, survival of vermilion snapper released by recreational fishermen is expected to be higher than those caught by commercial fishermen (25% versus 40%). However, given the very low recapture rates of vermilion snapper reported by McGovern and Meister (1999) and Burns *et al*. (2002), it is possible the release mortality rate of 25% might be an underestimate, further diminishing the effectiveness of **Alternative 4a** in reducing fishing mortality. Therefore, actions that increase the minimum size in **Alternatives 4a, 4b, and 4c** could continue trends observed in the mid 1990s, including a smaller size at age, smaller size at maturity, a change in the genetic integrity of the stock, and possible shifts in community structure. However, some reduction in fishing mortality and biological benefits are expected from an increase in the minimum size.

Alternatives 4a, 4b, 4c, and 4d would adjust the bag limit in combination with other management measures. Bag limits have some desirable characteristics as management tools. They are commonly used management measures, which are readily understood by fishermen. Violations of bag limits are readily apparent by simply counting the number of fish that are retained, which aids in enforcement of fishery regulations. The rationale for bag limits is that they reduce the amount of harvest and are often used in conjunction with size limits to achieve a desired reduction.

There are a number of shortcomings with bag limits. Once bag limits are reached, some fishermen may continue to fish, keeping larger fish and throwing smaller dead fish back. The snapper grouper fishery represents many species occupying the same location at the same time. Fishermen could continue to target other co-occurring species and throw back fish that have bag limits, many of which will die. It would be expected that fishermen would still tend to target the largest most desirable species. Therefore, there still could be a problem with removing the larger faster growing fish, reducing genetic variability, and reducing the variability in the age structure of the population that ensures against recruitment failure.

Alternative 4c and 4d would include management measures to establish a recreational seasonal closure in combination with other measures. **Alternative 4c** would increase the minimum size limit, adjust the recreational bag limit and establish a recreational season closure. **Alternative 4d** would adjust the bag limit in combination with a recreational closure.

The length of the closed season may influence its effectiveness in reducing fishing mortality on vermilion snapper due to shifting of effort to weeks before and after the closure. For example, a February 15-March 15 closure on red grouper, gag, and black grouper was implemented in the Gulf of Mexico in 2001. Although a reduction in catch of 8% for red grouper and 10% for gag/black grouper was predicted based on landings in previous years, relative catch was only 2% less during the first year the closure was effective (GMFMC 2004). A longer closed season, as proposed in **Alternative 4d**, may be more effective in reducing harvest, as it would be more difficult for fishermen to shift all their effort. However, some displacement of effort is still likely to occur, making it difficult to estimate impacts of seasonal closures (GMFMC 2004).

Furthermore, it is unlikely fishing mortality could be completely eliminated on vermilion snapper during a closure since vermilion snapper would be caught when fishermen target co-occurring species. This is taken into consideration when estimating the effectiveness of a seasonal closure.

To determine the effectiveness of a recreational seasonal closure six steps were taken. First, MRFSS and headboat data were examined to determine the most commonly taken species on trips with vermilion snapper. Second, trips were identified that caught species commonly taken with vermilion snapper. Third, landings of vermilion snapper on trips identified in step 2 that targeted co-occurring species were determined. This would be

considered to be incidental catch of vermilion snapper. Fourth, dead discards of vermilion snapper incidental catch was determined by applying a release mortality rate of 25% (SEDAR Update 2007). Fifth, a reduction in trips that might not be taken during a seasonal closure was estimated. Six, ability to avoid vermilion snapper by changing fishing methodology or avoiding locations where the species occurs was considered. Seventh, effectiveness of closure was determined by comparing the magnitude of dead discards to actual landings.

Alternatives 4a, 4b, 4c, and 4d would not allow captain and crew on for-hire vessels to retain vermilion snapper. Reductions in landings resulting from restrictions on captain and crew retention limits are difficult to quantify because surveys used to collect recreational fishing data do not provide information on the number of captains or crew on the vessel, or whether or not the captain and crew contribute to the catch. Therefore, assumptions must be made that captain and crew are retaining vermilion snapper on for-hire vessels. This action is supported by the Advisory Panel. These reductions take into consideration a 25% release mortality rate. It is estimated that eliminating captain and crew from retaining vermilion snapper will provide slight reductions in the harvest of vermilion snapper. These reductions could help reduce bycatch and prevent captain and crew from supplementing their client's catch once their client's daily bag limits have been met. Reductions in landings resulting from a zero captain and crew bag limit in combination with management alternatives considered in **Alternative 4** will directly benefit the biological environment by helping to reduce vermilion snapper directed fishery landings.

These alternatives would end overfishing for the recreational sector if estimates of release mortality rates are correct. However, if release mortality rates are higher than 25%, as suggested by the very low tag recapture rates (McGovern and Meister 1999; Burns *et al*. 2002), then the desired effects might not be achieved. Therefore, trends observed in the mid 1990s could occur, including a smaller size at age, smaller size at maturity, a change in the genetic integrity of the stock, and possible shifts in community structure.

Alternative 5. Reduce recreational and commercial bycatch mortality by requiring the following for a person on board a vessel to fish for snapper grouper species in the South Atlantic EEZ: (a) use of venting and dehooking tools and (b) use of non-offset, non-stainless steel circle hooks when using natural baits to fish for snapper grouper species in one of the following South Atlantic EEZ fisheries:

Alternative 5a. Commercial snapper grouper fishery.
Alternative 5b. Recreational snapper grouper fishery.
Alternative 5c. Both commercial and recreational snapper grouper fisheries.

Alternative 5 would require the use of circle hooks, venting tools, and dehooking devices, which would reduce discard and bycatch mortality in the snapper grouper fishery. Cooke and Suski (2004) found mortality rates were lower for circle hooks than J-style hooks. Hooking depth, anatomical hooking location, amount of bleeding, and ease of hook removal were identified as major contributors to mortality and are probably different for circle and conventional hooks. Circle hooks typically hook fish around the

maxilla and are less likely to be swallowed. Additionally, circle hooks were found less likely to result in bleeding than J-hooks, which tend to deep hook fish at a higher frequency (Cooke and Suski 2004). Removal of deeply ingested hooks often results in mortality (Warner 1979; Muoneke and Childress 1994), with vital organs being damaged from penetration into the pericardium or body cavity (Diggles and Ernst 1997). Kaimmer and Trumble (1997) found circle hooks caught the jaw of Pacific halibut in more than 95 percent of the observations, while J-hooks caught the jaw about 80 percent of the time.

Burns *et al.* (2002) found more red snapper caught with rod-and-reel gear died from hook mortality than all other causes combined, including depth, stress, and handling. Acute J-hook mortalities occurred when the hook penetrated or slit the esophagus, heart, or liver. It is likely circle hooks are currently used by some fishers in the commercial and recreational sectors. Mandatory use of circle hooks in all fisheries could benefit the biological environment by reducing acute and long-term mortality caused by J-hook usage.

If circle hooks increase catch rates as suggested by Henwood *et al.* (2006), a negative effect on the biological environment is possible. Because the recreational sector is managed with size limits, bag limits, and closed seasons, it is more susceptible to increased catch rates. If recreational anglers catch the bag limit more frequently and land larger fish, landings could increase beyond current levels. However, if catch rates increase the number of legal size fish landed and reduce discard mortality, a net benefit would be expected. Therefore, exclusion of smaller individuals or an increase in survival of regulatory discards would be considered to be a positive biological effect.

Similarly, if circle hooks decrease CPUE (GFMC 2007), then a net benefit to the stock could occur. In addition, circle hooks could reduce regulatory discards; thereby providing additional benefits. Modifying gear to reduce bycatch and bycatch mortality could also have beneficial effects on the biological and ecological environment of non-targeted species. Incidentally caught species in the directed gag and vermilion snapper fishery include red grouper, scamp, red snapper, gray triggerfish, and greater amberjack. Some of these species have similar mouth morphology, which is an important factor in the effectiveness of circle hook use (Cooke and Suski 2004). As a result, hooking mortality on these species could be reduced. Burns *et al.* (2002) showed an increased tag return rate for red grouper caught on circle hooks compared to J-hooks (8.6 percent and 7.97 percent, respectively), which is an indicator of higher survival by circle hook caught fish. Discard mortality rates of snapper grouper stocks that are either overfished or are undergoing overfishing could decrease with the use of circle hooks. Therefore, the mandatory use of circle hooks specified in **Alternative 5** has the potential to reduce fishing mortality and help stressed snapper grouper species return to a healthy sustainable level.

Alternative 5 would also require the use of venting tools when harvesting snapper grouper species from the EEZ. Venting, when properly executed, is believed to increase survival of released fish. The use of venting tools may also reduce predation on reef fish species by allowing rapid return to depth making them less vulnerable to predators.

Discarded fish stranded at the surface become prey for marine mammals, sea birds, and large predators such as amberjack, barracuda, and sharks (Burns *et al.* 2002).

Collins *et al.* (1999) determined that venting of black sea bass provided significant reductions in mortality and benefits of deflation increased with depth. Swim bladder deflation of vermilion snapper also had positive effects but to a lesser extent (Collins *et al.* 1999). The benefits of releasing air from the swim bladder of released fishes was supported by McGovern *et al.*(2005) who conducted a tagging study of gag and greater amberjack. McGovern *et al.* (2005) stated if swim bladders of gag had not been deflated prior to the release of fish, it is likely mortality would have been higher and tag recapture rate would have been lower. The recapture of a gag tagged in depths of 73 m (240 feet) further supports the benefits of swim bladder deflation and indicates at least a portion of degassed fish survive the trauma of capture even in deep water (McGovern *et al.* 2005). Preliminary data from a 15-year study conducted at Mote Marine Lab (GFMC 2007) suggest venting increases survival in red snapper caught in deep water. In contrast, Render and Wilson (1996) reported swim bladder deflation was not an effective tool for enhancing survival of red snapper.

The third requirement of **Alternative 5** is dehooking devices. Cooke and Suski (2004) identified ease of hook removal as a major contributor to mortality; therefore, the use of dehookers to remove hooks and lines would likely reduce serious injury and post-release mortality of sea turtles, marine mammals, targeted species, and other incidentally caught species. Dehooking devices can allow fishermen to remove hooks with greater ease and more quickly from snapper grouper species without removing the fish from the water. Leaving a fish in the water while removing the hook can reduce physiological stress. If a fish does need to be removed from the water, dehookers could still reduce handling time in removing hooks, thus increasing survival.

Alternatives 5a and 5b would require only the commercial or recreational sector to use circle hooks, venting tools, and dehooking devices, respectively; whereas, **Alternative 5c** would require both sectors to comply with these requirements. Therefore, **Alternative 5c** would be the most effective for reducing bycatch mortality of snapper grouper species.

Alternative 6. Adjust recreational management measures based on outcome of new assessment.

Alternative 6a. Change measures in the following order: (1) Reduce or eliminate closed season, (2) reduce size limit, and (3) increase the bag limit.

Alternative 6b. Change measures in the following order: (1) Reduce or eliminate closed season, (2) increase the bag limit, and (3) reduce size limit.

Alternative 6c. Change measures in the following order: (1) Reduce size limit, (2) reduce or eliminate closed season, and (3) increase the bag limit.

Alternative 6 would allow the Regional Administrator to make adjustments to the management measures based on outcome of new benchmark assessment. Based on the results of the vermilion snapper assessment update, a 61% reduction in harvest would achieve yield at F_{OY} and end overfishing. However, there was uncertainty regarding biomass and the overfished status could not be determined. A new age-based benchmark assessment is currently being conducted and results are expected late in 2008. Should the outcome of the new benchmark assessment be different, **Alternative 6** would allow the Regional Administrator to make adjustments to the size limit, bag limit, and/or seasonal closure to achieve the harvest reduction based on tables provided and approved by the Council.

Alternative 6 specifies various permutations of bag limits, size limits, and seasonal closures. Therefore, the biological effects of **Alternative 6** would be similar to those described in **Alternative 4**. However, **Alternative 6c**, which would reduce the size limit first, in order of priority, would likely have the greatest positive effect of reducing bycatch.

4.2.4.2 Economic Effects of Management Regulations Alternatives

4.2.4.2.1 *General Discussion*

The alternatives in this section have varying applicability by sector. **Alternative 2** and **Alternative 3** would apply to the commercial sector only whereas **Alternative 4** would apply to the recreational sector only.

Management alternatives for vermilion snapper are generally designed to keep each sector within its respective allocation of allowable catch levels. If successful, they are expected to generate benefits in the future that would outweigh their short-run costs. The following discussions deal only with the economic costs of management measures in the short-run. No attempt is made to compare them with the expected future benefits.

Alternative 2 would impose a single overall quota on the commercial sector. Even under the current controlled access management system of the fishery, a derby can still occur especially with low and strictly binding quota levels such as the ones contemplated in this amendment. One major consequence of a derby condition is the increase in cost and possible reduction in ex-vessel price when gag are landed within a short period. .

Alternative 3 would divide the commercial quota into sub-quotas for various seasons within a year. This subdivision of the commercial quota would not solve the potential derby problem that may occur in the fishery, although it probably could mitigate the results forthcoming from a single quota. A relatively similar partitioning of the commercial quota was implemented in the Gulf of Mexico red snapper fishery before adoption of the IFQ program for that fishery. Results from the seasonal partitioning of the red snapper quota indicated the quota partitioning did not eliminate the derby but it did provide some benefits in terms of slightly better ex-vessel price and safer fishing condition from a lengthened fishing season.

Alternative 4 would provide for a combination of larger size limit and lower bag limit for two sub-alternatives (**Alternatives 4a and 4b**), a combination of larger size limit, lower bag limit and seasonal closure for one sub-alternative (**Alternative 4c**), and a combination of lower bag limit and seasonal closure for one alternative (**Alternative 4d**). The bag limit reduction and size limit increase would not necessarily result in trip cancellation; they would reduce the quality of fishing experience. Thus, they would likely reduce consumer surplus more than producer surplus. The prohibition on the captain and crew from possessing a bag limit would impinge on producer surplus. The seasonal closure may be expected to reduce both producer and consumer surplus partly due to some trip cancellations.

4.2.4.2.2 *Commercial Sector*

Simulation runs for the various alternatives affecting the commercial sector are presented in Table 4-52 by gear type and Table 4-53 by area. The model run for **Alternative 2** is identical to that for the allocation alternative discussed earlier, because the allocation alternative was modeled assuming a single quota.

Model results would indicate that any of the partitioning of the quota by season would result in slightly higher reductions in net operating revenues. A single quota would reduce net operating revenues by 61.1 percent whereas the seasonal partitioning of the quota would result in reductions ranging from 63.8 percent for **Alternative 3a** to 68 percent for **Alternative 3c** (Table 4-52). Note that **Alternative 3a** would allocate 50 percent of the quota to the January-June season and 50 percent to the remaining months. **Alternative 3c**, on the other hand, would divide the fishing year into the January-August season and September-December season, with 50 percent of the quota allocated to each season. One possible implication of the results is that delaying the opening of the second season with equal allocation with the first season would tend to constrain the activities of some vessels such that potential "losses" in the first season could not be made up in the second season. Another result worth noting is the very close similarity in the overall outcome of **Alternative 3b** to that of **Alternative 3a**. Note that both alternatives divide the fishing year into the January-June season and July-December season. The only difference between the two alternatives is that for Alternative 3b, 40 percent of the quota would be allotted to the first season and 60 percent to the second season. This could possibly imply that under **Alternative 3b**, potential "losses" in the first season could be recouped in the season so long as the second season is kept longer (relative to that under **Alternative 3c**). From the results found in Table 4-52, it would appear that an equal division of the fishing year into two seasons, with possibly equal quota allocation to each season, would provide better fishing conditions than an unequal division of the fishing year.

In terms of absolute magnitudes, the vertical line vessels, mainly due to their dominance in the vermilion snapper fishery, would incur the largest reduction under any of the quota alternatives including the single quota alternative. Such reductions would be higher under any of the seasonal quota alternative, particularly under **Alternative 3c**, than under a single quota. Each quota alternative would reduce the net operating revenues of vertical line vessels by over 60 percent. Percentage-wise, it would the longline and trolling vessels that would experience larger increases in losses in moving from a single quota to any of the seasonal quota alternatives.

With the 3 percent discount factor, losses to the commercial sector from the various quota alternatives would range from about $2.8 million under **Alternative 2** to $3.1 million under **Alternative 3c**.

Table 4-52. Reductions in commercial vessels' net operating revenues from various alternatives on vermilion snapper overall quota and seasonal quotas, in thousand 2005 dollars, by gear type.

Model	Diving	Vertical Lines	Longlines	Other Gears	Traps / Pots	Trolling	not recorded	Total
Vessel trips landing at least one pound of vermilion snapper								
Baseline (3%)	$109	$4,348	$4	$9	$18	$24	$0	$4,511
Baseline (7%)	$105	$4,185	$4	$9	$17	$23	$0	$4,342
	Overall quota							
Alt. 2	-61.6%	-61.4%	0.0%	-34.3%	-59.1%	-35.3%	0.0%	-61.1%
	Seasonal quotas							
Alt. 3a	-62.0%	-64.0%	-73.1%	-41.8%	-44.1%	-58.5%	0.0%	-63.8%
Alt. 3b	-60.2%	-63.9%	-90.0%	-41.8%	-44.1%	-63.6%	0.0%	-63.7%
Alt. 3c	-65.4%	-68.2%	-73.1%	-70.1%	-48.8%	-58.6%	0.0%	-68.0%
Vessel trips landing at least one pound of any snapper-grouper species								
Baseline (3%)	$615	$7,894	$528	$377	$296	$337	$3	$10,050
Baseline (7%)	$592	$7,599	$509	$362	$285	$324	$3	$9,674
	Overall quota							
Alt. 2	-0.8%	-19.5%	0.0%	-0.2%	0.4%	-0.6%	0.0%	-15.4%
	Seasonal quotas							
Alt. 3a	-0.8%	-20.1%	0.0%	-0.2%	0.3%	-0.8%	0.0%	-15.8%
Alt. 3b	-0.8%	-20.2%	0.0%	-0.2%	0.4%	-0.8%	0.0%	-15.9%
Alt. 3c	-0.7%	-20.1%	0.0%	-0.1%	0.5%	-0.5%	0.0%	-15.9%

From the standpoint of distributional effects by area, North Carolina and South Carolina would experience the largest losses in terms of both absolute and percentage values (Table 4-53) under any of the quota alternatives. The seasonal quota alternatives would only worsen the situation for South Carolina but not necessarily for North Carolina. In fact, North Carolina would experience slightly lower losses under **Alternatives 3a and 3b** but not under **Alternative 3c**. The Georgia/Northeast Florida area would also experience large losses in terms of both absolute and percentage values in all quota alternatives. The situation for this area would be worse under any of the seasonal quota alternative than under a single quota.

Table 4-53. Reductions in commercial vessels' net operating revenues from various alternatives on vermilion snapper overall quota and seasonal quotas, in thousand 2005 dollars, by area.

Model	North Carolina	South Carolina	Georgia and northeast FL	Central and south FL	Florida Keys	Other	Total
Vessel trips landing at least one pound of vermilion snapper							
Baseline (3%)	$1,514	$1,812	$1,090	$69	$25	$0	$4,511
Baseline (7%)	$1,458	$1,744	$1,050	$67	$24	$0	$4,342
	Overall quota						
Alt. 2	-66.4%	-60.8%	-55.1%	-54.6%	-48.6%	0.0%	-61.1%
	Seasonal quotas						
Alt. 3a	-65.3%	-64.6%	-61.1%	-58.0%	-57.7%	0.0%	-63.8%
Alt. 3b	-63.3%	-65.0%	-62.8%	-61.0%	-52.0%	0.0%	-63.7%
Alt. 3c	-72.8%	-68.1%	-62.2%	-55.3%	-60.5%	0.0%	-68.0%
Vessel trips landing at least one pound of any snapper-grouper species							
Baseline (3%)	$2,480	$2,149	$1,313	$1,931	$2,174	$3	$10,050
Baseline (7%)	$2,388	$2,068	$1,264	$1,859	$2,093	$3	$9,674
	Overall quota						
Alt. 2	-23.8%	-24.1%	-31.6%	-0.8%	-0.3%	0.0%	-15.4%
	Seasonal quotas						
Alt. 3a	-22.3%	-27.0%	-34.2%	-0.8%	-0.2%	0.0%	-15.9%
Alt. 3b	-24.2%	-25.4%	-32.9%	-0.7%	-0.3%	0.0%	-15.9%
Alt. 3c	-30.3%	-38.6%	-42.9%	-6.0%	-4.5%	-0.1%	-23.4%

4.2.4.2.3 *Recreational Sector*

Unlike the commercial sector, the recreational sector would not be subject to quotas and quota closures. In this respect, the management measures consisting of bag and size limits (**Alternatives 4a and 4b**), size/bag limit and seasonal closure (**Alternative 4c**), and bag limit and seasonal closure (**Alternative 4d**) are assumed to achieve their expected harvest reductions. With this assumption, the economic impacts of the various alternatives for the recreational sector were estimated without regard to the allocation ratio.

The overall economic impacts of **Alternatives 4a and 4b** would not significantly differ from each other, but these impacts would be substantially higher than those for **Alternative 4c** and lower than those for **Alternative 4d** (Table 4-54). Total economic impacts using a 3 percent discount factor would be about $2.5 million for **Alternatives 4a and 4b**. Total economic impacts for **Alternative 4c** would be about $2 million and for **Alternative 4d**, $2.7 million. In terms of total economic impacts, the alternatives may be ranked in descending order as follows: **Alternative 4c**, **Alternative 4b**, **Alternative 4c**, and **Alternative 4d**. Although it may be expected for a seasonal closure to result in larger surplus reductions than size and bag limits, it would appear that a two-

month closure would not totally negate the "benefits" from a lower size limit and higher bag limit such that an alternative like **Alternative 4c** would not result in larger surplus reductions than an alternative with relatively lower bag limit and higher size limit such as **Alternative 4a** or **Alternative 4b**. However, a much longer closure, such as in **Alternative 4d**, could easily result in very large losses.

In all four alternatives, reductions in consumer surplus would be substantially higher than reductions in producer surplus. In fact, losses in producer surplus would only be about 4 percent of those in consumer surplus for all alternatives. Under all alternatives, headboats would lose more than charterboats in producer surplus. Among anglers, those fishing through headboats would experience much larger losses in consumer surplus than those fishing through charter or private mode for all alternatives. Headboat losses in producer surplus would follow similar pattern to that for overall losses. That is, headboats would lose least under **Alternative 4c** and highest under **Alternative 4d**. Similar patterns would hold for charterboat producer surplus and angler consumer surplus.

Table 4-54. Reductions in producer and consumer surplus from various alternatives on vermilion snapper bag limits, size limits, and seasonal closure, in 2005 dollars, by fishing mode.

		Producer Surplus	**Consumer Surplus**	**Total Effects**	**Producer Surplus**	**Consumer Surplus**	**Total Effects**
		3% Discount Rate			**7% Discount Rate**		
Alt. 4a	Charter	$42,312	$449,493	$491,805	$40,730	$432,690	$473,420
	Headboat	$55,862	$1,675,190	$1,731,052	$53,773	$1,612,566	$1,666,339
	Private/Shore		$303,798	$303,798		$292,441	$292,441
	TOTAL	$98,173	$2,428,481	$2,526,654	$94,503	$2,337,697	$2,432,200
Alt. 4b	Charter	$42,312	$449,493	$491,805	$40,730	$432,690	$473,420
	Headboat	$55,436	$1,662,430	$1,717,866	$53,364	$1,600,283	$1,653,647
	Private/Shore		$307,596	$307,596		$296,097	$296,097
	TOTAL	$97,748	$2,419,519	$2,517,267	$94,094	$2,329,069	$2,423,163
Alt. 4c	Charter	$28,598	$303,803	$332,401	$27,529	$292,446	$319,975
	Headboat	$47,899	$1,436,398	$1,484,297	$46,108	$1,382,701	$1,428,809
	Private/Shore		$246,836	$246,836		$237,609	$237,609
	TOTAL	$76,496	$1,987,037	$2,063,533	$73,637	$1,912,755	$1,986,392
Alt. 4d	Charter	$43,162	$458,528	$501,690	$41,549	$441,387	$482,936
	Headboat	$62,366	$1,870,234	$1,932,599	$60,034	$1,800,318	$1,860,353
	Private/Shore		$348,988	$348,988		$335,942	$335,942
	TOTAL	$105,528	$2,677,750	$2,783,278	$101,583	$2,577,647	$2,679,230

It can be seen from Table 4-55 that most of the losses (about 74%) to the recreational sector would be borne by Florida for-hire vessels and anglers. The rest of the losses would be about equally shared by North Carolina and South Carolina. Total losses for Florida would range from about $2.1 million (**Alternative 4c**) to $2.8 million (**Alternative 4d**) using a 3 percent discount factor. Florida losses would mainly come from large reductions in angler consumer surplus. Losses in other areas would also mostly come from losses in consumer surplus.

Table 4-55. Reductions in producer and consumer surplus from various alternatives on vermilion snapper bag and size limits, in 2005 dollars, by area.

		Producer Surplus	**Consumer Surplus**	**Total Effects**	**Producer Surplus**	**Consumer Surplus**	**Total Effects**
		3% Discount Rate			**7% Discount Rate**		
Alt. 4a	Florida	$74,228	$1,794,531	$1,868,760	$71,453	$1,727,446	$1,798,899
	Georgia	$0	$0	$0	$0	$0	$0
	South Carolina	$10,674	$316,926	$327,599	$10,275	$305,078	$315,353
	North Carolina	$13,272	$317,024	$330,296	$12,776	$305,173	$317,948
	Total	$98,173	$2,428,481	$2,526,654	$94,503	$2,337,697	$2,432,200
Alt. 4b	Florida	$73,906	$1,787,909	$1,861,815	$71,144	$1,721,071	$1,792,214
	Georgia	$0	$0	$0	$0	$0	$0
	South Carolina	$10,627	$315,756	$326,384	$10,230	$303,952	$314,182
	North Carolina	$13,214	$315,854	$329,068	$12,720	$304,046	$316,766
	Total	$97,748	$2,419,519	$2,517,267	$94,094	$2,329,069	$2,423,163
Alt. 4c	Florida	$57,838	$1,468,325	$1,526,164	$55,676	$1,413,435	$1,469,111
	Georgia	$0	$0	$0	$0	$0	$0
	South Carolina	$8,317	$259,316	$267,633	$8,006	$249,622	$257,628
	North Carolina	$10,341	$259,396	$269,737	$9,955	$249,699	$259,654
	Total	$76,496	$1,987,037	$2,063,533	$73,637	$1,912,755	$1,986,392
Alt. 4d	Florida	$79,789	$1,978,729	$2,058,518	$76,806	$1,904,758	$1,981,564
	Georgia	$0	$0	$0	$0	$0	$0
	South Carolina	$11,473	$349,456	$360,930	$11,044	$336,393	$347,437
	North Carolina	$14,266	$349,564	$363,830	$13,733	$336,497	$350,229
	Total	$105,528	$2,677,750	$2,783,278	$101,583	$2,577,647	$2,679,230

4.2.4.3 Social Effects of Management Regulations Alternatives

Impacts from this suite of proposed alternatives will vary depending on sector/fishery, the specific alternative, and whether one looks at the short or long-term impacts.

In general, by ending overfishing and keeping vermilion snapper at a sustainable status, long-term benefits are expected to accrue to all participants in the fishery, commercial, recreational, and the general public. Alternatives differ in how they would allow the stock to arrive at a long-term sustainable status. As a result, each of these alternatives differs in the degree and type of negative short- and long-term impacts imposed on each fishing and non-fishing sector. Below is a more detailed analysis of the negative and positive short-term impacts of the proposed alternatives. Long-term benefits are discussed throughout the analysis but as there are sparse data to analyze long-term effects of management measures on communities, future conditions of communities cannot be predicted with confidence.

4.2.4.3.1 *Commercial Fishery*

While the **No Action Alternative 1** would pose the least short-term negative impacts, the stock assessment indicates the stock cannot sustain the current rate of fishing mortality over time and still provide maximum sustainable yield. If stock status worsened in the future and more restrictive management measures were needed, adverse impacts to the commercial fishing sector and associated communities would be substantial.

Alternative 2 sets a commercial quota and is not tempered by a trip limit to slow development of a derby fishery, which not only poses a safety hazard (less boat maintenance, continuing to fish in bad weather, more stress and less sleep lead to more accidents) for fishermen, but deteriorates any sense of community between fishermen as they must compete tirelessly against each other to get their historical catch.

Alternatives 3a, 3b, and 3c would divide the commercial quota by season and would address some of the negative social impacts of a derby fishery.

Alternative 5 offers ways to reduce the commercial bycatch mortality by requiring the use of venting and dehooking tools and non-offset, non-stainless steel circle hooks. These measures will impose some short-term negative social impacts but the long-term social impacts should be positive as the stock recovers.

4.2.4.3.2 *Recreational Fishery*

Alternative 1 is the "No Action" alternative, and negative impacts could occur if a reduction in effort is needed and nothing is done. This might mean that the fishery could be fished to a level, which might not allow it to recover or would require more restrictive management measures in the future. The length of recovery might drive some people out of the fishery (or it might be a driving force in eliminating certain for-hire trips), but might even have greater implications for the commercial sector.

Alternative 4 may have a significant, adverse impact on longer headboat trips, especially in North Carolina. Because longer trips are often frequented by return clients, as well as "hardcore" fishers. For these people the trip may be more expensive and taxing on the body, but the reward is often a bigger stringer of prized fish for the table. In North Carolina, many of the trips associated with vermilion snapper catches are longer in nature and require longer steam time to offshore locations. If the bag limit is reduced to 6, then it is possible that these trips may be in jeopardy of being lost due to fishers' perceptions that it is no longer worth their time or money to go fishing for this species.

Alternative 5 offers ways to reduce the recreational bycatch mortality by requiring the use of venting and dehooking tools and non-offset, non-stainless steel circle hooks. These measures will impose some short-term negative social impacts but the long-term social impacts should be positive as the stock recovers.

4.2.4.3.3 *General Non-Fishing Public*

For the general non-fishing public of the U.S., all the alternatives to status quo offer long-term benefits related to ending overfishing and improving stock status. These alternatives benefit those in the U.S. who derive satisfaction from knowing the marine environment is managed sustainably and is thriving. The U.S. consumer may benefit from potential increased consumption of locally caught fish as the stock recovers.

There is the potential of long-term negative impacts to the general non-fishing public who enjoy coming to the coast to experience a "fishing community," eat locally caught seafood, and enjoy the heritage tourism benefits of many coastal communities. If the infrastructure for commercial fishing in the South Atlantic continues to wane, and the proposed management measures hasten that decline, communities will lose this attraction for their tourist trade, and visitors may have a diminished coastal tourism experience. However, these communities can only be expected to exist and prosper if healthy resources and fisheries also exist. So, ending overfishing of the snowy grouper resource, as a component of the marine ecosystem, is essential to the existence and sustenance of these communities.

4.2.4.4 Administrative Effects of Management Regulations Alternatives

Alternative 1 would not change the administrative environment from its current state. **Alternative 2**, which would establish a directed commercial quota, would minimally affect the current administrative environment, since there is already a commercial quota monitoring system in place for vermilion snapper and would be utilized to monitor any newly established directed commercial quota.

Alternative 3 would divide the directed commercial quota into seasons (specified under each of the sub-alternatives.) Of the six alternatives and sub-alternatives considered for management of vermilion snapper, sub-alternatives under **Alternative 3** would impose the most significant, direct administrative burden. Since the specified quotas are very small, it is likely the fishery would remain open for a very short period of time. If the quota is close to being met or exceeded twice each year, fishery managers will have to prepare and issue fishery closure notices twice as often as they currently do, and twice as many notices would have to be prepared announcing the re-opening of the fishery with any carry-over from the first part of the year. Additionally, enforcement personnel would be burdened with an increase in potential fishery closures, which they would have to monitor.

All of the sub-alternatives under **Alternative 4**, which include adjustments to recreational bag/size limits and establishing a recreational closed season, would be expected to create an administrative burden of the same type and to the same degree. Enforcement personnel would be required to enforce a recreational closed season in addition to all other pre-existing or adjusted management measures. NOAA Fisheries Service and the Council would be responsible for notifying the recreational sector of the closed season, and developing new outreach materials outlining any bag/size limit adjustments. Relative to other alternatives being considered under this action, **Alternative 4** would be expected to directly affect the administrative environment on an intermediate level.

Alternative 5 would incur a significant administrative burden on NOAA Fisheries Service as well as enforcement personnel. This alternative would require the preparation of fishery notices or other publications outlining specific hook, dehooking and venting gear requirements, and would require outreach and ongoing enforcement of gear compliance standards.

Alternatives 6a, 6b, and **6c** would be expected to have a minimal indirect effect on the administrative environment, as they would only entail adjustments to pre-existing management measures.

4.2.4.5 Council Conclusions

This will be added after the March 2008 meeting.

4.3 *Research Needs*

Vermilion snapper and gag have been assessed through the SEDAR process. After completion of these assessments, research needs have been identified by the SEDAR workgroup and made available. These needs have been identified and prioritized in the MARFIN request for proposals. Furthermore, a summary of current research will be provided in the Snapper Grouper SAFE Report (NMFS 2005a), which is considered to be a "living" document that will be updated as new data become available.

Biological research needs that have been identified through the SEDAR process are as follows:

4.3.1 Vermilion Snapper

- Quantify discard rates especially in commercial fishery. Estimate discard mortality rates by depth and fishery.
- Research management measures that will reduce release mortality.
- Age sampling from commercial, headboat, and MRFSS that is representative.
- Develop better abundance indices that cover a broader spatial/seasonal scale.
- Fecundity estimates by length and age.
- Collect data on the magnitude and size/age composition of vermilion snapper that are discarded by fishery and gear.
- Develop an index of recruitment.
- Investigate methods of weighting applied to the input data.
- Expand MARMAP area coverage, and include more deep-water habitat.
- Incorporating commercial logbooks for use as an abundance index.
- Need to increase number of age samples, with a minimum of 500 samples annually for specific fishery segments (i.e., hook and line and headboat).
- Externally combine the indices of abundance into one index to be used in parallel with the existing age-structured model, rather than including the individual indices.
- The update assessment workshop strongly suggests that a new model type be investigated for the vermilion snapper assessment, and that the next assessment be conducted as a benchmark assessment.

4.3.2 Gag

- Continue research on the use of otolith chemistry to evaluate the population structure of gag.
- Continue genetic research on gag population structure. Add Mexican (Campeche) samples to determine patterns of gene flow and population connectivity.
- Continue workshops on aging and reproductive biology, targeting gag and similar species to eliminate potential methodological differences.

- Long-term continuous monitoring of age structure should be undertaken in the South Atlantic to test the hypothesis that annual recruitment trends are similar between regions.
- Continue oceanographic modeling efforts of recruitment and larval transport associated with development of an Integrated Coastal Ocean Observing System (ICOOS).
- Additional tagging studies should be conducted off the east coast of Florida to examine the extent of northerly and southerly movements.
- Increase sampling to obtain otoliths for aging.
- Improvement in at-sea observation for discards.
- Continue education of samplers for species identification.
- Conversions are needed for different market categories (gutted, headed, filleted, whole weight).
- Data are needed on effort and discards by depth.
- A fishery independent index of abundance should be developed.
- The gag mature sex ratio is needed, from which it may be possible to infer information about male fertility and the number of sperm required for successful fertilization.
- Reconstruct the catch and total removals history (prior to 1962) from data sources not currently being used in the assessment.
- Employ DNA tagging to provide an independent snapshot of total mortality.
- Effectiveness of effort from technological changes should be examined be examined.

4.3.3 Sociocultural Research Needs

Sociocultural research needs that have been identified by the Council's Scientific and Statistical Committee are as follows:

1. Identification, Definition and Standardization of Existing Datasets to meet short-term social analysis needs (e.g. behavioral networks based on annual rounds). Centrally locate these datasets so they are accessible to researchers and managers (realizing the constraints imposed by confidentiality);

2. Development of New Variables to meet long-term social analytical needs (e.g., community health, individual health, decision-making patterns, cumulative impacts of endogenous, exogenous, and regulatory factors);

3. Longitudinal Data – Monitoring Needs, including historical, ethnographic, and quantitative data over time;

4. Traditional Ecological Knowledge/Local Fisheries Knowledge (TEK/LFK) constructions along with Scientific Ecological Knowledge (SEK);

5. State Data (license/permit data; social survey type data) and Coordination between agencies/levels;

6. Better integration of social, biological and economic variables in modeling efforts; and

7. Better efforts to include humans and human behavior in the ecosystem-based framework (e.g., representation of humans as keystone predators in the system);

Economic research needs that have been identified by the Council's Scientific and Statistical Committee are as follows:

The following issues were identified as being impediments to conducting economic research:

- Confidentiality of state data and data collected through federal research projects.
- Data collected through certain agency grants cannot be distributed without dealing with confidentiality issues.
- The inability to display confidential data.

Commercial

1. Explore the feasibility of developing computable general equilibrium models, which can incorporate the entire economy and important ecosystem components (Medium priority, High cost).
2. Develop an input output model for the South Atlantic commercial fisheries. This model should be similar to the NOAA Fisheries Service model for other regions on shore based communities (Medium priority, High cost).
3. Consider alternative ways to collect data on both a social and economic basis e.g. partnerships to develop projects (High priority, Medium cost).
4. Ensure availability, improve upon and collect basic data: catch, employment, effort, price, cost/earnings (Very High priority, high cost).
5. Opportunity costs - Rely on the studies completed in the past on the next best jobs. Include collection of data to estimate worker satisfaction bonus.
6. Integrated biological, social and economic models including dynamic optimization models.
7. Demand analysis – include the effects of imports. Studies of value added product e.g. branding and marketing strategies.
8. Include data collection and analysis on the processing sector, retail sector.
9. Research on the economic and social effects of capacity reduction.
10. Employment in the primary and secondary sectors of the fishing industry that also includes research on household budgets.
11. Cumulative impacts – economic and social.
12. Models to predict fishing behavior in the face of fishing regulations. This would include description of fishing rounds on a seasonal basis and fishing behavioral networks.

13. Non-consumptive and non-use benefits of marine protected species and essential fish habitat/habitat areas of particular concern. Also, measure the socio-cultural benefits of these species.
14. Research on live product/whole weight conversion factors on a seasonal basis possibly through the TIP program or through other biological sampling programs.

Recreational

1. Assess the feasibility of developing benefits transfer models from existing data and the MRFSS. Complete recreational demand models that are more relevant for fisheries management. These models should focus on policy relevant variables (bag, size limits, individual species and species groups).
   (High priority, low/medium cost)
2. Develop random utility models for predicting participation changes, economic value and behavior of recreational fishermen. (High priority, high cost for data collection).
3. Develop targeted input-output model to estimate the effects of policy changes on the economic impacts of recreational fishing. Will provide information on jobs, wages, income on affected sectors such as lodging, restaurants, bait and tackle shops, marinas, boats (Medium priority, high cost).
4. Include categories/motivations of recreational anglers in models outlined in items 1 and 2 (Medium priority, high cost).
5. Collect data on motivations/behavioral patterns of recreational fishermen. (Medium priority, high cost).
6. Characterize participants in subsistence fisheries. (Low priority, high cost).
7. Develop Valuation models and I/O models for tournament fishing. (Medium priority, high cost).
8. Develop Cost-earnings model for the for-hire sector (charter and headboat). (High priority, high cost). NOAA Fisheries Service is currently conducting a study.

Ecosystem based management

1. Conduct analyses to facilitate the economic valuation of ecosystem services (Very High priority, High cost).
2. Explore the use of Ecopath and Ecosim (Very High priority, High cost).

4.4 *Cumulative Effects*

As directed by NEPA, federal agencies are mandated to assess not only the indirect and direct impacts, but the cumulative impacts of proposed actions as well. NEPA defines a cumulative impact as *"the impact on the environment which results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (Federal or non-Federal) or person undertakes such other actions. Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time"* (40 C.F.R. 1508.7). Cumulative effects can either be additive or synergistic. A synergistic effect is when the combined effects are greater than the sum of the individual effects.

Various approaches for assessing cumulative effects have been identified, including checklists, matrices, indices, and detailed models (MacDonald 2000). The Council on Environmental Quality (CEQ) offers guidance on conducting a Cumulative Effects Analysis (CEA) in a report titled "Considering Cumulative Effects under the National Environmental Policy Act". The report outlines 11 items for consideration in drafting a CEA for a proposed action.

1. Identify the significant cumulative effects issues associated with the proposed action and define the assessment goals.
2. Establish the geographic scope of the analysis.
3. Establish the timeframe for the analysis.
4. Identify the other actions affecting the resources, ecosystems, and human communities of concern.
5. Characterize the resources, ecosystems, and human communities identified in scoping in terms of their response to change and capacity to withstand stress.
6. Characterize the stresses affecting these resources, ecosystems, and human communities and their relation to regulatory thresholds.
7. Define a baseline condition for the resources, ecosystems, and human communities.
8. Identify the important cause-and-effect relationships between human activities and resources, ecosystems, and human communities.
9. Determine the magnitude and significance of cumulative effects.
10. Modify or add alternatives to avoid, minimize, or mitigate significant cumulative effects.
11. Monitor the cumulative effects of the selected alternative and adapt management.

This CEA for the biophysical environment will follow a modified version of the 11 steps. Cumulative effects for the socio-economic environment will be analyzed separately.

4.4.1 Biological

SCOPING FOR CUMULATIVE EFFECTS

1. Identify the significant cumulative effects issues associated with the proposed action and define the assessment goals.

The CEQ cumulative effects guidance states that this step is done through three activities. The three activities and the location in the document are as follows:

I. The direct and indirect effects of the proposed actions **(Section 4.0)**;
II. Which resources, ecosystems, and human communities are affected **(Section 3.0)**; and
III. Which effects are important from a cumulative effects perspective **(information revealed in this CEA)**.

2. Establish the geographic scope of the analysis.

The immediate impact area would be the federal 200-mile limit of the Atlantic off the coasts of North Carolina, South Carolina, Georgia and east Florida to Key West. Since the boundaries are solely political in nature and do not prohibit immigration and emigration of fish, and fish larvae, the geographic scope of the CEA must be expanded. Tagging work conducted by the MARMAP program indicates that there is movement of species (i.e. gag and greater amberjack) between the Gulf of Mexico and South Atlantic (McGovern and Meister 1999; McGovern *et al.* 2005). Large scale movement of vermilion snapper and other species has not been documented (McGovern and Meister 1999). However, vermilion snapper and shallow water grouper species (red grouper, red hind, rock hind, yellowmouth grouper, tiger grouper, black grouper, yellowfin grouper, graysby, coney, and scamp) have pelagic eggs and larvae that may remain in the water column for extended periods of time and travel long distances before late stage larvae or juveniles assume a demersal existence.

In light of the available information, the extent of the boundaries would depend upon the degree of fish immigration/emigration and larval transport, whichever has the greatest geographical range. The CEA cannot put geographical boundaries in terms of coordinates, but recognize that the proper geographical boundary to consider effects on the biophysical environment is larger than the entire South Atlantic EEZ. The ranges of affected species are described in Section 3.2. The most measurable and substantial effects would be limited to the South Atlantic region.

3. Establish the timeframe for the analysis.

Establishing a timeframe for the CEA is important, when the past, present, and reasonably foreseeable future actions are discussed. It would be advantageous to go back to a time when there was a natural, or some modified (but ecologically sustainable) condition. However, data collection, for many fisheries began when species were already fully exploited. Therefore, the timeframe for analyses should be initiated when data collection began for the various fisheries. In determining how far into the future to analyze cumulative effects, the length of the effects will depend on the species and the

alternatives chosen. Gag is not overfished by biomass is less than B_{MSY}. Ending overfishing and fishing at a fishing mortality associated with OY will allow biomass to increase to at least B_{MSY}. The overfished status of vermilion snapper is unknown. However, if the stock is overfished, biomass would be expected to increase and positive changes in the size and age structure would be expected to increase. Long term evaluation is needed to determine if management measures have the intended effect of improving stock status. Therefore, analyses of effects should extend beyond the time when these overfished stocks are rebuilt. Monitoring should continue indefinitely for all species to ensure that management measures are adequate for preventing overfishing in the future.

4. Identify the other actions affecting the resources, ecosystems, and human communities of concern (the cumulative effects to the human communities are discussed in Section 4).

Listed are other past, present, and reasonably foreseeable actions occurring in the South Atlantic region. These actions, when added to the proposed management measures, may result in cumulative effects on the biophysical environment.

I. Fishery-related actions affecting vermilion snapper, gag, and shallow water grouper.

A. Past

The reader is referred to **Section 1.3 History of Management** for past regulatory activity for the fish species. These include bag and size limits, spawning season closures (gag), commercial quotas (vermilion snapper), gear prohibitions and limitations, area closures, and a commercial limited access system.

B. Present

The proposed actions would address overfishing of vermilion snapper and gag. Management measures for the commercial sector would include new or adjusted: sector specific allocations, catch quotas; size limits; trip limits; seasonal closures; fishing year start dates; and gear restrictions. Management measures for the recreational sector would include new or adjusted: catch allocations; bag limits; size limits; and seasonal closures.

C. Reasonably Foreseeable Future

Amendment 14 would use marine protected areas (MPAs) as a management tool to promote the optimum size, age, and genetic structure of slow growing, long-lived deepwater snapper grouper species (speckled hind, snowy grouper, warsaw grouper, yellowedge grouper, misty grouper, golden tilefish, blueline tilefish, and sand tilefish).

Amendment 17 would establish Annual Catch Limits (ACL) for snapper grouper species undergoing overfishing and for recently assessed species. Other actions that would be included in Amendment 17 include: (1) SFA parameters for red snapper, greater amberjack, and mutton snapper; (2) interim allocations (if Comprehensive Allocation Amendment is not finalized); (3) management measures to limit recreational and commercial sectors to their ACLs; (4) accountability measures; (5) an action to remove species from the fishery management unit as appropriate; and (6) extend snapper grouper management regulations into the Mid-Atlantic Fishery Management Council's jurisdiction.

Snapper Grouper Amendment 18 is being developed to establish a limited access privilege program for snapper grouper species. In addition, a Comprehensive Allocation Amendment is being developed to address allocation of catch for species covered by the Council's FMPs.

II. Non-Council and other non-fishery related actions, including natural events affecting snowy grouper, golden tilefish, vermilion snapper, black sea bass, and red porgy.
   A. Past
   B. Present
   C. Reasonably foreseeable future

In terms of natural disturbances, it is difficult to determine the effect of non-Council and non-fishery related actions on stocks of vermilion snapper, gag, and shallow water groupers. Annual variability in natural conditions such as water temperature, currents, food availability, predator abundance, etc. can affect the abundance of young fish, which survive the egg and larval stages each year to become juveniles (i.e. recruitment). This natural variability in year class strength is difficult to predict as it is a function of many interactive and synergistic factors that cannot all be measured (Rothschild 1986). Furthermore, natural factors such as storms, red tide, cold water upwelling, etc. can affect the survival of juvenile and adult fishes; however, it is very difficult to quantify the magnitude of mortality it may have on a stock. Gag occur in estuarine areas along the southeastern United States (Robins and Ray 1986; Heemstra and Randall 1993). Alteration of estuarine habitats could affect survival of juveniles. However, estimates of the abundance of fish, which utilize this habitat, as well as determining the impact habitat alteration may have on juveniles is problematic.

AFFECTED ENVIRONMENT

5. Characterize the resources, ecosystems, and human communities identified in scoping in terms of their response to change and capacity to withstand stresses.

In terms of the biophysical environment, the resources/ecosystems identified in earlier steps of the CEA are the fish populations directly or indirectly affected by the regulations. This step should identify the trends, existing conditions, and the ability to withstand stresses of the environmental components.

The SEDAR stock assessment indicates gag biomass is 94% of the biomass at MSY (B_{MSY}) and is approaching an overfished condition. Overfishing is occurring with F/F_{MSY} = 1.3. Gag are vulnerable to overfishing because they live for at least 26 years, change sex from female to male later in life, and form spawning aggregations at locations known to fishermen. During the 1990s, gag off the Southeastern U.S. was exhibiting many of the symptoms of an exploited population. Harris and Collins (2000) reported a lower age at first maturity and a significant increase in the observed mean length at age in the South Atlantic gag population in 1994-95 in comparison with data from 1976-82. Increased fishing pressure was suggested as a contributing factor in the described life history changes (Harris and Collins 2000). During the same period McGovern *et al.* (1998) found the sex ratio decreased from 19.6% males in 1976-82, to 5.5% males in 1994-95. The size at 50% maturity also declined in the later period.

There is some indication from a more recent life history study the status of the population has improved since the 1990s. Reichert and Wyanski (2005) found size at maturity during 2004-05 occurred at significantly larger sizes than during 1994-95. Age at maturity also increased since 1994-95, albeit less dramatically than for size at maturity. The percentage of males and individuals undergoing transition in the population increased from 5.5% in 1994-95 to 8.2%; however, the current percentage is still much lower than the revised estimate of 19.4% for samples collected during 1976-82. Sex transition has occurred at progressively larger sizes and younger ages since 1977-82, a trend that is also probably related to the increasing growth rates over time.

The SEDAR 10 (2007) stock assessment also suggested despite continued overfishing, the condition of the gag stock has improved since the middle 1990s, perhaps in response to management measures. A substantial decline in fishing mortality has occurred since 1990 with a second decline occurring after 1998 when the minimum size limit was increased to 24 inches TL and a two-month commercial spawning season closure was put into place.

The recent SEDAR assessment update (2007) determined the vermilion snapper stock in the South Atlantic is undergoing overfishing. The SSC, in June 2007, recommended the Council not adopt the biomass and yield benchmarks used to determine whether the stock is overfished, as they were deemed unreliable for management purposes.

Commercial landings of vermilion snapper rose from 743,000 to 954,000 lbs whole weight during 1992 to 1995. Landings declined to 718,000 lbs whole weight followed by a large increase to 1,682,000 lbs whole weight in 2001. A sharp decline in landings to 760,000 lbs whole weight occurred in 2003 followed by a modest increase to 1,095,000 lbs whole weight in 2004. Landings decreased further in 2005. The CPUE of vermilion snapper taken with MARMAP trapping gear showed similar trends to commercial landings with an increase during 1994-1996 from 5.8 to 6.2 fish caught per hour followed by a decrease to 2.2 fish caught per hour in 1999. CPUE increased to 4.7 fish caught per hour in 2001 with a sharp decrease in 2003 to 0.35 fish per trap hour, the lowest value recorded since 1988. Low CPUE in 2003, as well as low commercial catches, was probably due to a prolonged cold water upwelling event. A slight increase in CPUE occurred in 2004 and 2005-2006 values were similar to 2004. Headboat CPUE increased

during 1992-2002, decreased in 2003 and then increased again during 2004-2006 (SEDAR assessment update 2007).

Zhao *et al*. (1997) and Zhao and McGovern (1997) report during the middle 1990s, the vermilion snapper stock was exhibiting many of the symptoms of an overexploited population, including a decrease in size at age, possibly caused by fishing pressure. Since these studies were conducted, the Council established a program to limit initial eligibility for the snapper grouper fishery and raised the vermilion snapper recreational size limit to 11" total length in 1999, increased recreational size limit to 12" total length in 2006, and imposed a 1.1 million pound gutted weight commercial quota. Additionally, the Council recently extended indefinitely the *Oculina* closed area. Although the biological benefits of this area cannot be quantified at this time, evidence indicates there has been an increase in abundance of many species within the area since it was closed (Koenig 2001).

Some of these management measures may have reduced fishing mortality (F) during the late 1990s as the SEDAR stock assessment noted a substantial decline in fishing mortality during 1997 and 1998; however, F increased during 1999-2001. The SEDAR assessment update (2007) indicates overfishing is still occurring. Such trends are expected to continue if status quo commercial management regulations are maintained, and could have a significant adverse effect on the stocks if allowed to continue indefinitely. The adverse effects of decreasing size and age trends on stock biomass and reproduction, population structure, and the marine ecosystem are described Amendment 13C (2006). A new benchmark assessment is being conducted for vermilion snapper with a completion date expected in late 2008. Results of the new age-based benchmark assessment could be different from either the SEDAR 2 (2003) benchmark assessment or the 2007 SEDAR Assessment Update, both of which were length based.

6. Characterize the stresses affecting these resources, ecosystems, and human communities and their relation to regulatory thresholds concern.

This step is important in outlining the current and probable stress factors to gag and vermilion snapper identified in the previous steps. The goal is to determine whether these species are approaching conditions where additional stresses could have an important cumulative effect beyond any current plan, regulatory, or sustainability threshold (CEQ 1997). Sustainability thresholds can be identified for some resources, which are levels of impact beyond which the resources cannot be sustained in a stable state. Other thresholds are established through numerical standards, qualitative standards, or management goals. The CEA should address whether thresholds could be exceeded because of the contribution of the proposed action to other cumulative activities affecting resources.

Fish populations

Definitions of overfishing and overfished for gag and vermilion snapper are identified in Amendment 11 to the Snapper Grouper FMP (SAFMC 1998d). Numeric values of thresholds overfishing and overfished thresholds are being updated in this amendment. These values includes maximum sustainable yield (MSY), the fishing mortality rate that

produces MSY (F_{MSY}), the biomass or biomass proxy that supports MSY (B_{MSY}), the minimum stock size threshold below which a stock is considered to be overfished (MSST), the maximum fishing mortality threshold above which a stock is considered to be undergoing overfishing (MFMT), and optimum yield (OY). Based on these definitions, gag is approaching an overfished condition (SEDAR 10 2007). The overfished condition of vermilion snapper is unknown due to uncertainties associated with biomass estimates; however, the stock is experiencing overfishing. A new benchmark assessment is being conducted for vermilion snapper, which could provide biomass estimates and update fishing mortality values.

7. Define a baseline condition for the resources, ecosystems, and human communities concern.

The purpose of defining a baseline condition for the resource and ecosystems in the area of the proposed action is to establish a point of reference for evaluating the extent and significance of expected cumulative effects. The SEDAR assessments show trends in biomass, fishing mortality, fish weight, and fish length going back to the earliest periods of data collection. For some species such as gag and snowy grouper, assessments reflect initial periods when the stocks were above B_{MSY} and fishing mortality was fairly low. However, some species such as vermilion snapper and black sea bass were heavily exploited or possibly overfished when data were first collected. As a result, the assessment must make an assumption of the biomass at the start of the assessment period thus modeling the baseline reference points for the species.

DETERMINING THE ENVIRONMENTAL CONSEQUENCES OF CUMULATIVE EFFECTS

8. Identify the important cause-and-effect relationships between human activities and resources, ecosystems, and human communities.

The relationship between human activities and biophysical ecosystems within the context of this CEA is solely related to extractive activities and the installment of regulations as outlined in Table 4-56.

Table 4-56. The cause and effect relationship of fishing and regulatory actions within the time period of the Cumulative Effects Analysis (CEA).

Time period/dates (Table 4-56)	Cause	Observed and/or Expected Effects
1960s-1983	Growth overfishing of many reef fish species.	Declines in mean size and weight of many species including black sea bass.
August 1983	8" total length black sea bass; 4" trawl mesh (SAFMC 1983).	Protected youngest spawning age classes.
Pre-January 12, 1989	Habitat destruction, growth overfishing of vermilion snapper.	Damage to snapper grouper habitat, decreased yield per recruit of vermilion snapper.
January 1989	Trawl prohibition to harvest fish (SAFMC 1988).	Increase yield per recruit of vermilion snapper; eliminate trawl damage to live bottom habitat.
Pre-January 1, 1992	Overfishing of many reef	Spawning stock ratio of these species is

Time period/dates (Table 4-56)	Cause	Observed and/or Expected Effects
	species including vermilion snapper, and gag.	estimated to be less than 30% indicating that they are overfished.
January 1992	Prohibited gear: fish traps south of Cape Canaveral, FL; entanglement nets; longline gear inside of 50 fathoms; powerheads and bangsticks in designated SMZs off SC; 10" total length vermilion snapper (recreational only); 12" total length vermilion snapper and red grouper (commercial only); 10 vermilion snapper/person/day, aggregate grouper bag limit of 5/person/day, 20" TL gag size limit (SAFMC 1991).	Protected smaller spawning age classes of vermilion snapper.
Pre-June 27, 1994	Damage to *Oculina* habitat.	Noticeable decrease in numbers and species diversity in are of *Oculina* off FL
June 1994	Prohibition of fishing for and retention of snapper grouper species (HAPC renamed OECA; SAFMC 1994)	Initiated the recovery of snapper grouper species in OECA.
1992-1999	Declining trends in biomass and overfishing continue for a number of snapper grouper species including vermilion snapper and gag.	Spawning potential ratio for vermilion snapper and gag is less than 30% indicating that they are overfished.
June 24, 1999	Gag: 24" total length (recreational and commercial); 2 gag or black grouper bag limit within 5 grouper aggregate; March-April commercial closure. Vermilion snapper: 11" total length (recreational). Aggregate bag limit of no more than 10 fish/person/day (1998c).	F for gag vermilion snapper remains declines but is still above F_{MSY}.
October 23, 2006	Snapper Grouper FMP Amendment 13C.	Commercial quota set at 1.1 million lbs gutted weight; recreational size limit increased for

Time period/dates (Table 4-56)	Cause	Observed and/or Expected Effects
		12" TL.
In development	Snapper Grouper FMP Amendment 14.	Use marine protected areas (MPAs) as a management tool to promote the optimum size, age, and genetic structure of slow growing, long-lived deepwater snapper grouper species (speckled hind, snowy grouper, warsaw grouper, yellowedge grouper, misty grouper, golden tilefish, blueline tilefish, and sand tilefish).
In development	Snapper Grouper FMP Amendment 17.	SFA parameters for red snapper, greater amberjack, and mutton snapper; interim allocations (if Comprehensive Allocation Amendment is not finalized); management measures to limit recreational and commercial sectors to their ACLs; accountability measures; an action to remove species from the fishery management unit as appropriate; and extend snapper grouper management regulations into the Mid-Atlantic Fishery Management Council's jurisdiction.
In development	Snapper Grouper FMP Amendment 18	Limited Access Privilege Program for the Snapper Grouper Fishery.
In development	Comprehensive ACL Amendment.	ACLs and accountability measures for species not experiencing overfishing.
In development	Comprehensive Allocation Amendment.	Sector specific allocation for species in Council's FMPs.

9. Determine the magnitude and significance of cumulative effects.

Current management actions, as summarized in Section 2, should reduce fishing mortality in gag and vermilion snapper and are expected to have a beneficial, cumulative effect on the biophysical environment. These management actions are expected to increase stock biomass, which may affect other stocks. Because gag, and to a certain extent, vermilion snapper are upper level predators preying primarily on fish, benthic invertebrates, and squid, the degree of competition for food resources between these species and other co-occurring species may increase as stock abundance increases. In addition, gag, red porgy, vermilion snapper, black sea bass, greater amberjack, red snapper, white grunt and other co-occurring species may begin to compete for habitat as they increase in abundance.

Restrictions in the catch of gag and vermilion snapper could result in fishermen shifting effort to other species. The snapper grouper ecosystem includes many species that occupy the same habitat at the same time. For example, vermilion snapper and gag co-occur with tomtate, scup, red porgy, white grunt, red grouper, scamp, and others.

Therefore, restricted species are likely to still be caught since they will be incidentally caught when fishermen target other co-occurring species. Continued overexploitation of any snapper grouper species could disrupt the natural community structure of the reef ecosystems that support these species. However, some fishermen may choose to use different gear types and target species in different fisheries such as mackerel and dolphin.

Complex models are needed to better understand competition between resources and the effect of effort shifting of fishermen to other species and fisheries. The Council is working with a number of partners to develop an Ecopath model for the South Atlantic ecosystem. Full development of this model will assist in better understanding these linkages. The Council is also developing an Ecosystem FMP that will address the cumulative effects of management regulations, fishing effort, and biomass of all species in the marine ecosystem. Delaying implementation of proposed actions until these tools are completed could adversely affect gag and vermilion snapper. However, although the cumulative effects of proposed actions cannot be quantified, it is expected that the effects will be positive and synergistic.

10. Modify or add alternatives to avoid, minimize, or mitigate significant cumulative effects.

The cumulative effects on the biophysical environment are expected to be positive. Avoidance, minimization, and mitigation are not applicable.

11. Monitor the cumulative effects of the selected alternative and modify management as necessary.

The effects of the proposed action are, and will continue to be, monitored through collection of data by NMFS, stock assessments and stock assessment updates, life history studies, and other scientific observations.

4.4.2 Socioeconomic

A description of the human environment, including a description commercial and recreational snapper grouper fisheries and associated key fishing communities is contained in Section 3.4 and incorporated herein by reference. A description of the history of management of the snapper grouper fishery is contained in Section 1.3 and is incorporated herein by reference. Participation in and the economic performance of the fishery have been effected by a combination of regulatory, biological, social, and external economic factors. Regulatory measures have obviously affected the quantity and composition of harvests, through the various size limits, seasonal restrictions, trip or bag limits, and quotas. Gear restrictions, notably fish trap and longline restrictions, have also affected harvests and economic performance. The limited access program implemented in 1998/1999 substantially affected the number of participants in the fishery. Biological forces that either motivate certain regulations or simply influence the natural variability in fish stocks have played a role in determining the changing composition of the fishery. Additional factors, such as changing career or lifestyle preferences, stagnant to declining prices due to imports, increased operating costs (gas, ice, insurance, dockage fees, etc.), and increased waterfront/coastal value leading to development pressure for other than fishery uses have impacted both the commercial and recreational fishing sectors.
Given the variety of factors that affect fisheries, persistent data issues, and the complexity of trying to identify cause-and-effect relationships, it is not possible to differentiate actual or cumulative regulatory effects from external cause-induced effects. For each regulatory action, expected effects are projected. However, these projections typically only minimally, if at all, are capable of incorporating the variety of external factors, and evaluation in hindsight is similarly incapable of isolating regulatory effects from other factors, as in, what portion of a change was due to the regulation versus due to input cost changes, random species availability variability, the sale of a fish house for condominium development, or even simply fishermen behavioral changes unrelated to the regulation. In general, it can be stated, however, that the regulatory environment for all fisheries has become progressively more complex and burdensome, increasing, in tandem with other adverse influences, the pressure on economic losses, business failure, occupational changes, and associated adverse pressures on associated families, communities, and industries. Some reverse of this trend is possible and expected. The adoption of limited access privilege programs would allow a simplified regulatory environment since trip or seasonal restrictions may no longer be needed and effort issues should be addressed by internal access-rights transfer, while rebuilding plans and the recovery of stocks would allow harvest increases. However, certain pressures would remain, such as total effort and total harvest considerations, increasing input costs, import induced price pressure, and competition for coastal access.

A detailed description of the expected social and economic impacts of the actions in this amendment are contained elsewhere in Section 4, and in Sections 5 and 6, and is incorporated herein by reference. The greatest potential substantive adverse impact of any of the proposed measures is likely associated with the proposed prohibition on recreational sales (see Section 5.5.4).

Current and future amendments are expected to add to this cumulative effect. Snapper Grouper Amendment 14 would restrict fishing at a series of MPA sites. The expected economic impacts of these MPAs are unknown since available data cannot identify the incidence or magnitude of harvests from these areas, not is it possible to forecast how fishing behavior or harvests may change to compensate for these restrictions. In the short term, some additional economic losses may occur as a result of this amendment, but in the long term, the stocks are expected to benefit from this increased protection, with spill-over benefits to the fishery.

Snapper Grouper Amendment 15A specifies management reference points and status determination criteria for snowy grouper, red porgy, and black sea bass; rebuilding schedules for snowy grouper and black sea bass; and rebuilding strategies for snowy grouper, red porgy, and black sea bass. The management reference points, status determination criteria, and rebuilding schedules are not expected to have direct economic or social impacts. The reference point and status determination criteria actions, however, may precipitate future impacts if the resources are evaluated and it is determined that further restrictions on the fisheries are required. The rebuilding schedules also induce indirect impacts by determining the pace of recovery and the overall restrictiveness of measures required to recover the resource, since the faster the recovery period the greater harvest must be restricted. The rebuilding strategies define the annual yield during the recovery period. Although in general yield increases over the course of the recovery period and net cumulative benefits increase across the fisheries, initial yield reductions at the beginning of the recovery periods are likely to have short term adverse impacts on some participants or sectors of the fisheries, thereby increasing the general cumulative burden.

Snapper Grouper Amendment 16 (this amendment) will address overfishing in the gag and vermilion snapper fisheries. The expected impacts of this action have not been determined at this time because the Council has not specified preferred alternatives for all actions. Preliminary analyses are presented in Section 4. The corrective action in response to overfishing always requires harvest reductions and more restrictive regulation. Thus, additional short-term social and economic impacts would be expected. These restrictions will hopefully prevent, however, the stocks from becoming overfished, which would require recovery plans, further harvest restrictions, and additional social and economic losses.

Snapper Grouper Amendment 17 is expected to contain a number of actions addressing general snapper grouper sector overages, black sea bass pot use, annual catch limits and accountability measures for species experiencing overfishing, and the deepwater snapper grouper fishery. The full suite of actions and alternatives for this amendment has not been determined at this time. While these actions would be expected to aid long-term protection and recovery efforts for snapper grouper, these actions are likely to increase the regulatory burden for some segments of the fishery, with associated increased short term economic and social hardships for fishery participants and associated industries and communities.

4.5 *Bycatch Practicability Analysis*

The South Atlantic Council is required by MSFCMA §303(a)(11) to establish a standardized bycatch reporting methodology for federal fisheries and to identify and implement conservation and management measures that, to the extent practicable and in the following order, (A) minimize bycatch and (B) minimize the mortality of bycatch that cannot be avoided. The MSFCMA defines bycatch as "fish which are harvested in a fishery, but which are not sold or kept for personal use, and includes economic discards and regulatory discards. Such term does not include fish released alive under a recreational catch-and-release fishery management program" (MSFCMA §3(2)). Economic discards are fish that are discarded because they are undesirable to the harvester. This category of discards generally includes certain species, sizes, and/or sexes with low or no market value. Regulatory discards are fish that are required by regulation to be discarded, but also include fish that may be retained but not sold.

NMFS outlines at 50 CFR §600.350(d)(3)(i) ten factors that should be considered in determining whether a management measure minimizes bycatch or bycatch mortality to the extent practicable. These are:

1. Population effects for the bycatch species;
2. Ecological effects due to changes in the bycatch of that species (effects on other species in the ecosystem);
3. Changes in the bycatch of other species of fish and the resulting population and ecosystem effects;
4. Effects on marine mammals and birds;
5. Changes in fishing, processing, disposal, and marketing costs;
6. Changes in fishing practices and behavior of fishermen;
7. Changes in research, administration, enforcement costs and management effectiveness;
8. Changes in the economic, social, or cultural value of fishing activities and non-consumptive uses of fishery resources;
9. Changes in the distribution of benefits and costs; and
10. Social effects.

Agency guidance provided at 50 CFR §600.350(d)(3)(ii) suggests the Councils adhere to the precautionary approach found in the Food and Agriculture Organization of the United Nations (FAO) Code of Conduct for Responsible Fisheries (Article 6.5) when faced with uncertainty concerning these ten practicability factors. According to Article 6.5 of the FAO Code of Conduct for Responsible Fisheries, using the absence of adequate scientific information as a reason for postponing or failing to take measures to conserve target species, associated or dependent species, and non-target species and their environment, would not be consistent with a precautionary approach.

4.5.1 Population Effects for the Bycatch Species

4.5.1.1 Background

The directed commercial fishery for gag is prosecuted primarily with hook and line gear (86%) followed by diving gear (12%). Other gear types capture 2% of the landings. Landings are split fairly evenly between commercial and recreational sources. The catch of vermilion snapper is dominated by commercial landings (68%). Almost all vermilion snapper are caught with hook and line gear.

Restrictions, which are currently being used to manage these species, include quotas (vermilion snapper), size limits (vermilion snapper and gag), bag limits (vermilion snapper and gag), and closed seasons (gag).

Management measures proposed in Amendment 16 would establish sector allocations for gag and vermilion snapper, reduce commercial quotas for gag and vermilion snapper; modify bag limits for vermilion snapper and gag; establish a recreational closed season for vermilion snapper; modify the size limits for gag and vermilion snapper; and exclude captain and crew on for-hire vessels from retaining gag or vermilion snapper.

4.5.1.2 Commercial Fishery

During 2001 to 2006, approximately 20% of snapper grouper permitted vessels from the Gulf of Mexico and South Atlantic were randomly selected to fill out supplementary logbooks. A small number of trips that reported discards but did not report numbers or species were not included in analyses. On average, the total number average number of trips per year during 2001 to 2006 was 15,500 (Table 4-57). Fishermen spent an average of 1.70 days at sea per trip.

Table 4-57. Snapper grouper fishery effort for South Atlantic.
Source: NMFS SEFSC Logbook Program.

YEAR	Trips	Days	Days per Trip
2001	17,283	29,940	1.73
2002	17,231	29,683	1.72
2003	16,586	27,680	1.67
2004	15,060	24,911	1.65
2005	13,773	22,880	1.66
2006	13,067	22,926	1.75
Mean	15,500	26,337	1.70

For species in Amendment 16, the number of trips that reported discards was greatest for vermilion snapper followed by scamp and gag (Table 4-58). The percentage of trips that reported discards was 5.55% for vermilion snapper and 4.21% for gag (Table 4-59).

Table 4-58. Annual number of trips reporting discard of vermilion snapper, gag, and shallow water groupers in the South Atlantic. Source: NMFS SEFSC Logbook Program.

YEAR	red grouper	red hind	rock hind	yellowmouth grouper	tiger grouper	black grouper	yellowfin grouper	graysby	coney	scamp	vermilion snapper	gag
2001	26	0	0	0	0	4	0	0	0	95	114	80
2002	101	2	5	0	0	34	1	0	0	202	217	169
2003	123	0	17	0	0	21	0	0	0	137	118	140
2004	121	1	1	0	0	5	0	7	0	60	63	113
2005	134	7	2	1	0	43	1	3	0	132	107	81
2006	75	4	1	0	0	14	1	0	0	94	123	25
Mean	96.7	2.3	4.3	0.2	0.0	20.2	0.5	1.7	0.0	120.0	123.7	101.3

Table 4-59. Percentage of trips that discarded vermilion snapper, gag, and shallow water groupers in the South Atlantic. Source: NMFS SEFSC Logbook Program.

YEAR	red grouper	red hind	rock hind	yellowmouth grouper	tiger grouper	black grouper	yellowfin grouper	graysby	coney	Scamp	vermilion snapper	gag
2001	2.21	0.00	0.00	0.00	0.00	0.34	0.00	0.00	0.00	8.09	9.71	6.81
2002	3.73	0.07	0.18	0.00	0.00	1.26	0.04	0.00	0.00	7.46	8.02	6.25
2003	3.41	0.00	0.47	0.00	0.00	0.58	0.00	0.00	0.00	3.80	3.28	3.89
2004	4.17	0.03	0.03	0.00	0.00	0.17	0.00	0.24	0.00	2.07	2.17	3.90
2005	5.31	0.28	0.08	0.04	0.00	1.70	0.04	0.12	0.00	5.23	4.24	3.21
2006	3.60	0.19	0.05	0.00	0.00	0.67	0.05	0.00	0.00	4.52	5.91	1.20
Mean	3.74	0.10	0.14	0.01	0.00	0.79	0.02	0.06	0.00	5.20	5.55	4.21

During 2001-2006, the average number of individuals discarded per trip was greatest for black sea bass followed by vermilion snapper and red porgy (Table 4-60).

Table 4-60. Average number (unexpanded) of vermilion snapper, gag, and shallow water groupers discarded per trip in the South Atlantic.
Source: NMFS SEFSC Logbook Program.

YEAR	red grouper	red hind	rock hind	yellowmouth grouper	tiger grouper	black grouper	yellowfin grouper	graysby	coney	scamp	vermilion snapper	gag
2001	3.2	0.0	0.0	0.0	0.0	23.8	0.0	0.0	0.0	15.2	75.8	8.7
2002	5.4	2.5	2.4	0.0	0.0	41.7	0.0	0.0	0.0	11.5	78.1	7.9
2003	4.0	0.0	1.6	0.0	0.0	12.3	0.0	0.0	0.0	14.6	66.1	4.6
2004	0.0	0.0	3.0	0.0	0.0	30.6	0.0	17.6	0.0	13.9	62.4	8.3
2005	4.9	0.0	2.0	5.0	0.0	17.7	0.0	1.7	0.0	10.0	99.4	6.8
2006	0.0	0.0	0.0	0.0	0.0	14.5	0.0	0.0	0.0	10.7	58.3	3.0
Mean	2.9	0.4	1.5	0.8	0.0	23.4	0.0	3.2	0.0	12.7	73.4	6.5

Since the discard logbook database represents a sample, data were expanded to estimate the number of discard fish in the whole fishery. The method for expansion was to (1) estimate the probability of discarding a species; (2) estimate the number of fish discarded per trip; and (3) estimate the number discarded in the whole fishery (total discarded = total trips * discard probability * discard number). During 2001-2006, an average of 65,779 vermilion snapper and 5,003 gag were discarded per year (Table 4-61).

Table 4-61. Expanded number of discarded vermilion snapper, gag, and shallow water grouper for the South Atlantic.

YEAR	red grouper	red hind	rock hind	yellowmouth grouper	tiger grouper	black grouper	yellowfin grouper	graysby	coney	scam	vermilion snapper	gag
2001	1,222	0	0	0	0	1,399	0	0	0	21,302	127,252	10,202
2002	3,464	32	76	0	0	9,036	0	0	0	14,849	107,971	8,495
2003	2,279	0	129	0	0	1,188	0	0	0	9,219	35,935	2,970
2004	0	0	16	0	0	795	0	639	0	4,336	20,419	4,892
2005	3,592	0	22	27	0	4,165	0	27	0	7,189	58,056	2,997
2006	0	0	0	0	0	1,275	0	0	0	6,304	45,041	465
Mean	1,760	5	40	5	0	2,976	0	111	0	10,533	65,779	5,003

The most commonly discarded species are shown in Table 4-62.

Table 4-62. The 50 most commonly discarded species during 2001-2006 for the South Atlantic.
Count is number of trips that reported discarding the species. Sum is the reported number discarded.

Species (Table 4-62)	Count	Sum
SEA BASSE,ATLANTIC,BLACK,UNC	526	98,206
PORGY,RED,UNC	907	60,138
SNAPPER,VERMILION	743	55,144
MENHADEN	162	22,445
SHARK,DOGFISH,SPINY	138	22,193
SNAPPER,YELLOWTAIL	1496	14,134
SNAPPER,RED	358	9,867
SEA BASS,ROCK	115	9,469
SCAMP	720	8,937
GRUNT,WHITE	71	4,518
FINFISHES,UNC,BAIT,ANIMAL FOOD	43	4,351
GROUPER,GAG	609	4,258
KING MACKEREL and CERO	584	4,193
GROUPERS	73	3,858
GRUNTS	153	3,780
SHARK,ATLANTIC SHARPNOSE	143	3,654
SHARK,DOGFISH,UNC	50	3,043
GROUPER,RED	580	2,986
GROUPER,BLACK	424	2,891
SHARK,UNC	375	2,702
GRUNT,TOMTATE	23	2,652
HIND,SPECKLED	202	2,444
AMBERJACK,GREATER	327	2,120
SHARK,BLACKTIP	163	2,042
SNAPPER,MANGROVE (Duplicate of 3760)	203	2,035
BLUEFISH	50	1,799
TRIGGERFISH,GRAY	118	1,655
KING MACKEREL	241	1,647
SHARK,SANDBAR	97	1,544
TRIGGERFISHES	133	1,500
BALLYHOO	31	1,472
TUNA,LITTLE (TUNNY)	242	1,364
SHARK,DOGFISH,SMOOTH	34	1,339
DOLPHINFISH	192	1,225
BONITO,ATLANTIC	252	1,139
BLUE RUNNER	162	1,084
SCUPS OR PORGIES,UNC	101	1,028
SKATES	42	1,020
SNAPPER,MANGROVE	126	944
FINFISHES,UNC FOR FOOD	110	919
SHARK,TIGER	64	918

Species (Table 4-62)	Count	Sum
BARRACUDA	178	848
AMBERJACK	191	797
SPANISH MACKEREL	85	782
SNAPPERS,UNC	28	702
PINFISH,SPOTTAIL	38	571
SNAPPER,MUTTON	184	560
STINGRAYS	49	507
CHUBS	27	493
AMBERJACK,LESSER	10	489

4.5.1.3 Recreational Fishery

For the recreational fishery, estimates of the number of recreational discards are available from MRFSS. There are no estimates from the headboat survey. The MRFSS system classifies recreational catch into three categories:

- Type A - Fishes that were caught, landed whole, and available for identification and enumeration by the interviewers.
- Type B - Fishes that were caught but were either not kept or not available for identification.
    - Type B1 - Fishes that were caught and filleted, released dead, given away, or disposed of in some way other than Types A or B2.
    - Type B2 - Fishes that were caught and released alive.

During 2001-2006, 75% of gag and 39% of vermilion snapper were released by recreational fishermen (Table 63).

Amendment 13C increased the size limit of vermilion snapper taken by recreational fishermen from 11 inches TL to 12 inches TL. Examination of Waves 1-5 during 2007 relative to 2006 reveal an increase in the number of discards during Waves 3, 4, and 5 when most of the vermilion snapper are caught (Table 4-64).

Table 4-63. Estimated number total catch (A+B1+B2), harvests (A+B1), and released (B2) fish in numbers for the South Atlantic during 2001-2006.
Source: MRFSS Web Site.

Species	Total	A+B1	B2	% B2
Vermilion Snapper	2,061,323	1,266,421	794,902	39%
Gag	921,177	226,084	695,093	75%
Red Grouper	767,942	154,589	613,353	80%
Red Hind	60,139	16,947	43,192	72%
Rock Hind	15,459	9,084	6375	41%
Yellowmouth Grouper	1,502	1465	37	2%
Tiger Grouper	0	0	0	0%
Black Grouper	107,732	27,654	80,078	74%
Yellowfin Grouper	1,818	1818	0	0%
Graysby	49,402	40,943	8,459	17%
Coney	18,479	8,599	9,880	53%
Scamp	102,269	58,907	43,362	42%

Table 4-64. Harvested (A+B1) and discards (B2) catch of vermilion snapper for Waves 1-5 during 2005 and 2006.

	2006		
	A+B1	B2	%B2s
Wave 1	8,610	47	0.54%
Wave 2	32,271	53,517	62.38%
Wave 3	47,847	8,482	15.06%
Wave 4	107,442	15,258	12.44%
Wave 5	35,274	21,610	37.99%
Total	231,444	98,914	29.94%
	2007		
	A+B1	B2	%B2s
Wave 1	23,819	7,627	24.25%
Wave 2	33,187	13,543	28.98%
Wave 3	75,918	80,154	51.36%
Wave 4	103,079	99,631	49.15%
Wave 5	43,096	66,212	60.57%
Total	279,099	267,167	48.91%

The effect of increasing the minimum size on the magnitude of discards is more pronounced when annual MRFSS data (Figure 4-6). No increase in the number of discards was observed in 1991 when a 10 inch TL size limit was imposed for vermilion snapper. However, a large spike in the number of discarded vermilion snapper occurred in 1999 when the minimum size limit was increased to 11 inches TL. The number of discards decreased after 2000 as fish grew into the new size limit. Another very large increase in the number of discarded fish occurred in 2007 after the recreational minimum size limit was increased to 12 inches TL through actions taken in Amendment 13C.

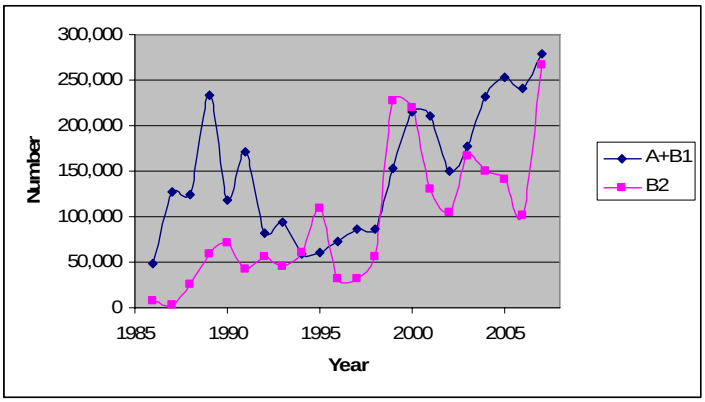


Figure 4-6. Annual number of vermilion snapper harvested (A+B1) and discarded (B2) during 1986 – 2007.
Notes: Data for 2007 do not include Wave 6 (November – December) numbers.

4.5.1.4 Finfish Bycatch Mortality

SEDAR 2 (2003) estimates release mortality rates of 25% and 40% for vermilion snapper taken by recreational and commercial fishermen, respectively. However, release mortality rates might be higher than 40%. Release mortality rates from SEDAR 2 (2003) are based on cage studies conducted by Collins (1996) and Collins *et al*. (1999). Burns *et al*. (2002) suggest release mortality rates of vermilion snapper may be higher than estimated from cage studies because cages protect vermilion snapper from predators. A higher release mortality rate is supported by low recapture rates of vermilion snapper in tagging studies. Burns *et al*. (2002) estimate a 0.7% recapture rate for 825 tagged fish; whereas, recapture rates for red grouper, gag, and red snapper range from 3.8% to 6.0% (Burns *et al*. 2002). McGovern and Meister (1999) estimate a 1.6% recapture rate for 3,827 tagged vermilion snapper. Higher recapture rates are estimated for black sea bass (10.2%), gray triggerfish (4.9%), gag (11%), and greater amberjack (15.1%) (McGovern and Meister 1999; McGovern *et al*. 2005). Burns *et al*. (2002) suggest released vermilion snapper do not survive as well as other species due to predation. Vermilion snapper, which do not have air removed from swim bladders, are subjected to predation at the surface of the water. Individuals with a ruptured swim bladder or have air removed from the swim bladder are subject to bottom predators since fish would not be able to join schools of other vermilion snapper hovering above the bottom (Burns *et al*. 2002). Alternatively, recapture rates could be low if population size was very high or tagged fish were unavailable to fishing gear. However, Harris and Stephen (2006) indicate approximately 50% of released vermilion snapper caught by one commercial fisherman were unable to return to the bottom.

SEDAR 10 (2007) estimates release mortality rates of 25% and 40% for gag taken by recreational and commercial fishermen, respectively. A tagging study conducted by McGovern *et al.* (2005) indicated recapture rate of gag decreased with increasing depth. The decline in recapture rate was attributed to depth related mortality. Assuming there was no depth related mortality at 0 m, McGovern *et al* (2005) estimated depth related

mortality ranged from 14% at 11– 20 m (36 – 65 feet) to 85% at 71 – 80 m (233 – 262 feet). Similar trends in depth related mortality were provided by a gag tagging study conducted by Burns *et al.* (1992).

A recent study conducted by Rudershausen *et al.* (2007) estimated release mortality rates of 15% for undersized vermilion snapper and 33% for undersized gag taken with J- hooks in depths of 25 – 50 m off North Carolina. Immediate mortality vermilion snapper was estimated to be 10% at depths of 25 – 50 m and delayed mortality was estimated to be 45% at the same depths. For gag caught at depths of 25 – 50 m, no immediate mortality was observed but delayed mortality was estimated to be 49%. McGovern *et al.* (2007) estimated a release mortality rate of 50% at 50 m, which is similar to the findings of Rudershausen *et al.* (2007). Rudershausen *et al.* (2007) concluded minimum size limits were moderately effective for vermilion snapper and gag over the shallower portions of their depth range.

4.5.1.5 Practicability of Management Measures in Directed Fisheries Relative to their Impact on Bycatch and Bycatch Mortality

Vermilion Snapper

Vermilion snapper was one of the most commonly discarded species in the commercial fishery in recent years (Table 4-x). In the recreational fishery, approximately 39% were discarded, presumably due to minimum size limits (Table 4-x). Commercial management alternatives would retain the 12 inch total length minimum size and modify the commercial quota of 1,100,000 lbs gutted weight. All the quota alternatives would restrict harvest and the fishery would likely close the fishery for a large portion of the year. As a result, the number of regulatory discards could increase after the quota was met since fishermen might target co-occurring species. Vermilion snapper are commonly taken on trips where fishermen catch gag, greater amberjack, and gray triggerfish. However, if the quota was met, fishermen may be able to avoid areas where vermilion snapper occur or modify methods to reduce the chances of bycatch. Commercial quotas are adjusted to take into consideration dead discards that could occur after a quota was met.

A suite a various management measures are being considered to reduce harvest of vermilion snapper including an increase in the minimum size limit, a reduction in the bag limit, and seasonal closure. An increase in the minimum size limit could be expected to increase the magnitude of discards. Examination of MRFSS data shows very large increase in the number of discards after the recreational minimum size limit was increased to 11 inches total length in 1999 and 12 inches total length in 2006. Size limit analyses takes into consideration that 25% of vermilion snapper would die (SEDAR 2 2003). However, unobserved mortality due to predation or trauma associated with capture could be substantial (Burns *et al.* 1992; Rudershausen *et al.* 2007). Therefore, mortality of released vermilion snapper could be higher than estimated by SEDAR 2 (2003).

Amendment 16 includes actions that require the use of circle hooks, venting tools, and dehooking devices, which could reduce discard and bycatch mortality in the snapper grouper fishery. Cooke and Suski (2004) found mortality rates were lower for circle hooks than J-style hooks. Burns *et al.* (2002) found more red snapper caught with rod-and-reel gear died from hook mortality than all other causes combined, including depth, stress, and handling. Mandatory use of circle hooks in all fisheries could benefit the biological environment by reducing acute and long-term mortality caused by J-hook usage.

If circle hooks decrease CPUE (GFMC 2007), then a net benefit to the stock could occur. In addition, circle hooks could reduce regulatory discards; thereby providing additional benefits to the stock. Modifying gear to reduce bycatch and bycatch mortality would also have beneficial effects on the biological and ecological environment of non-targeted species. Incidentally caught species in the directed gag and vermilion snapper fishery include red grouper, scamp, red snapper, gray triggerfish, and greater amberjack. Some of these species have similar mouth morphology, which is an important factor in the effectiveness of circle hook use (Cooke and Suski 2004). As a result, hooking mortality on these species would be reduced. Therefore, the mandatory use of circle hooks has the potential to reduce fishing mortality and help stressed snapper grouper species return to a healthy sustainable level.

Amendment 16 could also require the use of venting tools when harvesting snapper grouper species from the EEZ. Venting, when properly executed, is believed to increase survival of released fish. The use of venting tools may also reduce predation on reef fish species by allowing rapid return to depth making them less vulnerable to predators. Discarded fish stranded at the surface become easy prey for marine mammals, sea birds, and large predators such as amberjack, barracuda, and sharks (Burns *et al.* 2002).

Dehooking devices can allow fishermen to remove hooks with greater ease and more quickly from snapper grouper species without removing the fish from the water. If a fish does need to be removed from the water, dehookers could still reduce handling time in removing hooks, thus increasing survival.

While the increased minimum size could be expected to increase the number of discards, a closed season could be expected to reduce bycatch. It is possible vermilion snapper might still be caught when fishermen target co-occurring species. However, recreational fishermen may be able to avoid locations where vermilion snapper occur. Furthermore, estimates of harvest reductions associated with seasonal closure assume closures will not be 100% effective and some mortality of vermilion snapper will occur when fishermen target co-occurring species.

The Council is also considering reducing the bag limit for vermilion snapper in combination with other alternatives. In addition, the alternatives could exclude the captain and crew from retaining vermilion snapper on for-hire vessels. An increase in discarded fish could occur with a lower bag limit if fishermen continue to fish after a bag

limit is met when targeting co-occurring species. Bag limit analyses incorporates the SEDAR accepted 25% mortality rate. However, high grading could occur and there could be additional discards.

Restricting harvest could increase the number of regulatory discards. However, increased bycatch mortality is accounted for in analyses and overall mortality is expected to decrease. Furthermore, bycatch could be reduced through alternatives which would require the use of circle hooks, venting tools, and dehooking devices.

Gag

Gag commonly are not commonly discarded species in the commercial fishery (Table 4-x) since most taken by commercial fishermen are greater than the minimum size limit. In the recreational fishery (MRFSS), 75% of gag are released primarily because they are less than the current 24 inch total length minimum size. Most of the recreational catch of gag is off Florida.

Commercial management alternatives would retain the 24 inch total length minimum size, establish a quota and possibly extend the March-April spawning season closure. All the alternatives would restrict harvest and the fishery would close. The preferred allocation alternative would result in a quota, which would be met sometime between October through December, depending on the length of the seasonal closure. After the quota is met, the number of regulatory discards would be expected since fishermen might target co-occurring species. Gag are commonly taken on trips with vermilion snapper, greater amberjack, red grouper, scamp, and gray triggerfish. However, if the quota was met, fishermen may be able to avoid areas where gag occur or modify methods to reduce the chances of bycatch. Commercial quotas are adjusted to take into consideration dead discards that could occur after a quota was met.

The Council is considering extending the March-April spawning season closure for the commercial sector and having the same seasonal spawning closure apply to the recreational sector. A longer spawning seasonal closure for the commercial sector and establishing a similar spawning seasonal closure for the recreational closure could enhance the reproductive potential of the stock. Gag are in spawning condition from December through April each year. There is some evidence spawning aggregations may be in place before and after a spawning season (Gilmore and Jones 1992). When aggregated, gag are extremely susceptible to fishing pressure since the locations are often well known by fishermen. Gilmore and Jones (1992) has shown that the largest and oldest gag in aggregations are the most aggressive and first to be removed by fishing gear. Since gag change sex, larger and older males can be selectively removed. As a result, a situation could occur where there are not enough males in an aggregation to spawn with the remaining females. Furthermore, the largest most fecund females could also be selectively removed fishing gear.

A closed season could be expected to reduce bycatch; however, gag might still be caught when fishermen target co-occurring species. Fishermen may be able to avoid locations where gag occur. Estimates of harvest reductions associated with seasonal closure assume closures for the commercial and recreational sectors assume a closure will not be

100% effective and some mortality of gag will occur when fishermen target co-occurring species.

The Council is also considering alternatives that would close the fisheries for other shallow water groupers after a quota is met or during a seasonal closure. Since gag are taken on trips with red grouper and scamp, this action could be expected to reduce bycatch and fishing mortality of gag. The action would also benefit red grouper and black grouper, which are experiencing overfishing.

The Council is also considering reducing bag limits to 1 gag or black grouper per person per day and reducing the grouper aggregate to 3 fish per person per day. An increase in discarded fish could occur with a lower bag limit if fishermen continue to fish after a bag limit is met when targeting co-occurring species. Bag limit analyses incorporates the SEDAR accepted 25% mortality rate. However, high grading could occur and there could be additional discards.

Restricting harvest could increase the number of regulatory discards. However, increased bycatch mortality is accounted for in analyses and overall mortality is expected to decrease. Furthermore, alternatives are being considered, which could reduce bycatch by closing shallow water grouper species when a quota for gag is met or during a seasonal closure for gag.

4.5.1.6 Ecological Effects Due to Changes in the Bycatch

The ecological effects of bycatch mortality are the same as fishing mortality from directed fishing efforts. If not properly managed and accounted for, either form of mortality could potentially reduce stock biomass to an unsustainable level. Management alternatives proposed in Amendment 16 for vermilion snapper and gag could increase the number of regulatory discards. However, alternatives are being considered, which could decrease bycatch including closing shallow water groupers during a seasonal closure for gag or after a quota is met and requiring circle hooks, venting tools, and dehooking devices for shallow water species.

Overall fishing effort could decrease in the commercial and recreational sectors in response to more restrictive management measures, thereby reducing the potential for bycatch. Furthermore, the extent to which the discards increase would depend on the ability of fishermen to avoid regulated species when a quota is met or when a seasonal closure occurs and the extent to which effort would shift to other species and fisheries. Reduced fishing pressure would be expected to result in an increase in the mean size/age of vermilion snapper and gag. In addition, biomass of gag would be expected to increase and an increase in the percentage of males in the population could occur. Thus ecological changes could occur in the community structure of reef ecosystems through actions that would end overfishing. These ecological changes could affect the nature and magnitude of bycatch of species in Amendment 16 as well as other species, which have spatial and temporal coincidence with vermilion snapper and gag.

There is likely to be an interactive effect of the preferred management measures in Amendment 16 on bycatch of vermilion snapper, gag, and associated species. Once a quota is met or during a seasonal closure for a species, effort could shift to other species or fisheries. Vermilion snapper and gag could continue to be caught when species, which have fewer regulations, are targeted. "Post quota bycatch mortality" and the incidental catch of vermilion snapper and gag is taken into consideration when quotas are estimated and the effectiveness of a seasonal closure is evaluated. However, fishermen may be able to avoid "hot spots" where a restricted species occurs thereby reducing the potential for bycatch.

Bycatch of gag in Amendment 16 could be reduced through alternatives which would also close shallow water grouper species when a gag quota is met or during a seasonal closure for gag. In addition, there are closures are already in place for black grouper and gag (March-April), greater amberjack (April), mutton snapper (May-June), and red porgy (January-April), which overlaps with the proposed commercial/recreational gag spawning season closure. Since gag, red porgy, greater amberjack, and many shallow water grouper species are taken on commercial and recreational trips together, a large reduction in bycatch of gag and associated species is possible from the proposed action. Furthermore, vermilion snapper is also taken on trips with gag. Extending the commercial spawning closure and establishing a recreational spawning season closure for gag could reduce bycatch of vermilion snapper.

Additional actions in Amendment 16, which could reduce bycatch include the requirement of the use of circle hooks, venting tools, and dehooking devices in the snapper grouper fishery. Cooke and Suski (2004) found mortality rates were lower for circle hooks than J-style hooks. Burns et al. (2002) found more red snapper caught with rod-and-reel gear died from hook mortality than all other causes combined, including depth, stress, and handling. Mandatory use of circle hooks in all fisheries could benefit the biological environment by reducing acute and long-term mortality caused by J-hook usage.

If circle hooks decrease CPUE (GFMC 2007), then a net benefit to the stock could occur. In addition, circle hooks could reduce regulatory discards; thereby providing additional benefits to the stock. Modifying gear to reduce bycatch and bycatch mortality would also have beneficial effects on the biological and ecological environment of non-targeted species. Incidentally caught species in the directed gag and vermilion snapper fishery include red grouper, scamp, red snapper, gray triggerfish, and greater amberjack. Some of these species have similar mouth morphology, which is an important factor in the effectiveness of circle hook use (Cooke and Suski 2004). As a result, hooking mortality on these species would be reduced. Therefore, the mandatory use of circle hooks has the potential to reduce fishing mortality and help stressed snapper grouper species return to a healthy sustainable level.

Amendment 16 could also require the use of venting tools when harvesting snapper grouper species from the EEZ. Venting, when properly executed, is believed to increase

survival of released fish. The use of venting tools may also reduce predation on reef fish species by allowing rapid return to depth making them less vulnerable to predators. Discarded fish stranded at the surface become easy prey for marine mammals, sea birds, and large predators such as amberjack, barracuda, and sharks (Burns *et al.* 2002).

Dehooking devices can allow fishermen to remove hooks with greater ease and more quickly from snapper grouper species without removing the fish from the water. If a fish does need to be removed from the water, dehookers could still reduce handling time in removing hooks, thus increasing survival.

Data from North Carolina presented to the Council indicated fishermen with snapper grouper permits also fish in the nearshore gillnet fisheries. Fishermen with snapper grouper permits in other areas also participate in various state fisheries. It is expected that if efforts shift to these fisheries, there could be impacts to protected species.

An IFQ program is being considered for the snapper grouper fishery that could substantially reduce bycatch by providing fishery participants an incentive to fish efficiently and to better handle their catch to maximize profits. An IFQ program could stabilize markets and prices by allowing catches to be delivered on demand. This would help fishermen target when they wanted to fish, where they wanted to fish, and which species they wanted to catch thereby reducing bycatch.

Amendment 17 to the Snapper Grouper FMP could propose additional measures to reduce bycatch in the snapper grouper fishery with the possible establishment of shallow water grouper and deep water snapper grouper units. Species grouping would be based on biological, geographic, economic, taxonomic, technical, social, and ecological factors. Each group would be represented by an indicator species that has been recently assessed or is scheduled for a SEDAR assessment in the future. Amendment 14 should be implemented in 2008, which would establish Marine Protected Areas, and could also reduce bycatch of vermilion snapper, gag, and shallow water grouper species.

4.5.1.7 Changes in the Bycatch of Other Fish Species and Resulting Population and Ecosystem Effects

Management measures proposed in Amendment 16 are intended to end overfishing vermilion snapper and gag. Some proposed actions such as an increase in the size limit of vermilion snapper and a decrease in the bag limit of gag and other shallow water grouper species could increase the number of discards. Analyses take into consideration that an increase in the number of discards could occur and apply the SEDAR accepted release mortality rates. Furthermore, an increase in the magnitude of discards could occur after a quota is met or during a seasonal closure. However, quotas are adjusted for dead discards that would be expected to occur after a quota is met and seasonal closure are assumed to be less than 100% effective because fishermen will likely target co-occurring species and incidental catch of vermilion snapper and gag will occur.

Amendment 16 includes actions, which would close fisheries for shallow water grouper species when a quota is met or during seasonal closure. Since a commercial/recreational closure for gag and co-occurring species would overlap with closures for co-occurring species, there could be substantial reductions in bycatch and fishing mortality. Other actions which could reduce bycatch includes actions which require the use of circle hooks, venting tools, and dehooking devices,

More restrictive management measures proposed in Amendment 16 could result in an effort shift to other species and fisheries causing a change in the magnitude of harvest and number of discards in those fisheries. Reduced fishing pressure on vermilion snapper and gag would be expected to result in an increase in the mean size and age. In addition, biomass and the percentage of male gag would be expected to increase. The relative abundance, size structure, and age structure of other species in reef communities could be expected to change in response to reduced fishing pressure on species in Amendment 16 as well as potential shifts in effort. Thus, ecological changes could occur in the community structure of reef ecosystems through actions that would end overfishing. These ecological changes could affect the nature and magnitude of bycatch over time.

4.5.1.8 Effects on Marine Mammals and Birds

Under Section 118 of the Marine Mammal Protection Act (MMPA), NMFS must publish, at least annually, a List of Fisheries (LOF) that places all U.S. commercial fisheries into one of three categories based on the level of incidental serious injury and mortality of marine mammals that occurs in each fishery. Of the gear utilized within the snapper grouper fishery, only the black sea bass pot is considered to pose an entanglement risk to large whales. The southeast U.S. Atlantic black sea bass pot fishery is included in the grouping of the Atlantic mixed species trap/pot fisheries, which the 2004 List of Fisheries classifies as a Category II. Gear types used in these fisheries are determined to have occasional incidental mortality and serious injury of marine mammals (69 FR 153; August 10, 2004). For the snapper grouper fishery, the best available data on protected species interactions are from the Southeast Fisheries Science Center (SEFSC) Supplementary Discard Data Program (SDDP) initiated in July of 2001 and sub-samples 20% of the vessels with an active permit. To date, no interactions with marine mammals have been reported from this program (8/1/2001-7/31/2004) (Poffenberger 2004; McCarthy SEFSC database).

Although the gear type used within the black sea bass pot fishery can pose an entanglement risk to large whales due to their distribution and occurrence, sperm, fin, sei, and blue whales are unlikely to overlap with the black sea bass pot fishery operated within the snapper grouper fishery since it is executed primarily off North Carolina and South Carolina in waters ranging from 70-120 feet deep (21.3-36.6 meters). There are no known interactions between the black sea bass pot fishery and large whales. It is believed that possible negative effects resulting from the fishery are extremely unlikely. Thus, the continued operation of the snapper grouper fishery in the southeast U.S. Atlantic EEZ is not likely to adversely affect sperm, fin, sei, and blue whales.

Right and humpback whales may overlap both spatially and temporally with the black sea bass pot fishery. Measures to reduce entanglement risk in pot/trap fisheries for these two species are being addressed under the revised Atlantic Large Whale Take Reduction Plan (70 FR 118; June 21, 2005).

The Bermuda petrel and roseate tern occur within the action area. Bermuda petrels are occasionally seen in the waters of the Gulf Stream off the coasts of North and South Carolina during the summer. Sightings are considered rare and only occurring in low numbers (Alsop 2001). Roseate terns occur widely along the Atlantic coast during the summer but in the southeast region they are found mainly off the Florida Keys (unpublished USFWS data). Interaction with fisheries has not been reported as a concern for either of these species.

Efforts to reduce fishing effort has the potential to reduce the amount of interactions with marine mammals and birds. A quota for the commercial black sea bass fishery could reduce the number of pots that are fished each year and reduce the risk of entanglement with right whales and humpback whales, which may overlap both spatially and temporally with the black sea bass pot fishery. Although, the Bermuda petrel and roseate tern occur within the action area, these species are not commonly found and neither has been described as associating with vessels or having had interactions with the snapper grouper fishery. Thus, it is believed that the snapper grouper fishery is not likely to negatively affect the Bermuda petrel and the roseate tern.

4.5.1.9 Changes in Fishing, Processing, Disposal, and Marketing Costs

Management alternatives in Amendment 16, which are most likely to reduce bycatch, would be expected to affect the cost of fishing operations. It is likely that east Florida would be impacted most from a spawning season closure for gag and other shallow water species since fewer trips would be taken off North Carolina, South Carolina, and Georgia when the temperatures are cold and weather is poor.

The Council is considering an IFQ program. An IFQ program may provide greater efficiency in fishing, processing, and disposal. IFQ programs may be an effective method for controlling fishing effort, removing excess capital, generating profits, reducing the incentive to fish during unsafe conditions, and extending the availability of fresh fish products. Additionally, factors such as waterfront property values, availability of less expensive imports, etc. may affect economic decisions made by recreational and commercial fishermen.

4.5.1.10 Changes in Fishing Practices and Behavior of Fishermen

Management regulations proposed in Amendment 16 could result in a modification of fishing practices by commercial and recreational fishermen; thereby, affecting the magnitude of discards. There is a potential for increased discards with new or reduced quotas, reduced bag limits, seasonal closures, and increased size limits. It is expected some species would continue to be caught after a quota is met or during a closure since fishermen might target species, which co-occur with the restricted species. However, fishermen may be able to modify their behavior by avoiding locations where high concentrations of the restricted species occurs or changing fishing methodology such hook size and type.

Amendment 16 could also require the use of circle hooks, de-hooking tools, and venting tools. Use of these devices will require a modification in fishing practices and behavior and have the potential to reduce bycatch if properly used. These new devices will require education about the methods to reduce bycatch, and enhance survival of regulatory discards. Gear changes such as hook type or hook size could have some affect on a reduction in bycatch mortality. Furthermore, closed seasons, new or reduced quotas, reduced bag limits, and increased size limits could cause some commercial and recreational fishermen to reduce effort. Closing all shallow water groupers during a seasonal gag closure or after a gag quota is met may help to reduce bycatch. An IFQ program would likely influence fishing practices and behavior, thereby contributing to a reduction in bycatch. However, it is difficult to quantify any of the measures in terms of reducing discards until the magnitude of bycatch has been monitored over several years.

4.5.1.11 Changes in Research, Administration and Enforcement Costs and Management Effectiveness

Research and monitoring is needed to understand the effectiveness of proposed management measure in reducing bycatch. Additional work is needed to determine the effectiveness of measures being developed in Amendment 17 and by the Council (IFQs, Ecosystem Fishery Management Plan) to reduce bycatch. Some observer information has recently been provided by MARFIN and Cooperative Research Programs but more is needed. Approximately 20% of commercial fishermen are asked to fill out discard information in logbooks; however, a greater percentage of fishermen could be selected with emphasis on individuals that dominate landings. Furthermore, the use of electronic logbooks could be enhanced to enable fishery managers to obtain information on species composition, size distribution, geographic range, disposition, and depth of fishes that are released. Additional administrative and enforcement efforts will be needed to implement and enforce these regulations.

4.5.1.12 Changes in the Economic, Social, or Cultural Value of Fishing Activities and Non-Consumptive Uses of Fishery Resources

Preferred management measures, including those that are likely to increase discards as well as those that are likely to decrease discards could result in social and/or economic impacts as discussed in Section 4.

4.5.1.13 Changes in the Distribution of Benefits and Costs

Attempts were made to ensure reductions provided by preferred management measures are equal in the commercial and recreational sectors. The extent to which these management measures will increase or decrease the magnitudes of discards is unknown. Some measures such as the requirement of circle hooks, venting tools, and dehooking devices, a recreational/commerical seasonal closure for gag, and closing all shallow water groupers when a gag quota is met or during a gag seasonal closure could help to reduce bycatch. It is likely that some management measures such as reduced or new quotas, bag limits, increased size limits could increase the number of discards. However, this depends on if fishermen shift effort to other species, seasons, or fisheries and if effort decreases in response to more restrictive management measures as well as changes in community structure and age/size structures that could result from ending overfishing. Potential increases in dead discards are taken into consideration in bag and size limits, setting commercial quotas, and determining the effectiveness of a seasonal closure.

It is unlikely that the magnitude of discards will be the same in the commercial and recreational sectors. For example, a very large percentage of the recreational catch of vermilion snapper and gag is from small fish. Commercial fishermen catch fewer smaller fish. Therefore, an increase in the minimum size in the vermilion snapper recreational fishery is likely to produce a much higher percentage of discards than management measures being considered for the commercial fishery.

4.5.1.14 Social Effects

The Social Effects of all the management measure, including those most likely to reduce bycatch are described in Section 4.

4.5.1.15 Conclusion

This section evaluates the practicability of taking additional action to minimize bycatch and bycatch mortality in the South Atlantic snapper grouper fishery using the ten factors provided at 50 CFR 600.350(d)(3)(i). In summary, the requirement of circle hooks,

venting tools, and dehooking devices, a recreational/commerical seasonal closure for gag, and closing all shallow water groupers when a gag quota is met or during a gag seasonal closure could help to reduce bycatch. It is likely that some management measures such as reduced or new quotas, bag limits, and increased size limits could increase the number of discards. However, this depends on if fishermen shift effort to other species, seasons, or fisheries and if effort decreases in response to more restrictive management measures as well as changes in community structure and age/size structures that could result from ending overfishing. Potential increases in dead discards are taken into consideration in bag and size limits, setting commercial quotas, and determining the effectiveness of a seasonal closure. Furthermore, overall fishing effort could decrease in the commercial and recreational sectors in response to more restrictive management measures, thereby reducing the potential for bycatch.

There is likely to be an interactive effect of the preferred management measures in Amendment 16 on bycatch of vermilion snapper, gag, shallow water groupers, and associated species in reef ecosystems. Once a quota met or during a seasonal closure, effort could shift to other species or fisheries. Vermilion snapper and gag could continue to be caught when species with fewer regulations are targeted. However, fishermen may be able to avoid areas where a restricted species occurs thereby reducing the potential for bycatch. Furthermore, incidental catch of vermilion snapper and gag is considered when setting quotas and determining the effectiveness of seasonal closures. Reduced fishing pressure on species in Amendment 16 would be expected to result in an increase in the mean size/age of vermilion snapper and gag. In addition, an increase would be expected in the percentage of male gag and population biomass. Overlapping seasonal closures with red porgy, greater amberjack, and mutton snapper with gag and shallow water groupers could be expected to reduce bycatch and fishing mortality of many co-occurring species. The relative abundance, size structure, and age structure of other species in reef communities could be expected to change in response to reduced fishing pressure on species in Amendment 16 as well as potential shifts in effort. Thus, ecological changes could occur in the community structure of reef ecosystems through actions that would end overfishing. These ecological changes could affect the nature and magnitude of bycatch over time.

Additional measures to reduce bycatch in the snapper grouper fishery are being developed. Amendment 17 to the Snapper Grouper FMP will propose additional measures to reduce bycatch in the snapper grouper fishery. For example, species grouping based on biological, geographic, economic, taxonomic, technical, social, and ecological factors have been proposed in Amendment 17. Each group would be represented by an indicator species, which has been recently assessed or is scheduled for a SEDAR assessment in the future.

An IFQ program for the snapper grouper fishery is being discussed. Under an IFQ program, commercial fishermen are allocated percentages of a TAC, which is set by fishery managers based on estimates of what level of catch the fisher can sustain. This program has the potential to substantially reduce bycatch by providing fishermen more flexibility to decide where and

when to fish. IFQ systems could give fishermen the flexibility to target more favorable harvesting conditions and avoid areas where bycatch of certain species is more likely.

4.6 *Unavoidable Adverse Effects*

Some actions specified in Amendment 16 are expected to have unavoidable adverse effects.

According to the NEPA definitions of direct and indirect effects, defining MSY and OY for gag and vermilion snapper would not directly affect the biological or ecological environment, including ESA-listed species, because these parameters are not used in determining immediate harvest objectives. MSY and OY are reference points used by fishery managers to assess fishery performance over the long term. As a result, redefined management reference points could require regulatory changes in the future as mangers monitor long term performance of the stock with respect to the new reference points. Therefore, these parameter definitions will indirectly affect subject stocks and the ecosystem of which they are a part, by influencing decisions about how to maximize and optimize the long-term yield of fisheries under equilibrium conditions and triggering action when stock biomass decreases below threshold level.

The TAC established by the SSC for gag is 694,000 (lbs gutted weight) based on yield at F_{oy}, which is equivalent to a reduction of 36% in the average catch during 2004-2006. This TAC will be effective for the 2009 fishing year and remain in effect until it is modified. The vermilion snapper TAC was also adjusted associated with yield at F_{oy} and is 566,179 (lbs gutted weight). Based on vermilion allocation alternatives presented in this DEIS, resulting harvest reductions would be 58% in the commercial sector and 69% in the recreational sector. Though the allocation alternatives in and of themselves would not cause any adverse effects, the large reduction in harvest and revenue associated with both TACs, from which the allocations are derived, would adversely affect fishery participants. The long term-net effects of ending overfishing of these two species are expected to be positive. Gag is not overfished; however, biomass is less than biomass at MSY. Constraining fishing mortality to a sustainable rate will eventually enable stock biomass of gag to increase to a level that is capable of providing maximum sustainable yield and, ultimately, optimum yield, or the greatest overall benefit to the nation. The overfished status of vermilion snapper is unknown. Ending overfishing would be expected to increase the average size, and enhance catch per unit effort. If Biomass is depleted, action to end overfishing would be expected to increase available yield once the stock is rebuilt to B_{msy}. For this reason all no-action alternatives for gag and vermilion snapper would have adverse effects on the biological, ecological, social, and economic environments.

Proposed management alternatives in this amendment would affect the commercial and recreational sectors of the fishery. Quotas, seasonal closures, and bag limits are designed to reduce the number of targeted fishing trips or time spent pursuing species. The extent

to which those measures adversely affect the human and natural environments would depend upon fishing effort changes or shifts resulting from a particular management measure. For example, once bag limits are reached, some fishermen may continue to fish, keeping larger fish and throwing smaller dead fish back. It would be expected fishermen would continue to target the largest most desirable species. Therefore, there still could be a problem with removing the larger faster growing fish, reducing genetic variability, and reducing the variability in the age structure of the population that ensures against recruitment failure.

4.7 *Effects of the Fishery on the Environment*

The biological impacts of the proposed actions are described in Section 4.0, including impacts on habitat. No actions proposed in this amendment are anticipated to have any adverse impact on EFH or EFH-HAPCs for managed species including species in the snapper grouper complex. Any additional impacts of fishing on EFH identified during the public hearing process will be considered, therefore the Council has determined no new measures to address impacts on EFH are necessary at this time. The Councils adopted habitat policies, which may directly affect the area of concern, are available for download through the Habitat/Ecosystem section of the Council's website: http://map.mapwise.com/safmc/Default.aspx?tabid=56.

NOTE: The Final EFH Rule, published on January 17, 2002, replaced the interim Final Rule of December 19, 1997 on which the original EFH and EFH-HAPC designations were made. The Final Rule directs the Councils to periodically update EFH and EFH-HAPC information and designations within fishery management plans. As was done with the original Habitat Plan, a series of technical workshops are being conducted at this time by Council habitat staff to gather new information and review existing information as presented in the Habitat Plan to update information pursuant to the Final EFH Rule.

4.8 *Damage to Ocean and Coastal Habitats*

The alternatives and proposed actions are not expected to have any adverse effect on the ocean and coastal habitat.

Management measures implemented in the original Snapper Grouper Fishery Management Plan through Amendment 7 combined have significantly reduced the impact of the snapper grouper fishery on EFH. The Council has reduced the impact of the fishery and protected EFH by prohibiting the use of poisons and explosives; prohibiting use of fish traps and entanglement nets in the EEZ; banning use of bottom trawls on live/hard bottom habitat north of Cape Canaveral, Florida; restricting use of bottom longline to depths greater than 50 fathoms north of St. Lucie Inlet; and prohibiting use of black sea bass pots south of Cape Canaveral, Florida. These gear restrictions have significantly reduced the impact of the fishery on coral and live/hard bottom habitat in the South Atlantic Region.

Additional management measures in Amendment 8, including specifying allowable bait nets and capping effort, have protected habitat by making existing regulations more enforceable. Establishing a controlled effort program limited overall fishing effort and to the extent there is damage to the habitat from the fishery (e.g. black sea bass pots, anchors from fishing vessels, impacts of weights used on fishing lines and bottom longlines), limited such impacts.

In addition, measures in Amendment 9, that include further restricting longlines to retention of only deepwater species and requiring that black sea bass pot have escape panels with degradable fasteners, reduce the catch of undersized fish and bycatch and ensure that the pot, if lost, will not continues to "ghost" fish. Furthermore, Amendment 13C increased mesh size in the back panel of pots, which has reduced bycatch and retention of undersized fish. Limiting the overall fishing mortality reduces the likelihood of over-harvesting of species with the resulting loss in genetic diversity, ecosystem diversity, and sustainability.

Measures adopted in the Coral and Shrimp FMPs have further restricted access by fishermen that had potential adverse impacts on essential snapper grouper habitat. These measures include the designation of the *Oculina* Bank HAPC and the Rock Shrimp closed area (see the Shrimp and Coral FMP/Amendment documents for additional information).

The Council's Comprehensive Habitat Amendment (SAFMC 1998b) contains measures that expanded the *Oculina* Bank HAPC and added two additional satellite HAPCs. Amendment 14, which has been approved by the Council, would establish marine protected areas where fishing for or retention of snapper grouper species would be prohibited.

4.9 *Relationship of Short-Term Uses and Long-Term Productivity*

The relationship between short-term uses and long-term productivity will be affected by this amendment. The proposed actions would significantly restrict the harvest of gag, and vermilion snapper in the short-term for both the commercial and recreational sectors of the fishery. However, reductions in harvest are expected to benefit the long-term productivity of these species.

4.10 *Irreversible and Irretrievable Commitments of Resources*

Irreversible commitments are defines as commitments, which cannot be reversed, except perhaps in the extreme long-term, whereas irretrievable commitments are lost for a period of time. There are no irreversible commitments for this amendment. While the proposed

actions would result in irretrievable losses in consumer surplus and angler expenditures, failing to take action would compromise the long-term sustainability of the stocks.

4.11 *Monitoring and Mitigation Measures*

The proposed actions would adversely affect immediate, short-term net revenues of some commercial and for-hire fishermen in the South Atlantic. The proposed actions would also adversely affect short-term consumer surplus of some recreational anglers in the South Atlantic and may result in cancelled trips and reduced expenditures to the fishery and associated industries. However, it is anticipated reductions in fishing pressure, which will reduce the likelihood that these stocks will be declared overfished, and will assist in restoring the size and age structure to more natural conditions and allow stock biomass to increase to more sustainable and productive levels. As a result, the amount of fish that can be harvested should increase as the stocks rebuild. The short-term adverse effects of ending overfishing can be mitigated to some degree by the type of regulations the Council selects to manage reduced catch levels. The Council's preferred alternatives contain those measures that are believed to best mitigate the unavoidable, short-term, adverse effects of ending overfishing.

5 Regulatory Impact Review

5.1 *Introduction*

The NOAA Fisheries Service (NMFS) requires a Regulatory Impact Review (RIR) for all regulatory actions that are of public interest. The RIR does three things: (1) it provides a comprehensive review of the level and incidence of impacts associated with a proposed or final regulatory action; (2) it provides a review of the problems and policy objectives prompting the regulatory proposals and an evaluation of the major alternatives that could be used to solve the problem; and, (3) it ensures that the regulatory agency systematically and comprehensively considers all available alternatives so that the public welfare can be enhanced in the most efficient and cost-effective way. The RIR also serves as the basis for determining whether the proposed regulations are a 'significant regulatory action' under the criteria provided in Executive Order (E.O.) 12866 and provides information that may be used in conducting an analysis of impacts on small business entities pursuant to the Regulatory Flexibility Act (RFA). This RIR analyzes the expected impacts of this action on the commercial and recreational snapper grouper fisheries, with particularly focus on the gag and vermilion snapper fisheries. Additional details on the expected economic effects of the various alternatives in this action are included in Section 4.0 and are incorporated herein by reference.

5.2 *Problems and Objectives*

The purpose and need, issues, problems, and objectives of the proposed Amendment are presented in Section 1.0 and are incorporated herein by reference. In summary, the purpose of this amendment includes (1) implementation of new status determination criteria that reflect current scientific information for both gag and vermilion snapper stocks; (2) redesigning the management structure to address the overfishing condition for both gag and vermilion snapper. The underlying goal for these changes is to achieve OY for gag and vermilion snapper in the South Atlantic snapper-grouper fishery on a more scientific, consistent basis.

5.3 *Methodology and Framework for Analysis*

This RIR assesses management measures from the standpoint of determining the resulting changes in costs and benefits to society. To the extent practicable, the net effects of the proposed measures are stated in terms of producer and consumer surplus, changes in profits, and participation by for-hire vessel fishermen and private anglers. In addition, the public and private costs associated with the process of developing and enforcing regulations of this amendment are provided.

5.4 *Description of the Fishery*

A description of the South Atlantic snapper grouper fishery, with particular focus on gag and vermilion snapper, is contained in Section 3.4 and is incorporated herein by reference.

5.5 *Impacts of Management Measures*

Details on the economic impacts of all alternatives are included in Section 4 and are included herein by reference. The following discussion provides highlights of the expected impacts of the various management alternatives.

5.5.1 Gag

5.5.1.1 Management Reference Points

Defining the MSY and OY for gag does not alter the current harvest or use of the resource. Specification of these measures merely establishes benchmarks for fishery and resource evaluation from which additional management actions for the species would be based. Since there would be no direct effects on resource harvest or use, there would be no direct effects on fishery participants, associated industries or communities. Direct effects only accrue to actions that alter harvest or other use of the resource. Specifying MSY and OY, however, establishes the platform for future management, specifically from the perspective of bounding allowable harvest levels. In this sense, MSY and OY may be considered to have indirect effects on fishery participants.

Combined recreational and commercial gag harvests averaged approximately 1.172 million pounds from 2001 to 2006. Implicit or estimated MSY in pounds for the various alternatives are 1.426 million pounds for **Alternative 1** and 1.238 million pounds for **Preferred Alternative 2**. The closeness of harvests to either MSY specification indicates that either alternative would necessitate some restrictive measures at least in the short run. Since **Preferred Alternative 2** provides better estimate of MSY, it affords greater probability for long-term protection of the stock and consequently higher probability for the long-term viability of both commercial and recreational fisheries.

OY levels specified in this amendment are mainly biological measures that can be translated to harvest levels. Given harvest levels at specified OY, the corresponding level of economic benefits derivable therefrom highly depends on the management system adopted for the fishery. OY is not specified in **Alternative 1.** Under **Preferred Alternative 2**, OY ranges from 1.188 million pounds (**Alternative 2a**) to 1.230 million pounds (**Alternative 2c**). Given current landings, Alternative 1 would provide a highly restrictive OY. Except for Alternative 1, all OY alternatives set harvest levels higher than the current landings. Among the sub-options for **Preferred Alternative 2**, the highest OY level would likely generate higher economic benefits in the long-run, but

noting that the fishery although under some form of controlled access pretty much operates like an open access fishery, the highest level is probably not an ideal choice. A better choice from a long-term economic perspective is either **Alternative 2a** or **Alternative 2b**.

Catch levels are provided in this amendment to address the overfishing condition of gag stocks. **Alternative 1**, which does not provide a catch level, may be ruled out since it does not address the current overfishing condition of gag. **Preferred Alternative 2** sets the catch level at 694,000 pounds, and this is expected to correct the current overfishing condition of gag. Relative to the 2001-2006 average gag harvest, the fishery is expected to face a rather significant harvest reduction of about 40 percent. The actual reduction to the commercial and recreational sectors would depend on some other measures in this amendment, such as the commercial/recreational allocation, quota, bag limits, size limits, and closures. The economic impacts of these other measures are discussed in pertinent sections of this amendment.

5.5.1.2 Interim Gag Allocation

5.5.1.2.1 *Commercial Sector*

The effects of the various allocation alternatives are generally higher for vessel trips landing at least one pound of gag than for those landing at least one pound of any snapper-grouper species. One implication of this result is that many vessel trips would likely be unaffected by a change in commercial gag allocations considered in this amendment. Reductions in net operating revenues for vessel trips landing at least one pound of gag would range from 1.2 percent (**Alternative 3**) to 21 percent (**Alternative 2**), or using a 3 percent discount rate, from $48 thousand to $845 thousand. The range of effects would be substantially lower for vessel trips landing at least one pound of any snapper-grouper species, i.e., from 0.2 percent to 3.3 percent, or from $20 thousand to $319 thousand. The ranking of alternatives in terms of economic effects exactly matches with the relative percent landings reduction expected from the various alternatives, but the differences in magnitude of economic impacts are substantially different. For example, the expected percent reduction harvest is 18 percent for **Alternative 3** and 37 percent for **Alternative 2**, but the corresponding reductions in net operating revenues would be 1.2 percent ($48 thousand) for **Alternative 3** and 21 percent ($845 thousand) for **Alternative 2**.

As can perhaps be expected, vessels generating larger net operating revenues using a certain gear type would bear larger losses, in absolute magnitude but not necessarily in percentage terms, than other vessels using different gear types. Among vessels landing at least one pound of gag, vertical line vessels generated the largest net operating revenues and so would bear the largest share of losses, and this is true regardless of the alternative considered. In percentage terms, vessels using traps/pots and trolling lines would experience larger reductions than vertical line vessels. This large percentage reduction is more a function of the small net operating revenues these vessels generated before any

possible allocation changes. Percentage revenue reductions by vertical line vessels would essentially determine the overall percentage reduction from each allocation alternative. It needs noting, however, that although trap/pot and trolling vessels generated small revenues, the relatively large percentage reductions in their net operating revenues could have significant effects on their net profitability. In terms of percentage reductions, trap/pot and trolling vessels would experience substantial reductions in their net operating income, followed by the larger net revenue generators, vertical line and diving vessels. Vessels using longlines and other gear would appear to be marginally affected by gag allocation changes.

Although the overall ranking of alternatives mentioned earlier would also apply to each vessel categorized according to gear usage, there are expected variations in each alternative's effects on vessels with different gear. **Alternative 2** would exact the largest percentage reductions on trolling vessels, then on trap/pot vessels, vertical line vessels, diving vessels and vessels using other gear. **Alternative 3** would hit hardest diving vessels, then trolling and trap/pot vessels, and then vertical line vessels. Alternative 4 would hit hardest trap/pot vessels, then trolling vessels, followed by diving vessels and vertical line vessels. No alternatives would practically affect longline vessels, and only **Alternative 2** would affect vessels using other gear types.

As may be expected, the economic effects of various allocation alternatives would vary by area and would partly be determined by the importance of gag in those areas. Under **Alternatives 2 and 4**, North Carolina vessels would experience the largest percentage reductions in net operating revenues (23.3%) for trips landing at least one pound of gag. Percentage reductions would fall off going southward to the Florida Keys. For **Alternative 3,** the largest reduction would fall on Georgia/Northeast Florida, followed by South Carolina, North Carolina, and the rest of Florida.

5.5.1.2.2 *Recreational Sector*

In terms of relative magnitudes, the economic effects of various allocation alternatives on the recreational sector may be considered mirror images of those on the commercial sector. That is, **Alternative 3** would result in the largest reduction for the recreational sector and least for the commercial sector; **Alternative 2** would result in the least reduction for the recreational sector and largest for the commercial sector. Naturally, **Alternative 4** would fall in between the two other alternatives.

Using a 3% discount factor, the total reductions in recreational economic values would range from $420,926 for **Alternative 3** to $620,866 for **Alternative 2**. This range is not as wide as the one found for the commercial sector where the losses ranged from $48,000 to $848,000 with a 3 percent discount rate. The comparative range of effects between the commercial and recreational sectors appears to indicate that the commercial sector may be more sensitive to changes in allocation than the recreational sector.

On balance, a greater portion of the economic value reductions would fall on the for-hire segment of the recreational sector. With a 3 percent discount factor, the producer surplus reductions would range from $331,378 for **Alternative 2** to $488,783 for **Alternative 3**. Reductions in consumer surplus would be less than a third of those in producer surplus. The charterboat segment would bear most of the reductions in producer surplus, ranging from $395,784 for **Alternative 2** to $395,784 for **Alternative 3** under a 3 percent discount factor. Reductions in consumer surplus would be mostly borne by the private mode, ranging from $61,864 for **Alternative 2** to $91,249 for **Alternative 3** under a 3 percent discount factor.

Florida would bear more than 90 percent of the reductions in recreational economic values, ranging from $392,913 for **Alternative 2** to $579,546 for **Alternative 3** using a 3 percent discount factor. Considering that Florida registered most of recreational gag harvests, this result is rather expected. It is a little unexpected, however, that North Carolina, which registered the second highest recreational gag harvests, would experience economic value reductions less than South Carolina in all alternatives.

5.5.1.3 Management Regulations

5.5.1.3.1 *Commercial Sector*

The ranking of the various alternatives in terms of economic impacts would largely be conditioned by the allocation alternatives. Under any set of alternatives, the allocation most favorable to the commercial sector (66%) would provide the least amount of reductions in net operating revenues, and the lowest allocation (51%) would yield the largest reductions. The quota alternatives, regardless of whether they are single or regional quotas, would bring about the sharp contrast in economic effects conditioned by the allocation alternatives. For example, a 51 percent commercial allocation would result in net operating revenue reductions of 21 percent under a single quota (**Alternative 3a**) or 23.9 percent under a regional quota (**Alternative 4a**). A 66 percent allocation would reduce net operating revenues by 1.2 percent under a single quota (**Alternative 3b**) or 5.3 percent under a regional quota (**Alternative 4b**).

A spawning closure, whether combined with a single quota or regional quota, would tend to neutralize the differential effects of the various allocation alternatives. For example, under a single quota with spawning closure, the resulting net operating revenue reductions corresponding to commercial allocations of 51 percent, 66 percent, and 61 percent would respectively be 20.1 percent (**Alternative 3aS**), 17.4 percent (**Alternative 3bS**), and 18.1 percent (**Alternative 3cS**). The differences in percentage reductions from the various allocation alternatives would not be as wide with spawning closure as with quota only alternatives. Hence, it appears that the spawning closure alternative would exercise stronger effects than quotas.

The distributive effects of the spawning closure alternative would be markedly different from those of the quota alternatives. In **Alternative 3a** (quota only), for example, the largest percentage reduction would fall on the trolling vessels but in **Alternative 2** (spawning closure only) longline vessels would take that place. Longline vessels, in fact, would remain virtually unaffected under a single overall quota (**Alternative 3a**). Despite this wide disparity in the distribution of percentage, reductions between the spawning closure and single quota alternatives, vertical line and diving vessels would suffer the largest losses in absolute magnitudes primarily because these vessels registered the largest harvests of gag among vessels using different gear types.

Conditional on the allocation chosen, some ranking of the various alternatives may be made. At a commercial allocation of 51 percent, the alternatives may be ranked in descending order as follows: **Alternative 3aS** (or **Alternative 2**), **Alternative 3a**, **Alternative 4aS**, and **Alternative 4a**. At a 66 percent allocation, the ranking in descending order would be: **Alternative 3b**, **Alternative 4b**, and **Alternatives 3bS and 4bS**. At a 61 percent allocation, the ranking in descending order would be: **Alternative 3c**, **Alternative 4c**, and **Alternatives 3cS and 4cS**.

There are marked differences in the area distribution of economic impacts from various management alternatives. Given an allocation ratio, a single quota would tend to effect distinctly clear differences in the area distribution of economic impacts whereas a regional quota would tend to equalize the economic impacts among the various areas. To illustrate this point, take the case of **Alternative 3a**, which provides for a single quota with 51 percent commercial allocation, and **Alternative 4a**, which provides for a regional quota with 51 percent commercial allocation. Under **Alternative 3a** and reading the table from left to right, the percent reductions in net operating revenues would be 23.3 percent for North Carolina, 22 percent for South Carolina, 19.5 percent for Georgia/Northeast Florida, 15.4 percent for Central/South Florida, and 8 percent for the Florida Keys. In contrast, **Alternative 4a** would result in the following percent distribution of economic impacts: 23.7 percent for North Carolina, 22.3 percent for South Carolina, 27.3 percent for Georgia/Northeast Florida, 23 percent for Central/South Florida, and 27.5 percent for the Florida Keys. Thus, the economic impacts would be more evenly distributed among the various areas under a regional quota (**Alternative 4a**) than under a single quota (**Alternative 3a**).

If a spawning closure were combined with a regional quota, the resulting economic impacts would be neutralized across areas and allocations. Since the contrast between a single quota and regional quota has already been discussed, it is instructive to proceed to contrasting the economic effects of a regional quota without spawning closure with those of a regional quota with spawning closure. Consider **Alternatives 4a and 4b** and contrast them with **Alternatives 4aS and 4bS**. Under **Alternative 4a**, the percent reductions in net operating revenues for North and South Carolina would, respectively, be 23.7 percent and 22.3 percent under a 51 percent commercial allocation; the reductions would fall down to 5 percent and 4.5 percent, respectively, for North and South Carolina under a 66 percent allocation. Under **Alternative 4aS**, the respective percent reductions for North and South Carolina would be 18.9 percent and 24.5 percent under a 51 percent

commercial allocation. These percent reductions would respectively drop down to 10 percent and 15.1 percent under a 66 percent allocation. Although there are still large differences due to the different allocation ratios under a quota with spawning closure (**Alternatives 4aS and 4bS**), the change in percent reductions would not be as dramatic as with the alternatives without spawning closure (**Alternatives 4a and 4b**).

5.5.1.3.2 *Recreational Sector*

The overall economic impacts of **Alternatives 5a and 5b** would not significantly differ from each other, but these impacts would be substantially higher than those for **Alternative 2**. Total economic impacts using a 3 percent discount factor would be about $1.35 million for **Alternative 5a** and $1.32 for **Alternative 5b** whereas they would about $1.05 million for Alternative 2. Higher economic impacts for **Alternatives 5a and 5b** were as expected because they would impose additional measures over the spawning closure of **Alternative 2**. Hence, the alternatives in terms of overall impacts may be ranked in descending order as follows: Alternative 2, Alternative 5b, and Alternative 5a.

In all three alternatives, reduction in consumer surplus would be substantially higher than reductions in producer surplus. Charterboats may be expected to incur larger losses than headboats for all three alternatives. Among anglers, those using private boats would lose more than those fishing through the for-hire vessels. The losses to charterboats across the alternatives would follow a pattern similar to that for overall losses. That is, charterboats would lose least under Alternative 2 and highest under Alternative 5a. Similar patterns would hold for headboats and anglers.

The distribution of economic impacts from the three alternatives would be highly skewed against Florida, which would account for slightly over 90 percent of all losses. Florida losses would come from large reductions in producer surplus and even larger reductions in consumer surplus. North and South Carolina would incur most of the remaining losses with a greater portion of their losses resulting from reductions in consumer surplus.

5.5.2 Vermilion Snapper

5.5.2.1 Management Reference Points

Defining the MSY and OY for vermilion snapper does not alter the current harvest or use of the resource. Specification of these measures merely establishes benchmarks for fishery and resource evaluation from which additional management actions for the species would be based, should comparison of the fishery and resource with the benchmarks indicate that management adjustments are necessary. Since there would be no direct effects on resource harvest or use, there would be no direct effects on fishery participants, associated industries or communities. Direct effects only accrue to actions that alter harvest or other use of the resource. Specifying MSY and OY, however,

establishes the platform for future management, specifically from the perspective of bounding allowable harvest levels. In this sense, MSY and OY may be considered to have indirect effects on fishery participants.

Combined recreational and commercial harvests of vermilion snapper averaged approximately 1.6 million pounds gutted weight from 2001 to 2006. The Council's choice of **Alternative 2** as the preferred alternative was based on its being scientifically more correct than the current one under **Alternative 1**. In terms of equivalent poundage, the MSY for **Preferred Alternative 2** would be about 2.4 in gutted weight, which is significantly greater than current harvests. Considering that **Preferred Alternative 2** provides more correct estimate of MSY, it affords greater probability for long-term protection of the stock and consequently higher probability for the long-term viability of both commercial and recreational fisheries. In addition, the relatively high MSY level relative to current harvests indicates that even if restrictive measures were to be imposed their short-run costs would likely be outweighed by future benefits.

OY levels specified in this amendment are mainly biological measures that can be translated to harvest levels. Given harvest levels at specified OY, the corresponding level of economic benefits derivable therefrom highly depends on the management system adopted for the fishery. The various OY alternatives would be 547,887 pounds for **Alternative 2a**, 628,459 pounds for **Preferred Alternative 2b**, and 692,916 pounds for **Alternative 2c**. Given current landings, all OY alternatives would provide for highly restrictive harvest levels, with **Alternative 2a** being relatively more restrictive than **Preferred Alternative 2b** and **Alternative 2c**. From the standpoint of commercial and recreational fishing operations, any of the alternatives would likely bring about large reductions in their net benefits derivable from the vermilion fishery.

Catch levels are provided in this amendment to address the overfishing condition of vermilion snapper. **Alternative 1**, which does not provide a catch level, may be ruled out since it does not address the current overfishing condition of vermilion snapper. **Preferred Alternative 2** sets the catch level at 692,916 pounds, and this is expected to correct the current overfishing condition of gag. Relative to the 2001-2006 average gag harvest, the fishery is expected to face a rather significant harvest reduction of about 60 percent. The actual reduction to the commercial and recreational sectors would depend on some other measures in this amendment, such as the commercial/recreational allocation, quota, bag limits, size limits, and closures. The economic impacts of these other measures are discussed in pertinent sections of this amendment.

5.5.2.2 Interim Vermilion Snapper Allocation

5.5.2.2.1 *Commercial Sector*

There is only one alternative, other than the no action alternative, for the commercial/recreational allocation of vermilion snapper catch level. Assuming that the commercial allocation would be implemented by quota and quota closures, Alternative 2 is expected to reduce commercial net operating revenues by 61.1 percent or about $2.8 million using a 3 percent discount rate and vessel trips landing at least one pound of vermilion snapper. Diving and vertical line vessels would bear most of the revenue losses in terms of both percentage and absolute values. Vertical line vessels especially could experience net revenue losses of about $2.6 million, which is over 90 percent of total net revenue losses. As with the gag case, net revenue losses would be much less when considering vessel trips landing at least one pound of any snapper-grouper species.

Percentage-wise, the distribution of losses from all alternatives across the various areas would be slightly close to being uniform and ranges from 48.6 percent for the Florida Keys to 66.4 percent for North Carolina. In absolute terms, North Carolina, South Carolina, and Georgia/Northwest Florida would suffer large losses in net operating revenues.

5.5.2.2.2 *Recreational Sector*

Assuming that the recreational harvest of vermilion snapper would be controlled to the sector's allocation, **Alternative 2** may be expected to result in losses to the recreational sector of about $1.91 million. About 96 percent of all losses would be in terms of reduction in consumer surplus. Losses in charterboat producer surplus ($36,677 at the 3 percent discount factor) would be slightly less than those for headboats ($41,942).

Most of the losses (about 74%) to the recreational sector would be borne by Florida for-hire vessels and anglers. The rest of the losses would be about equally shared by North Carolina and South Carolina. A significantly greater portion of total losses for all areas would be in the form of consumer surplus.

5.5.2.3 Management Regulations

5.5.2.3.1 *Commercial Sector*

Model results would indicate that any of the partitioning of the quota by season would result in slightly higher reductions in net operating revenues than a single quota. A single

quota would reduce net operating revenues by 61.1 percent whereas the seasonal partitioning of the quota would result in reductions ranging from 63.8 percent for **Alternative 3a** to 68 percent for **Alternative 3c**. Note that **Alternative 3a** would allocate 50 percent of the quota to the January-June season and 50 percent to the remaining months. **Alternative 3c**, on the other hand, would divide the fishing year into the January-August season and September-December season, with 50 percent of the quota allocated to each season. One possible implication of the results is that delaying the opening of the second season with equal allocation with the first season would tend to constrain the activities of some vessels such that potential "losses" in the first season could not be made up in the second season. Another result worth noting is the very close similarity in the overall outcome of **Alternative 3b** to that of **Alternative 3a**. Note that both alternatives divide the fishing year into the January-June season and July-December season. The only difference between the two alternatives is that for Alternative 3b, 40 percent of the quota would be allotted to the first season and 60 percent to the second season. This could possibly imply that under **Alternative 3b**, potential "losses" in the first season could be recouped in the season so long as the second season is kept longer (relative to that under **Alternative 3c**). From the foregoing results, it would appear that an equal division of the fishing year into two seasons, with possibly equal quota allocation to each season, would provide better fishing conditions than an unequal division of the fishing year.

In terms of absolute magnitudes, the vertical line vessels, mainly due to their dominance in the vermilion snapper fishery, would incur the largest reduction under any of the quota alternatives including the single quota alternative. Such reductions would be higher under any of the seasonal quota alternative, particularly under **Alternative 3c**, than under a single quota. Each quota alternative would reduce the net operating revenues of vertical line vessels by over 60 percent. Percentage-wise, it would the longline and trolling vessels that would experience larger increases in losses in moving from a single quota to any of the seasonal quota alternatives.

From the standpoint of distributional effects by area, North Carolina and South Carolina would experience the largest losses in terms of both absolute and percentage values under any of the quota alternatives. The seasonal quota alternatives would only worsen the situation for South Carolina but not necessarily for North Carolina. The Georgia/Northeast Florida area would also experience large losses in terms of both absolute and percentage values in all quota alternatives. The situation for this area would be worse under any of the seasonal quota alternatives than under a single quota.

5.5.2.3.2 *Recreational Sector*

The overall economic impacts of **Alternatives 4a and 4b** would not significantly differ from each other, but these impacts would be substantially higher than those for **Alternative 4c** and lower than those for **Alternative 4d**. Total economic impacts using a 3 percent discount factor would be about $2.5 million for **Alternatives 4a and 4b**. Total

economic impacts for **Alternative 4c** would be about $2 million and for **Alternative 4d**, $2.7 million. In terms of total economic impacts, the alternatives may be ranked in descending order as follows: **Alternative 4c**, **Alternative 4b**, **Alternative 4c**, and **Alternative 4d**.

In all four alternatives, reductions in consumer surplus would be substantially higher than reductions in producer surplus. Under all alternatives, headboats would lose more than charterboats in producer surplus. Among anglers, those fishing through headboats would experience much larger losses in consumer surplus than those fishing through charter or private mode for all alternatives. Headboat losses in producer surplus would follow a pattern similar to that for overall losses. That is, headboats would lose least under **Alternative 4c** and highest under **Alternative 4d**. Similar patterns would hold for charterboat producer surplus and angler consumer surplus.

Most of the losses (about 74%) to the recreational sector would be borne by Florida for-hire vessels and anglers. The rest of the losses would be about equally shared by North Carolina and South Carolina. Total losses for Florida would range from about $2.1 million (**Alternative 4c**) to $2.8 million (**Alternative 4d**) using a 3 percent discount factor. Florida losses would mainly come from large reductions in angler consumer surplus. Losses in other areas would also mostly come from losses in consumer surplus.

5.6 *Public and Private Costs of Regulations*

The preparation, implementation, enforcement, and monitoring of this or any Federal action involves the expenditure of public and private resources which can be expressed as costs associated with the regulations. Costs associated with this amendment include:

Council costs of document preparation, meetings, public hearings, and information dissemination	$200,000
NOAA Fisheries administrative costs of document preparation, meetings and review	$200,000
Annual law enforcement costs	unknown
TOTAL	$400,000

Law enforcement currently monitors regulatory compliance in these fisheries under routine operations and does not allocate specific budgetary outlays to these fisheries, nor are increased enforcement budgets expected to be requested to address any component of this action.

5.7 *Summary of Economic Impacts*

Defining the MSY and OY for gag and vermilion snapper is an administrative action, so no direct economic effects would accrue to any of the actions that define these parameters. Indirect effects would accrue to subsequent evaluation of the fisheries relative to their respective benchmarks and the fisheries are subsequently allowed to expand or are required to contract based on this evaluation. The resulting catch levels for both gag and vermilion snapper are expected to result in highly restrictive measures. The impacts of regulatory measures in this amendment were estimated for the commercial and recreational sectors. A tabular summary of economic effects from various alternatives is presented below (Tables 5-1 and 5-2). The effects on the commercial sector are reductions in net operating revenues from trips landing at least one pound of subject species, using a 3 percent discount factor. The effects on the recreational sector are the sum of producer and consumer surplus, using a 3 percent discount factor. It should be stressed that the values for the commercial sector are not comparable to those for the recreational sector.

Table 5-1. Summary of economic effects on regulatory measures affecting the gag fishery, in thousand 2005 dollars, using a 3 percent discount factor.

	Commercial	**Recreational**
Allocation		
Alternative 2	-$844	-$421
Alternative 3	-$49	-$621
Alternative 4	-$200	-$547
Spawning Closure		
Alternative 2	-$809	-$1,053
Single Quota		
Alternative 3a	-$844	
Alternative 3b	-$49	
Alternative 3c	-$200	
Single Quota with Spawning Closure		
Alternative 3aS	-$809	
Alternative 3bS	-$701	
Alternative 3cS	-$701	
Regional Quota		
Alternative 4a	-$962	
Alternative 4b	-$212	
Alternative 4c	-$416	
Regional Quota with Spawning Closure		
Alternative 4aS	-$949	
Alternative 4bS	-$701	
Alternative 4cS	-$727	
Bag Limit and Spawning Closure		
Alternative 5a		-$1,353
Alternative 5b		-$1,325

Table 5-2. Summary of economic effects on regulatory measures affecting the vermilion fishery, in thousand 2005 dollars, using a 3 percent discount factor

	Commercial	Recreational
Allocation		
Alternative 2	-$2,757	-$1,988
Single Quota		
Alternative 2	-$2,757	
Seasonal Quota		
Alternative 3a	-$2,879	
Alternative 3b	-$2,875	
Alternative 3c	-$3,067	
Bag Limit, Size Limit, and Seasonal Closure		
Alternative 4a		-$2,527
Alternative 4b		-$2,517
Alternative 4c		-$2,064
Alternative 4d		-$2,783

5.8 *Determination of Significant Regulatory Action*

Pursuant to E.O. 12866, a regulation is considered a 'significant regulatory action' if it is expected to result in: (1) an annual effect of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights or obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in this executive order. Amendment 15A contains no regulatory actions.

The various measures in this amendment, taken singly and collectively, have been estimated not to result in an economic impact of $100 million or more. On the basis of the potential magnitude of economic impacts summarize above, measures in this amendment could adversely affect productivity and jobs in both the commercial and recreational sectors. If a derby develops in the gag and/or vermilion fishery, safety of vessels at sea may be impaired. The measures in this amendment would affect directly the fishing operations in the EEZ and indirectly fishing operations in state waters, but since fishing rules are the ones considered to be changed, any serious inconsistency with the actions of another agency is not expected. There are no known entitlements, grants, user fees, or loan programs that are expected to be materially altered as results of measures in this amendment. In addition, the measures considered in this amendment have been employed in the South Atlantic and other fisheries in the U.S. such that this amendment is unlikely to raise novel legal or policy issues. It should be noted, though,

that some measures in this amendment would generate relatively large adverse effects on fishing participants in the South Atlantic snapper-grouper fishery.

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6 Initial Regulatory Flexibility Analysis

6.1 *Introduction*

The purpose of the Regulatory Flexibility Act (RFA) is to establish a principle of regulatory issuance that agencies shall endeavor, consistent with the objectives of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of businesses, organizations, and governmental jurisdictions subject to regulation. To achieve this principle, agencies are required to solicit and consider flexible regulatory proposals and to explain the rationale for their actions to assure that such proposals are given serious consideration. The RFA does not contain any decision criteria; instead, the purpose of the RFA is to inform the agency, as well as the public, of the expected economic impacts of various alternatives contained in the FMP or amendment (including framework management measures and other regulatory actions) and to ensure that the agency considers alternatives that minimize the expected impacts while meeting the goals and objectives of the FMP and applicable statutes.

With certain exceptions, the RFA requires agencies to conduct a regulatory flexibility analysis for each proposed rule. Amendment 15A will not include a proposed or final rule. The regulatory flexibility analysis is designed to assess the impacts various regulatory alternatives would have on small entities, including small businesses, and to determine ways to minimize those impacts. In addition to analyses conducted for the RIR, the regulatory flexibility analysis provides: (1) a statement of the reasons why action by the agency is being considered; (2) a succinct statement of the objectives of, and legal basis for the proposed rule; (3) a description and, where feasible, an estimate of the number of small entities to which the proposed rule will apply; (4) a description of the projected reporting, record-keeping, and other compliance requirements of the proposed rule, including an estimate of the classes of small entities which will be subject to the requirements of the report or record; (5) an identification, to the extent practical, of all relevant Federal rules which may duplicate, overlap, or conflict with the proposed rule; and (6) a description of any significant alternatives to the proposed rule which accomplish the stated objectives of applicable statutes and which minimize any significant economic impact of the proposed rule on small entities.

In addition to the information provided in this section, additional information on the expected economic impacts of the proposed action are included in Sections 4.0 and 5.0 and is included herein by reference.

6.2 *Statement of Need for, Objectives of, and Legal Basis for the Rule*

The purpose and need, issues, problems, and objectives of the proposed rule are presented in Section 1.0 and are incorporated herein by reference. In summary, the purpose of this amendment includes (1) implementation of new status determination criteria that reflect

current scientific information for both gag and vermilion snapper stocks; (2) redesigning the management structure to address the overfishing condition for both gag and vermilion snapper. The underlying goal for these changes is to achieve OY for gag and vermilion snapper in the South Atlantic snapper-grouper fishery on a more scientific, consistent basis. The Magnuson-Stevens Fishery Conservation and Management Act provides the statutory basis for the proposed rule.

6.3 *Identification of All Relevant Federal Rules Which May Duplicate, Overlap or Conflict with the Proposed Rule*

No duplicative, overlapping, or conflicting Federal rules have been identified.

6.4 *Description and Estimate of the Number of Small Entities to Which the Proposed Rule will Apply*

This proposed action is expected to directly impact commercial fishers and for-hire operators. The SBA has established size criteria for all major industry sectors in the U.S. including fish harvesters and for-hire operations. A business involved in fish harvesting is classified as a small business if it is independently owned and operated, is not dominant in its field of operation (including its affiliates), and has combined annual receipts not in excess of $4.0 million (NAICS code 114111, finfish fishing) for all its affiliated operations worldwide. For for-hire vessels, the other qualifiers apply and the annual receipts threshold is $6.5 million (NAICS code 713990, recreational industries).

From 2001-2006, which is the period of data used in the analysis of the expected impacts of this action, an average of 1,101vessels per year were permitted to operate in the commercial snapper grouper fishery, ranging from a low of 974 in 2006 to a high of 1,264 vessels in 2001. Total dockside revenues from snapper grouper species and other species on trips that harvested snapper grouper species averaged $13.55 million (2005 dollars) over this period, resulting in a per vessel average of approximately $14,000. The highest per vessel average occurred in 2005 at approximately $12,307. An average of 27 vessels per year harvested more than 50,000 pounds of snapper grouper species per year, generating at least, at an average of $1.99 (2005 dollars) per pound, dockside revenues of $99,5000. Vessels that operate in the snapper grouper fishery may also operate in other fisheries, the revenues of which cannot be determined with available data and are not be reflected in these totals.

While a vessel that possesses a commercial snapper grouper permit can harvest any snapper grouper species, during the period 2001-2006, only 299 vessels per year on average harvested any gag and only 259 vessels harvested any vermilion snapper. The two numbers are not additive, because some vessels landed both species. Total dockside revenues from all snapper grouper species and other species on trips that harvested gag averaged $5.74 million (2005 dollars) over this period, resulting in a per vessel average of approximately $19,197. Total dockside revenues from all snapper grouper species and

other species on trips that harvested vermilion snapper averaged $6.98 million (2005 dollars) over this period, resulting in a per vessel average of approximately $26,950. An average of 12 vessels per year harvested more than 10,000 pounds of gag per year, generating at least, at an average of $2.93 (2005 dollars) per pound, dockside revenues of $29,300. An average of 43 vessels per year harvested more than 10,000 pounds of vermilion snapper per year, generating at least, at an average of $2.40 (2005 dollars) per pound, dockside revenues of $24,000. Revenues from activity in other fisheries cannot be determined with available data and are not reflected in these totals.

Based on revenue information, all commercial vessels affected by measures in this amendment can be considered as small entities.

For the period 2001-2006, an average of 1,273 vessels were permitted to operate in the snapper grouper for-hire fishery, of which 82 are estimated to have operated as headboats. Within the total number of vessels, 235 also possessed a commercial snapper grouper permit and would be included in the summary information provided on the commercial sector. The for-hire fleet is comprised of charterboats, which charge a fee on a vessel basis, and headboats, which charge a fee on an individual angler (head) basis. The charterboat annual average gross revenue is estimated to range from approximately $62,000-$84,000 for Florida vessels, $73,000-$89,000 for North Carolina vessels, $68,000-$83,000 for Georgia vessels, and $32,000-$39,000 for South Carolina vessels. For headboats, the appropriate estimates are $170,000-$362,000 for Florida vessels, and $149,000-$317,000 for vessels in the other states. Based on these average revenue figures, it is determined, for the purpose of this assessment, that all for-hire operations that would be affected by this action are small entities.

Some fleet activity may exist in both the commercial and for-hire snapper grouper sectors, but the extent of such is unknown and all vessels are treated as independent entities in this analysis.

6.5 *Description of the Projected Reporting, Record-keeping and Other Compliance Requirements of the Proposed Rule, Including an Estimate of the Classes of Small Entities Which will be Subject to the Requirement and the Type of Professional Skills Necessary for the Preparation of the Report or Records*

This action does not impose any new reporting, record-keeping or other compliance requirements.

6.6 *Substantial Number of Small Entities Criterion*

The proposed action would be expected to directly affect all vessels that operate in the commercial snapper grouper fishery and all vessels that have a Federal snapper grouper for-hire permit. All affected entities have been determined, for the purpose of this analysis, to be small entities. Therefore, it is determined that the proposed action will affect a substantial number of small entities.

6.7 *Significant Economic Impact Criterion*

The outcome of 'significant economic impact' can be ascertained by examining two issues: disproportionality and profitability.

Disproportionality: Do the regulations place a substantial number of small entities at a significant competitive disadvantage to large entities?

All entities that are expected to be affected by the proposed rule are considered small entities so the issue of disproportionality does not arise in the present case.

Profitability: Do the regulations significantly reduce profit for a substantial number of small entities?

The general tone of the measures in this amendment would be to reduce harvest which is expected to reduce revenues and net profits of affected small entities. Various actions affecting the gag fishery would reduce the profits of commercial vessels ranging from $49 thousand in the case of a single quota with a 66 percent allocation to $962 thousand in the case of regional quotas with 51 percent allocation. In the recreational fishery, the various gag measures would reduce for-hire vessel profits ranging from $277 thousand in the case of spawning closure only to $352 thousand in the case of bag/size limit with spawning closure. Commercial and for-hire vessels highly dependent on the gag fishery would incur most of the losses in profits from this action.

In the vermilion fishery, the various alternatives would reduce commercial profits ranging from $2,757 thousand in the case of a single quota to $3,067 thousand in the case of seasonal quota. For-hire vessels in the vermilion snapper fishery would experience profit losses ranging from $97 thousand in the case of bag/size limit combination to $106 thousand in the case of bag limit and seasonal closure combination. Again, vessels highly dependent on the vermilion snapper fishery would share a good portion of these losses.

6.8 *Description of Significant Alternatives*

This section will be completed once the Council has chosen all preferred alternative.

7 Fishery Impact Statement – Social Impact Assessment

This section will be completed once the Council has chosen all preferred alternative.

8 Other Applicable Law

8.1 *Administrative Procedures Act*

All federal rulemaking is governed under the provisions of the Administrative Procedure Act (APA) (5 U.S.C. Subchapter II), which establishes a "notice and comment" procedure to enable public participation in the rulemaking process. Under the APA, NMFS is required to publish notification of proposed rules in the *Federal Register* and to solicit, consider and respond to public comment on those rules before they are finalized. The APA also establishes a 30-day wait period from the time a final rule is published until it takes effect.

8.2 *Coastal Zone Management Act*

Section 307(c)(1) of the federal Coastal Zone Management Act (CZMA) of 1972 requires that all federal activities that directly affect the coastal zone be consistent with approved state coastal zone management programs to the maximum extent practicable. While it is the goal of the South Atlantic Council to have management measures that complement those of the states, Federal and state administrative procedures vary and regulatory changes are unlikely to be fully instituted at the same time. Based on the analysis of the environmental consequences of the proposed action in Section 4.0, the Council has concluded this amendment would improve Federal management of snapper grouper species.

8.3 *Endangered Species Act*

The Endangered Species Act (ESA) of 1973 (16 U.S.C. Section 1531 et seq.) requires that federal agencies must ensure actions they authorize, fund, or carry out are not likely to jeopardize the continued existence of threatened or endangered species or the habitat designated as critical to their survival and recovery. The ESA requires NOAA Fisheries Service to consult with the appropriate administrative agency (itself for most marine species, the U.S. Fish and Wildlife Service for all remaining species) when proposing an action that may affect threatened or endangered species or adversely modify critical habitat. Consultations are necessary to determine the potential impacts of the proposed action. They are concluded informally when proposed actions may affect but are "not likely to adversely affect" threatened or endangered species or designated critical habitat. Formal consultations, resulting in a biological opinion, are required when proposed actions may affect and are "likely to adversely affect" threatened or endangered species or adversely modify designated critical habitat.

NOAA Fisheries Service has recently completed a biological opinion on the ESA-listed species (see Section 3.2.15) potentially impacted by the continued operation of the South

Atlantic snapper grouper fishery. That opinion found that the management measures proposed under Amendment 13C to the South Atlantic Snapper Grouper Fishery Management Plan were not likely to jeopardize the continued existence of any ESA-listed species or adversely modify critical habitat. An incidental take statement was issued allotting take for green, hawksbill, loggerhead, leatherback, and Kemp's ridley sea turtles, as well as smalltooth sawfish. Reasonable and prudent measures to minimize the impact of these incidental takes were specified, along with terms and conditions to implement them.

8.4 *Executive Order 12612: Federalism*

E.O. 12612 requires agencies to be guided by the fundamental federalism principles when formulating and implementing policies that have federalism implications. The purpose of the Order is to guarantee the division of governmental responsibilities between the Federal government and the States, as intended by the framers of the Constitution. No federalism issues have been identified relative to the actions proposed in this amendment and associated regulations. The affected states have been closely involved in developing the proposed management measures and the principal state officials responsible for fisheries management in their respective states have not expressed federalism related opposition to the proposed action.

8.5 *Executive Order 12866: Regulatory Planning and Review*

E.O. 12866, signed in 1993, requires federal agencies to assess the costs and benefits of their proposed regulations, including distributional impacts, and to select alternatives that maximize net benefits to society. To comply with E.O. 12866, NMFS prepares a Regulatory Impact Review (RIR) for all fishery regulatory actions that implement a new FMP or that significantly amend an existing plan. RIRs provide a comprehensive analysis of the costs and benefits to society associated with proposed regulatory actions, the problems and policy objectives prompting the regulatory proposals, and the major alternatives that could be used to solve the problems. The reviews also serve as the basis for the agency's determinations as to whether proposed regulations are a "significant regulatory action" under the criteria provided in E.O. 12866 and whether proposed regulations will have a significant economic impact on a substantial number of small entities in compliance with the RFA. A regulation is significant if it is likely to result in an annual effect on the economy of at least $100,000,000 or if it has other major economic effects.

8.6 *Executive Order 12898: Environmental Justice*

E.O. 12898 requires that Federal agencies conduct their programs, policies and activities in a manner to ensure that individuals or populations are not excluded from participation in, or denied the benefits of, or subjected to discrimination because of their race, color, or national origin. In addition, and specifically with respect to subsistence consumption of

fish and wildlife, Federal agencies are required to collect, maintain and analyze information on the consumption patterns of populations who principally rely on fish and/or wildlife for subsistence.

8.7 *Executive Order 12962: Recreational Fisheries*

E.O. 12962 requires Federal agencies, in cooperation with States and Tribes, to improve the quantity, function, sustainable productivity, and distribution of U.S. aquatic resources for increased recreational fishing opportunities through a variety of methods including, but not limited to, developing joint partnerships; promoting the restoration of recreational fishing areas that are limited by water quality and habitat degradation; fostering sound aquatic conservation and restoration endeavors; and evaluating the effects of Federally-funded, permitted, or authorized actions on aquatic systems and evaluating the effects of Federally-funded, permitted, or authorized actions on aquatic systems and recreational fisheries, and documenting those effects. Additionally, the order establishes a seven member National Recreational Fisheries Coordination Council responsible for, among other things, ensuring that social and economic values of healthy aquatic systems that support recreational fisheries are considered by Federal agencies in the course of their actions, sharing the latest resource information and management technologies, and reducing duplicative and cost-inefficient programs among Federal agencies involved in conserving or managing recreational fisheries. The Council also is responsible for developing, in cooperation with Federal agencies, States and Tribes, a Recreational Fishery Resource Conservation Plan - to include a five-year agenda. Finally, the Order requires NMFS and the U.S. Fish and Wildlife Service to develop a joint agency policy for administering the ESA.

8.8 *Executive Order 13089: Coral Reef Protection*

E.O. 13089, signed by President William Clinton on June 11, 1998, recognizes the ecological, social, and economic values provided by the Nation's coral reefs and ensures that Federal agencies are protecting these ecosystems. More specifically, the Order requires Federal agencies to identify actions that may harm U.S. coral reef ecosystems, to utilize their program and authorities to protect and enhance the conditions of such ecosystems, and to ensure that their actions do not degrade the condition of the coral reef ecosystem.

Amendment 13A to the Snapper Grouper FMP, which would eliminate all potential adverse impacts to *Oculina* coral in the *Oculina* Experimental Closed Area that are associated with bottom fishing gear, fulfills the intentions of E.O. 13089. As noted in Section 1.1, the use of bottom trawls, bottom longlines, dredges, fish traps, and fish pots is currently prohibited within the *Oculina* Experimental Closed Area and that prohibition would not be affected by the proposed actions.

8.9 *Executive Order 13158: Marine Protected Areas*

E. O. 13158 was signed on May 26, 2000 to strengthen the protection of U.S. ocean and coastal resources through the use of Marine Protected Areas (MPAs). The E.O. defined MPAs as "any area of the marine environment that has been reserved by Federal, State, territorial, tribal, or local laws or regulations to provide lasting protection for part or all of the natural and cultural resources therein". It directs federal agencies to work closely with state, local and non-governmental partners to create a comprehensive network of MPAs "representing diverse U.S. marine ecosystems, and the Nation's natural and cultural resources". The Council intends to address MPAs in Amendment 14.

8.10 *Marine Mammal Protection Act*

The MMPA established a moratorium, with certain exceptions, on the taking of marine mammals in U.S. waters and by U.S. citizens on the high seas. It also prohibits the importing of marine mammals and marine mammal products into the United States. Under the MMPA, the Secretary of Commerce (authority delegated to NOAA Fisheries) is responsible for the conservation and management of cetaceans and pinnipeds (other than walruses). The Secretary of the Interior is responsible for walruses, sea otters, polar bears, manatees, and dugongs.

In 1994, Congress amended the MMPA, to govern the taking of marine mammals incidental to commercial fishing operations. This amendment required the preparation of stock assessments for all marine mammal stocks in waters under U.S. jurisdiction; development and implementation of take-reduction plans for stocks that may be reduced or are being maintained below their optimum sustainable population levels due to interactions with commercial fisheries; and studies of pinniped-fishery interactions. The MMPA requires a commercial fishery to be placed in one of three categories, based on the relative frequency of incidental serious injuries and mortalities of marine mammals. Category I designates fisheries with frequent serious injuries and mortalities incidental to commercial fishing; Category II designates fisheries with occasional serious injuries and mortalities; Category III designates fisheries with a remote likelihood or no known serious injuries or mortalities. To legally fish in a Category I and/or II fishery, a fisherman must obtain a marine mammal authorization certificate by registering with the Marine Mammal Authorization Program (50 CFR 229.4) and accommodate an observer if requested (50 CFR 229.7(c)) and they must comply with any applicable take reduction plans.

The commercial hook-and-line components of the South Atlantic snapper grouper fishery (i.e., bottom longline, bandit gear, and handline) are listed as part of a Category III fishery (72 FR 35393, June 28, 2007) because there have been no documented interactions between these gears and marine mammals. The black sea bass pot component of the South Atlantic snapper grouper fishery is part of the Atlantic mixed species trap/pot fishery, a Category II fishery, under the MMPA. The Atlantic mixed species trap/pot fishery designation was created in 2003 (68 FR 41725, July 15, 2003), by

combining several separately listed trap/pot fisheries into a single group. This group was designated a Category II as a precaution because of known interactions between marine mammals and gears similar to those included in this group. Prior to this consolidation, the black sea bass pot fishery in the South Atlantic was apart of the "U.S. Mid-Atlantic and Southeast U.S. Atlantic Black Sea Bass Trap/Pot" fishery (Category III). There has never been a documented interaction between marine mammals and black sea bass trap/pot gear in the South Atlantic.

8.11 *Migratory Bird Treaty Act and Executive Order 13186*

The Migratory Bird Treaty Act (MBTA) implemented several bilateral treaties for bird conservation between the United States and Great Britain, the United States and Mexico, the United States and Japan, and the United States and the former Union of Soviet Socialists Republics. Under the MBTA, it is unlawful to pursue, hunt, take, capture, kill, possess, trade, or transport any migratory bird, or any part, nest, or egg of a migratory bird, included in treaties between the, except as permitted by regulations issued by the Department of the Interior (16 U.S.C. 703-712). Violations of the MBTA carry criminal penalties. Any equipment and means of transportation used in activities in violation of the MBTA may be seized by the United States government and, upon conviction, must be forfeited to it.

Executive Order 13186 directs each federal agency taking actions that have, or are likely to have, a measurable negative effect on migratory bird populations to develop and implement a memorandum of understanding (MOU) with the U.S. Fish and Wildlife Service (USFWS) to conserve those bird populations. In the instance of unintentional take of migratory birds, NOAA Fisheries Service would develop and use principles, standards, and practices that will lessen the amount of unintentional take in cooperation with the USFWS. Additionally, the MOU would ensure that NEPA analyses evaluate the effects of actions and agency plans on migratory birds, with emphasis on species of concern.

An MOU is currently being developed, which will address the incidental take of migratory birds in commercial fisheries under the jurisdiction of NOAA Fisheries. NOAA Fisheries Service must monitor, report, and take steps to reduce the incidental take of seabirds that occurs in fishing operations. The United States has already developed the U.S. National Plan of Action for Reducing Incidental Catch of Seabirds in Longline Fisheries. Under that plan many potential MOU components are already being implemented.

8.12 *National Environmental Policy Act*

Concerned with the degree of damages incurred by human activity on the sensitive ecological environment in the United States, Congress passed, and Richard Nixon signed into law, the National Environmental Policy Act (NEPA) of 1969, 42 U.S.C. §§ 4321 *et*

seq. NEPA sets the national environmental policy by providing a mandate and framework for federal agencies to consider all reasonably foreseeable environmental effects of their actions. In addition, it requires disclosure of information regarding the environmental impacts of any federal or federally funded action to public officials and citizens before decisions are made and actions taken. The analysis and results are presented to the public and other agencies through the development of NEPA documentation. The Draft Environmental Impact Statement (DEIS) integrated into Amendment #13C to the FMP serves as the documentation to satisfy the requirements of NEPA.

8.13 *National Marine Sanctuaries Act*

Under the National Marine Sanctuaries Act (NMSA) (also known as Title III of the Marine Protection, Research and Sanctuaries Act of 1972), as amended, the U.S. Secretary of Commerce is authorized to designate National Marine Sanctuaries to protect distinctive natural and cultural resources whose protection and beneficial use requires comprehensive planning and management. The National Marine Sanctuary Program is administered by the Sanctuaries and Reserves Division of the NOAA. The Act provides authority for comprehensive and coordinated conservation and management of these marine areas. The National Marine Sanctuary Program currently comprises 13 sanctuaries around the country, including sites in American Samoa and Hawaii. These sites include significant coral reef and kelp forest habitats, and breeding and feeding grounds of whales, sea lions, sharks, and sea turtles. The two main sanctuaries in the South Atlantic EEZ are Gray's Reef and Florida Keys National Marine Sanctuaries.

8.14 *Paperwork Reduction Act*

The purpose of the Paperwork Reduction Act is to control paperwork requirements imposed on the public by the federal government. The authority to manage information collection and record keeping requirements is vested with the Director of the Office of Management and Budget. This authority encompasses establishment of guidelines and policies, approval of information collection requests, and reduction of paperwork burdens and duplications.

The Council is not proposing in this amendment measures that would involve increased paperwork and consideration under this Act.

8.15 *Regulatory Flexibility Act*

The Regulatory Flexibility Act (RFA) of 1980 (5 U.S.C. 601 et seq.) requires Federal agencies to assess the impacts of regulatory actions implemented through notice and comment rulemaking procedures on small businesses, small organizations, and small governmental entities, with the goal of minimizing adverse impacts of burdensome

regulations and record-keeping requirements on those entities. Under the RFA, NMFS must determine whether a proposed fishery regulation would have a significant economic impact on a substantial number of small entities. If not, a certification to this effect must be prepared and submitted to the Chief Counsel for Advocacy of the Small Business Administration. Alternatively, if a regulation is determined to significantly impact a substantial number of small entities, the Act requires the agency to prepare an initial and final Regulatory Flexibility Analysis to accompany the proposed and final rule, respectively. These analyses, which describe the type and number of small businesses affected, the nature and size of the impacts, and alternatives that minimize these impacts while accomplishing stated objectives, must be published in the *Federal Register* in full or in summary for public comment and submitted to the chief counsel for advocacy of the Small Business Administration. Changes to the RFA in June 1996 enable small entities to seek court review of an agency's compliance with the Act's provisions.

8.16 *Small Business Act*

Enacted in 1953, the Small Business Act requires that agencies assist and protect small-business interests to the extent possible to preserve free competitive enterprise.

8.17 *Public Law 99-659: Vessel Safety*

Public Law 99-659 amended the Magnuson-Stevens Act to require that a FMP or FMP amendment must consider, and may provide for, temporary adjustments (after consultation with the U.S. Coast Guard and persons utilizing the fishery) regarding access to a fishery for vessels that would be otherwise prevented from participating in the fishery because of safety concerns related to weather or to other ocean conditions.

No vessel would be forced to participate in the snapper grouper fishery under adverse weather or ocean conditions as a result of the imposition of management regulations proposed in this amendment.

The fact that low quotas are being implemented with a January 1st start date may force fishermen to fish in the winter. The public is requested to comment on this issue specifically.

No concerns have been raised by people participating in the fishery nor by the U.S. Coast Guard that the proposed management measures directly or indirectly pose a hazard to crew or vessel safety under adverse weather or ocean conditions. Therefore, this amendment proposes neither procedures for making management adjustments due to vessel safety problems nor procedures to monitor, evaluate, or report on the effects of management measures on vessel or crew safety under adverse weather or ocean conditions.

9 List of Preparers

Name	Title	Agency	Division	Location
Myra Brouwer	Fishery Scientist	SAFMC	N/A	SAFMC
David Dale	EFH Specialist	NMFS	HC	SERO
Rick DeVictor	Environmental Impact Scientist	SAFMC	N/A	SAFMC
Tracy Dunn	Enforcement Specialist	NMFS	LE	SERO
Andy Herndon	Biologist	NMFS	PR	SERO
Tony Lamberte	Economist	NMFS	SF	SERO
Palma Ingles	Anthropologist	NMFS	SF	SERO
Jennifer Lee	Council Liaison	NMFS	PR	SERO
Jack McGovern	Fishery Biologist	NMFS	SF	SERO
Janet Miller	Permits	NMFS	SF	SERO
Roger Pugliese	Senior Fishery Biologist	SAFMC	N/A	SAFMC
Kate Quigley	Economist	SAFMC	N/A	SAFMC
Monica Smit-Brunello	Attorney Advisor	NOAA	GC	SERO
Jim Waters	Economist	NMFS	Economics	SEFSC
Kate Michie	Fishery Management Specialist	NMFS	SF	SERO
Gregg Waugh	Deputy Director	SAFMC	N/A	SAFMC
Erik Williams	Stock Assessment Biologist	NMFS	SF	SEFSC

10 List of Agencies, Organizations, and Persons To Whom Copies of the Statement Are Sent

Responsible Agency

Amendment 16:
South Atlantic Fishery Management Council
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Charleston, South Carolina 29405
(843) 571-4366 (TEL)
Toll Free: 866-SAFMC-10
(843) 769-4520 (FAX)
safmc@safmc.net

Environmental Impact Statement:
NMFS, Southeast Region
263 13th Avenue South
St. Petersburg, Florida 33701
(727) 824-5301 (TEL)
(727) 824-5320 (FAX)

List of Agencies, Organizations, and Persons Consulted

SAFMC Law Enforcement Advisory Panel
SAFMC Snapper Grouper Advisory Panel
SAFMC Marine Protected Areas Advisory Panel
SAFMC Coral Advisory Panel
SAFMC Habitat and Environmental Protection Panel
SAFMC Scientific and Statistical Committee
North Carolina Coastal Zone Management Program
South Carolina Coastal Zone Management Program
Georgia Coastal Zone Management Program
Florida Coastal Zone Management Program
Florida Fish and Wildlife Conservation Commission
Georgia Department of Natural Resources
South Carolina Department of Natural Resources
North Carolina Division of Marine Fisheries
North Carolina Sea Grant
South Carolina Sea Grant
Georgia Sea Grant
Florida Sea Grant
Atlantic States Marine Fisheries Commission
Gulf and South Atlantic Fisheries Development Foundation
Gulf of Mexico Fishery Management Council
National Marine Fisheries Service
- Washington Office
- Office of Ecology and Conservation
- Southeast Regional Office
- Southeast Fisheries Science Center

11 References

This section will be added for the public hearing version.

SAFMC (South Atlantic Fishery Management Council). 2006. Amendment Number 13C, Final Environmental Assessment, Initial Regulatory Flexibility Analysis/Regulatory Impact Review, and Social Impact Assessment/Fishery Impact Statement for the Fishery Management Plan for the Snapper Grouper Fishery of the South Atlantic Region. South Atlantic Fishery Management Council, 1 Southpark Cir., Ste 306, Charleston, S.C. 29407-4699. 631 pp.