**SOUTH ATLANTIC FISHERIES MANAGEMENT COUNCIL**
**GOLDEN CRAB PERMIT HOLDERS MEETING**

**Key Largo, Florida**
**August 10, 2012**

**Golden Crab Permit Holders:**

Brad Whipple
Nuno Almeida
Robert Palma
Terri Copa
Howard Rau
Tony Paan
Randy Manchester

**Council Members:**

David Cupka
Ben Hartig

**Council Staff:**

Dr. Brian Cheuvront

**Other Participants:**

Karla Gore
Andy Strelcheck

DR. CHEUVRONT: I want to thank you all for getting here and that you're on time. I appreciate it. We have a full day of stuff planned to talk about, but we'll sort of see how things go as we go through things and see where we are. Before we get started, we have the Council Chairman, David Cupka is here. He wants to give you a few words before we get started.

I do want to let you know that I've put a copy of the sort of the sort of tentative agenda, the way we're planning on going through things today. I've heard from most everybody here about kind of what you want to talk about in terms of whatever issues and recommendations. I think the agenda is going to allow for that. If we get to a point where we are getting close to the end and you haven't had a chance to say everything that you feel like you need to say, we'll make sure that we make time for that.

I am going to go through in a few moments some introductions. I'm Brian Cheuvront; I'm going to have you all introduce yourselves. We are recording this meeting, because this is an open meeting by the council, just like all the council meetings are recorded. It will be transcribed; you are going to be able to get copies of the transcription.

I'll write a report based on the stuff that we talk about. You'll get a chance to see the report. You'll get a chance to comment on the report. You'll get a chance to even look at the transcripts. If you think that there was a mistake in the way something was transcribed, we will be able to make all those corrections and things for you. Before we go any further, I'd like to introduce Chairman David Cupka from the council.

MR. CUPKA: On behalf of the council I want to thank each of you for coming today and for your willingness to take time out of your schedule to attend this meeting and to participate in it. The golden crab fishery has had a long history of working very closely with the council on the Golden Crab FMP.

This dates back to the very beginning when Dick Nielsen approached the council about the possibility of developing a fishery management plan in conjunction with the council. A lot of the things that you see in the fishery management plan now are a result of input that the council has received over the years from the industry members.

That has occurred throughout the history of this fishery. The more recent example of this close working relationship was the actions that were taken to try and protect the deepwater corals and still allow the fishery to operate; again a good example of the close working relationship that the council has had with the industry in regard to the golden crab.

The council very much wants to maintain this close working relationship and continue to try and provide as many benefits as possible to as many members of the fishery as possible while still allowing us and NOAA Fisheries to carry out our responsibilities under the Magnuson-Stevens Act. We very much want to continue this close working relationship. It was quite apparent during the last two meetings of the council meeting, though, that some of you had some serious concerns about some of the actions being proposed in Amendment 6.

The purpose of this meeting today is we hope that there will be open discussion of these concerns and possibly be some action that you will be able to take to resolve some of these

concerns so that we can move ahead with management of this fishery. Again, we appreciate your willingness to do that.

In closing, I just want to say that I hope that everyone will keep an open mind, that everyone will participate and that you'll have a very productive meeting. You'll notice the way the meeting has been set up, this is your meeting. This is strictly for the fishermen, and the only people sitting at the table and the only people that will be allowed to speak will be the fishermen and Karla and Brian, who will be facilitating the meeting and helping out there and reporting back to NOAA Fisheries and to the council on the outcome of this meeting. I wish you all the best, and again I hope everyone keeps an open mind in trying to work together to resolve some of these issues that everyone has been through. Thank you very much.

DR. CHEUVRONT: I think David covered really well some of the things that we're hoping to accomplish today. I think one of the big things that we want to talk about and to keep this in the forefront of your mind, yes, there is a draft plan that is out there, but that doesn't mean that anybody at this point is trying to force anything on anybody. It is still very much fluid.

The council has some preferred alternatives for some of the actions that are in there, but the fact that this meeting was called to bring you all together means that the council wants your input. With that bit of an introduction, one of the first things I want to do, before we get into some of the specifics, is that – like I said before, we're recording this.

The council has a guy who works for us who is a court transcriptionist kind of guy. What he needs to do is to get a voice recognition so that when you speak he will kind of know who's talking, because when he does the transcriptions he'll say who said what. Now one of the things that will help, and I've done this a number of times, is that we always forget to say our name just as we're beginning to speak.

In the very beginning I'd like for each of you to just say your name and where you're from so that Joe can get an idea of who you are; and so as he is transcribing this, he will be able to figure out, in case he doesn't know – you don't say your name each time so he'll know who is talking, so, Brad, if we could start with you.

MR. WHIPPLE: Yes, I'm Brad Whipple from Fort Lauderdale.

MR. RAU: Howard Rau from Fort Lauderdale.

MR. ALMEIDA: Nuno Almeida from West Palm.

MR. PAAN: Tony Paan from Marathon, Florida

MR. PALMA: Robert Palma, Marathon, Florida.

MR. MANCHESTER: Randy Manchester, Fort Lauderdale, Florida.

MS. COPPA: Terri Coppa representing Tony Coppa, Cape May and Jupiter, Florida.

MS. GORE: Karla Gore from Sarasota, Florida; SERO office.

MR. STRELCHECK: Andy Strelcheck, Southeast Regional Office.

DR. CHEUVRONT: Again, I'm Brian Cheuvront. You all don't know how much I really appreciate that you are coming here; because when we were at the June meeting, there was some feelings that we weren't sure that this was really all going to happen. Everybody talked and we realized that nobody is trying to force anything on anybody. I appreciate everybody willing to come to the table and to say let's figure this out and see what we can do.

Why are we here? For the past several years they have been developing this management plan to implement a catch share program. It has been going on for a while, but recently it has become even more pronounced. There are some people saying, "We don't like what is going on with that plan." They have asked the council and saying let's stop and think about this before we go anymore forward with this.

We know that there are some people who are in opposition; and that's okay, but what the council wants us to do is they've got a plan in place. We need to go through that plan and talk about the stuff that is in there. We're going to focus mostly on the catch share issues that are in there, but there are 15 actions in this management plan, and one of the documents that you got this morning has a summary of all those 15 actions.

We're going to have a chance to go through all of that. If you've got some recommendations that you feel about some of those actions, we are going to make time to make sure that all gets incorporated. But the biggest deal right now is figuring out what can we do about this catch share issue and whether you guys want to recommend to the council how to go forward with this or with something else; how could it be modified to help make it agreeable to most people?

But the bottom line is this meeting is about you guys. I'm going to do a fair amount of talking in the beginning to help lay the groundwork to get it set up, but then we have discussion questions that are built in. It is really important that we get everybody to talk and put your position on the table even if you know that other people don't agree with you.

That is really important because we need to get everything out there. What we hope to accomplish is to try to reach some kind of a consensus, if at all possible, on how to manage this fishery. Understand that consensus doesn't mean total agreement. We're not asking you all to be best friends by the time you walk out the door.

But what we're asking for you to do is to think about what is in this plan and say this is what is really important to me and this is what I can't live without. This other stuff is important, too, but if you're willing to – if other folks are willing to give a little on something, I might be willing to give a little on something else, too. So think about what is most important to you, but come into it with a frame of mind that I'm not going to get everything I want. It's not going to happen.

Nobody is going to get everything they want out of this, because there is a lot of diversity of opinion. Let's try to figure out what can we do to get the most amount of consensus and agreement. Then if consensus isn't possible on the measures that we're talking about now that are in the amendment, then we need to talk about what other things should the council consider

for the future of the management of this fishery. That is what we're trying to get from you guys today.

Whether or not you agree or disagree with any of the issues that come up, what's really important to the council is not for you to say, "I don't like that." Well, that's okay, you can say you don't like that, certainly, but the council needs to know the reason why; why is that not a good thing for you or why is it a good thing for you? Because in doing that, it will help them as they're forming their discussions and opinions about how to move forward with this plan.

Here are some important reminders that we want to talk about. This is your chance to tell the council what you want about golden crab management and how you think it ought to be. Now realize your role here is to provide recommendations, and these are recommendations. The council is not bound to do anything that this group says here today.

You can give them all the direction and recommendations you want, but it is still up to the council to make the decisions. To that point, I really recommend as much as you can – and I've got a slide coming up about that, but they do want your input to help them decide. The council is having a meeting in September where actually it turns out really well that this meeting for the Golden Crab Committee is scheduled to be on Thursday, the last day of committee meetings.

They are going to have that discussion and then later that afternoon they are scheduled to have a public comment period. As many of you who can be there or want to be there to talk about your experience here today, I'm going to get the report written and I'll get it to guys for your comments and stuff, but I'm going to try to get it into their briefing book, which means that I may have to get it in there before I get your comments back.

You can get your comments back to me. I'll represent them in front of the committee even if they are not in the briefing book, but you can also come to the public comment period and say whatever you want to about this process and what's going on and how you feel about it. Don't feel like this is it for you guys in terms of being able to voice your opinion.

You'll have the entire council there in front of you on that Thursday; I think its September 12. That public comment period will be just before the full council starts taking votes on how they are going to do whatever they are going to do. However, they may decide in September that they're not ready to vote on this. I don't know if it's going to happen and see how it plays out.

We have a few ground rules for today that we'd like everybody to follow. We're recording the meeting, so please wait to be acknowledged before you speak; because if you've got more than one person talking at a time, it all gets recorded and sometimes it's difficult for Joe to figure out who is talking and record it accurately.

I'm going to act as the moderator. I will try to make sure everybody gets their chance to speak. It's okay to disagree, but please try to treat each other with respect, the same respect you would like in return. Let's talk about ideas and not people. Part of this is for the folks in the audience as well; the discussion at the table is just for the permit holders only. There will be breaks that will be given to you guys.

We've figured out based on the schedule where we think you might want to get together and huddle up and talk amongst yourselves privately as things are coming up and ideas are coming forward, where you might want to say let's take a minute and talk about this and figure out what we want to do.

That is perfectly okay; we understand that is a real possibility. At that time you can talk with anybody you want to, to go off the record and you take the break and you figure out what you want to say and what you want to do. We want to hear from everybody and at this table everybody is equal.

One of the things I'm just going to tell you right now; if somebody is not talking, I'm not trying to embarrass anybody or anything, but I may ask you directly what do you think? Sometimes people are less forthcoming; they might be a little bit more shy or whatever. I'm not trying to embarrass anybody. If I asked you, well, what do you think; it's okay if you say, "Well, I don't want to comment on that right now." That's okay, but I just want to make sure that the conversation doesn't get dominated by any one person.

We have limited time today so our goal is to try to stay on task. We've got a lot to try to accomplish. You can look at that agenda. We're going to talk about a lot of issues, so let's do that. Like I said, only one conversation at a time, challenging ideas is encouraged, but keep it focused on the ideas. The audience, you are just observers.

You are not going to get a chance to talk on the record. Sorry, it's about the folks at the table. There is no formal comment period. We're not required to do that for this. Lots of times when we have advisory panel meetings we do allow public comment. The council allows public comment. It is not required and we're just not going there today; we just don't have time for all that.

Here is what's going to happen. The big thing is that we have set aside about an hour and fifteen minutes, an hour and a half at the end of the meeting where we're going to take all the recommendations that you are going to be making today, and we're going to record them all. It doesn't matter whether everybody agrees with them or not.

We're actually going to project them. Karla is going to help do that and we're going to make sure that the wording that goes up there fits with whoever is the originator of the idea agrees with the wording before it goes forward. We want to make sure that everybody is okay with that. All the minority and majority recommendations will be reported. I had mentioned the meeting is going to be transcribed and you will be given a summary report.

The transcription and the report become public documents. You guys get a chance to weigh in on whether you agree or disagree with something that's in there; and if there are corrections that need to be made to the transcription, we can make those happen. If you think the report that I write maybe has a mistake or misrepresents something, you need to get that information back to me one way or the other and I can make those changes. There are no hidden agendas or anything here. Now speaking of agendas, you've got one here.

I just made the slides here of the agenda items simply so that you can see kind of what we've got planned and where we're headed with things. You can see where right now we're having lunch

planned from 12:15 to 1:30. While we provide you coffee and sweet rolls and stuff this morning, we're not buying you lunch today. You got per diem from the council; you've got to buy your own lunch, but we do have it so that we're going to end about five o'clock.

This is a general suggestion for times. If we get through things faster, we get through it faster, but we really do need to end about five o'clock today. I'm going to try to act as a bit of a time keeper. If I see we're getting too far behind, I might try to speed things up. If the conversations start to get off topic, I'm going to try to bring it back around.

If I kind of cut in and ask you to wrap it up or say we need to bring it back around, I'm not trying to insult anybody or dismiss the opinions or anything that you have. It's that there is so much that needs to be covered, I'm going to try to do my best to keep us on task to get through the entire agenda.

Timing; I've already talked about that. The committee is meeting on Amendment 6; it's scheduled. Now the thing to remember is council committees, they are on a schedule, they are printed up, the preliminary agenda is already out there, but only public hearing times are absolutely specific. It will occur exactly at the time it says that it is going to occur on the agenda.

However, committee meetings can be shifted around in terms of time. I think it's scheduled for 9:30 on Thursday to start. Don't come walking in at 9:30 and think it is going to begin right then. It could happen a little earlier, it could happen later, so you need to kind of keep your ear to what is going on.

Contact me if you need to a day or two in advance to see how things are going, if we've heard if anything is going to change, but know that that public comment period is going to occur the afternoon of Thursday, September 12, and that will not change. Is it the thirteenth? Oops, sorry, my bad. It is the thirteenth. The council may take final action at this September meeting. I think part of it is going to depend on what happens here today; how much consensus can we get; how much are things going?

Then the council will take up the entire discussion and they're going to figure out what they are going to do. I cannot predict what is going to happen. I stopped predicting what the council is going to do, because I am usually wrong. The other thing you need to understand is the council can still take action even if you guys don't come to consensus. It is not a requirement. They are doing this because they want to hear from you, but they don't have to wait until you have consensus.

The fact that they kind of put the brakes on things in June to wait to hear what you guys have to say basically says they value your input and what you are saying and what you think is important to them, so know that. We are doing pretty good on time. Now, the first part is that what I'd like to do is to have the first discussion.

MR. R. PALMA: I've got a couple questions and request that you have touched on already, but I'm going to ask any way to clarify my notes. There will be minutes of the meeting, right?

DR. CHEUVRONT: Yes, there will.

MR. R. PALMA: Will they be verbatim minutes or working minutes?

DR. CHEUVRONT: They'll be verbatim, exactly everything that is said as it's said.

MR. R. PALMA: We request the right to approve the minutes of the meeting regarding the type before they are presented to a third party or the council.

DR. CHEUVRONT: That may not be able to happen in time, because we have talked with the guy who is doing the transcription, and he has told us that there is a good chance that we will be able to get them in time for the council. As soon as we get them, I'll make sure that they get out to you guys as well. You can comment on those and we can make sure that all those comments get to the council.

But to be honest with you, the minutes will go to the council as soon as they're ready. However, if you've got corrections and things, they will be incorporated, and the same with the report. Like I said earlier, I'll get you that report probably week after next. You may only have a couple of days to look at it before it needs to get in that briefing book to go to the council members.

That doesn't stop you from sending in comments to me later. Anything I have from you guys up to prior to when the council and committee meets, I'll make sure that any corrections, any clarifications that I am aware of get presented to the council and committee. They will hear whatever you have even if it is not in writing yet. We may have to get it in writing later, but timing is the problem.

MR. R. PALMA: Also, we request a right to caucus as needed for a period not exceeding ten minutes.

DR. CHEUVRONT: I think that we can probably do that. We do have a couple of specific breaks in there for you guys to be allowed to caucus; but if something happens that you feel like, wow, we need to take a time to talk, let me know. We'll do the best to fit it in. Anybody who wants to, and you can take that time and caucus with whoever you want to. We'll stop the recording; you can have your private talk. I'll keep track of it, but I think the ten minute limit is probably reasonable.

MR. R. PALMA: Also, we request the right to call industry representatives to give testimony on appreciated issues to clarify positions that we have taken.

DR. CHEUVRONT: What I would prefer is that if you guys can represent what the industry says as opposed – because as we run into a problem with you want to start having somebody come to the table, then somebody else is going to want to have somebody come to the table. I feel a little uncomfortable with that because I think that is going to slow it down. But if you guys have something that you have talked with somebody in the industry and you've got – you can say we have talked to so and so and this is what they say.

MR. R. PALMA: If there is any vote taken on any issue or alternative concerning this amendment, we request it be made by roll call vote.

DR. CHEUVRONT: Actually we don't really want to take votes.

MR. R. PALMA: If.

DR. CHEUVRONT: That's fine, we can do that. But the thing is, is that we don't want to take votes largely because every idea, whether it is a lot of people agree or it is only one guy's idea, it's okay; it's all going to be recorded and it's all going to go to the council.

DR. R. PALMA: Okay.

DR. CHEUVRONT: When you start getting into voting, then that can start to become more of an us versus them sort of thing, and I think we want to avoid some of that. This is about ideas, not about people. I'm hoping that those answers I just gave you are satisfactory; and if we run into some other issues, we can talk about them as we go along. Everybody is kind of cool with where we are? Yes, Nuno.

MR. ALMEIDA: I want to especially thank you, Brian, for making this meeting possible. I know you guys are here an extra day. Thank you, Mr. Cupka, Mr. Hartig. It is a pleasure to be here with everybody. It's the first day that we've ever been together; every permit holder is here today. This is the first time in seven years for me. Never in the last seven years we've all come together and had a meeting. I'm pleased to be here.

DR. CHEUVRONT: I have to say I'm really pleased, too. Everybody is a little bit nervous. Okay, it's an understatement, even I'm a little bit nervous, because nobody knows how this is going to go. I see one of my roles here is to try to make everybody feel as comfortable as possible. It is not about Nuno, it's not about Randy, it's not about the Coppas, and it's not about Brad. It's the fishery.

Let's think in terms of what we want to do here. The council's goal is – you know, we've got a really big ACL right now. We've got 2 million pounds. That much golden grab has never been caught in one year. If you all understand something, there are a couple of things that are very unique about what we're doing today. I can't think of another time in a South Atlantic managed fishery where all of the participants in the fishery have come to the table at one time.

We could do that because there are basically seven entities represented here, so we were able to do that. The other thing is that if you've been following the council process in other fisheries, the trend has been in the opposite direction with ACLs. In a lot of cases they have gone down from what people have been catching. This is a unique situation that we're facing here.

What we need to do is deal with some of the unique features about what is going on here. This is really an amazing thing to me. From all the talking that went on, there were a lot of phone calls that happened between June and yesterday even that got everybody here. I'm really, really appreciative of the fact that everybody wanted to come here and do this. This is really important, I think it can't be understated with the fact of how important this really is. I just want to thank you all for being here.

Now we're getting to the part where we want you guys to start taking over some of the discussion. I've laid the ground rules, what we hope to accomplish, what we're trying to do.

I've got some questions built in here that I think is going to try to lead us up to the point where we're ready to start discussing the issues that are in the amendment. Also, I have a tendency to stand up when I talk like this. I used to teach college classes and stuff.

I find that I'm less boring if I stand up and move around a little bit and all that, because powerpoint slides are pretty boring. I may sit down some, but I may stand up. It's not trying to intimidate anybody or anything like that. It's just so I can stay in the moment and you guys aren't totally bored. That's really all it is. Anyway, what I'd like to do is to start with the problems that you guys maybe see in the fishery now and how it is managed now. Yes, Howard.

MR. RAU: I wanted to see if I could get some clarification on the permit holders. I'll ask Nuno, if it's all right; how many permits do you own?

MR. ALMEIDA: Two.

MR. RAU: Do you personally own the two?

MR. ALMEIDA: Yes, sir.

MR. RAU; John doesn't own them?

MR. ALMEIDA: No.

MR. RAU: Tony, do you own them?

MR. T. PALMA: Yes, one.

MR. RAU: You own one and Robert owns one.

MR. T. PALMA: Correct.

DR. CHEUVRONT: The Coppas own one; Randy you have two.

MR. MANCHESTER: Yes.

DR. CHEUVRONT: Howard and Brad, you each have two, correct?

MR. RAU: Well, my son owns one.

DR. CHEUVRONT: Well, your son is part owner. We have a situation. I think Randy; is it your brother or somebody that owns half a permit of yours?

MR. MANCHESTER: Yes, it's my Dad.

DR. CHEUVRONT: It's your Dad, okay. There are those issues as well that some people own more than one permit; some permits are owned by more than one person. That kind of has to be taken into account as well. Well, anyway, getting to the question that we have; what problems, if any, that you see how it's being managed and not necessarily – unless it is related to problems

you have on the water or something like that, let's try to focus on the management. What do you see? Nuno.

MR. ALMEIDA: I don't know if it pertains to the management of the fishery, but I think that the problems that we're having, myself and maybe I'm speaking for my fellow fishermen that are in the same zone, is the ground. We were closed off at the 29 line and it's not enough. Where we're fishing is not enough.

DR. CHEUVRONT: Yes, you and I have had this conversation before, and you would like to see that latitude line adjusted so it's not closed at 29.

MR. ALMEIDA: Absolutely.

DR. CHEUVRONT: I think what we need to do – that is not an issue that is addressed in Amendment 6. It's probably not going to get addressed in Amendment 6, but that is something that we don't need to drop and let go. I think what we need to do is to maybe make that as a recommendation for something for the council to discuss; to look at perhaps how they want to consider that, is there a way to go around it, whatever, but that's an issue and we've talked about that before. Karla, have you captured that.

MS. GORE: Yes.

DR. CHEUVRONT: Okay, so what we're going to do is for that northern zone, we'll put that down as an issue to bring before the council at some point. It may not happen in Amendment 6, I'll just be honest with you at that point. There may be other things that you can do.

MR. WHIPPLE: The problems I'm seeing with the fishery currently are inadequate monitoring and enforcement of the fishing activity, inadequate accountability of the landings process. There are awkward and inefficient administrative rules that I think could be streamlined. There are some antiquated regulations. I don't know how far they date back in terms of when they were implemented, but they need to be removed from the landscape, or seascape, I guess.

DR. CHEUVRONT: You're talking about things like the southern small vessel law, things like that.

MR. WHIPPLE: I'm talking about the subzone; I'm talking about the vessel length limit rule –

DR. CHEUVRONT: The permit stacking.

MR. WHIPPLE: -- the one boat one permit rule, VMS. A big problem – another problem that in my opinion is a problem is that there is a production cap, but the fishery is wide open. Those two ideas conflict to me in my head. There is a cap on production but there is no further action in terms of management.

DR. CHEUVRONT: Are you talking about the share cap?

MR. WHIPPLE: No, I'm talking about the ACL.

DR. CHEUVRONT: Okay, the fact that we've got – the production is capped at 2 million pounds, and I just want to make sure I understand what you're saying.

MR. WHIPPLE: Yes.

DR. CHEUVRONT: I'm not sure I got the other part of it.

MR. WHIPPLE: Then beyond that, there is no further management. You're saying this is it, this is all you can do, go out and whatever, have at it.

DR. CHEUVRONT: So basically saying those 11 permits that are represented by you all here, there is 2 million pounds and the current management says have at it. That's what you're seeing as a problem?

MR. WHIPPLE: It seems inadequate to me, yes, to have an ACL without any further type of management.

DR. CHEUVRONT: Okay, and there are multiple ways to handle that issue. One of the things that is being done in Amendment 6 is by suggesting one type of a catch share. There may be other things that we can look at as we go through the day that will be other ideas of how we can approach exactly the issue you're talking about. We can set some ground rules or possibly even relax even more, if that's what people really felt was okay, but what you hit on there is a big part of what we will be discussing today as it goes along.

MR. STRELCHECK: Can I follow up with a question? Brad, because of the implementation of the ACL, you're now saying that is problematic given that previously it was wide open and there wasn't an ACL; but now because it is wide open, there is a potential now to meet that ACL in the future.

DR. CHEUVRONT: We're going to talk some about that specific issue of the potential for meeting the ACL, because we've got some landings stuff to show you all, what has been going on for the previous years as well as from January through – is it May -- through May of this year compared to January through May of other years. You can talk about what caused those differences among the years and bring out some of that other information to help explain those differences that are occurring. But any other management things? Yes, Terri.

MS. COPPA: An issue that I'd like to discuss here in our discussions today – it's not really on Amendment 6 right now – is market limits for the 2 million pounds. There are some issues with the marketing of that and the pricing and things, holding the price so that we can all have a share still in the industry.

Flooding the market with 2 million pounds, right now we're not even near that 2 million pounds. There is talk of boat limits, taking the small boats off. We're talking about limiting the boat lengths or taking that off, too, by increasing it. There are a lot of issues we have to watch here so that it doesn't destroy our market. We talked with the main buyer and he even has some concerns that we'd like to bring up later.

DR. CHEUVRONT: That's fine, I think what's going to happen is some of that what you've just said fits real naturally in with some of the actions that the council is considering. I'm going to rely on you; don't rely on me to remember all that. Jump in there when we get to those actions that are relevant to the things that you're saying, because I think it fits very closely, like on boat length limit rule and things like that, so be sure to jump in when we get to that, okay. Any other management issues about the way we see things now? I'm going to have Andy come up now and talk about some of the golden crab landings.

MR. STRELCHECK: I'll be like Brian here and stand up when I speak. What we did is just put together a few slides of golden crab landings data. This is strictly from the logbooks. I didn't pull the trip ticket data, because the comparisons relative to this year wouldn't be available for trip tickets due to a time lag in terms of data entry.

This gives you an idea of what has been landed as reported through logbooks in the last 12, 13 years. As you can see, everything has been under 1 million pounds compared to the 2 million pound ACL. There has been a slight increasing trend that you can see here, and then here is where we're at in 2012.

This includes your landings that have been supplied to our Science Center up to the end of July. I'm sure there are some reports that probably haven't been captured for June and July, but for the most part it looks like January through May reports were fairly complete for this fishing year. If you take a look at just that January through May timeframe, what you guys are reporting relative to past years, you can see that same increasing trend. There's a dip in 2011.

My understanding is that there was a boat or two that was pulled out of service to add the recirculating saltwater systems, and so therefore landings were dropped in 2011. But you have at least for 2012 preliminary landings are the highest on record compared to the last 13 years.

MR. RAU: Andy, how many vessels were participating in 2000?

MR. STRELCHECK: I don't have that by memory. I could look it up.

DR. CHEUVRONT: It is in the amendment.

MR. STRELCHECK: Brian said it might be in the amendment, but we can get that information for you.

MR. ALMEIDA: On that it would be nice to have how many vessels in each year.

MR. STRELCHECK: Okay.

MS. COPPA: The other thing, from my perspective over here, I can't really tell when your scale is so far away. I'm assuming it is under 400,000 pounds or is it just over? There's no carryover lines.

MR. STRELCHECK: It's a little bit over 400,000 pounds right now for January, and I believe the average was about 83, 84,000 pounds a month for this year so far, for those first five months. This essentially is just a cumulative plot of landings for the last three years. If you added up all

those landings per month for 2010, which are the blue lines, you reach about a little over 600,000 pounds for the year, so that was the rate of harvest throughout the season. You can see that it was tracking pretty high and then the rate slowed down.

For 2011 the rate was pretty slow through the first three or four months and then it sped up, but you reached about 700,000 pounds of landings. Now you take what we have available to us for January through May 2012, and we're a little over 400,000 pounds as mentioned on the previous slide.

Well, projecting that forward, presuming there are no additional vessels, additional effort, just you guys continue operating at roughly the same rate you've been operating the first portion of the year, we're looking at about a million pounds of landings. If you go back a couple of slides, Brian, to the annual landings, you can see that – I don't have the first three years of logbook data, but you can see that the highest level of landings is a little over 800,000 pounds. When you get up to a million pounds, you're still 50 percent below the annual catch limit as of what you're catching this particular fishing year.

DR. CHEUVRONT: I'd like to ask a question of you guys, because Andy has done the projection for what he thinks if things stay the same for the rest of the year based on that. You guys might be aware of some changes that are going to occur, like Robert and Tony; have you been fishing on golden crab?

MR. R. PALMA: Yes.

DR. CHEUVRONT: Okay, but you're going into spiny lobster now.

MR. R. PALMA: Yes, see, that straight line over there, it's just speculation on my part –

DR. CHEUVRONT: It is totally speculation.

MR. R. PALMA: – because even the whole time of the last scale that you showed, even from 2000 to now, all our purpose to do is to go catch. I don't see nothing wrong with none of that. If we want to see the numbers going up, then we would have a biological problem here. Then we would have to deal with some kind of management to be able to manage those numbers, but there is nothing – that is a non-issue to me.

DR. CHEUVRONT: Okay, does anybody see any changes that they think that might affect – that they might be aware of that might affect the projected production?

MR. RAU: For 2012?

DR. CHEUVRONT: For 2012.

MR. RAU: I'm wondering has everybody got their logbooks in for reports up to May. Do we have – Brad, have you gotten –

MR. WHIPPLE: I'm not sure; I definitely don't have June or July in. I'm not sure what I – I think I was caught up through May, but I'm not 100 percent sure on that.

MR. RAU: I've got all mine up. Mine are up to date; how about you guys?

DR. CHEUVRONT: Nuno.

MR. ALMEIDA: I'm glad he asked that, because that is what I was just about to ask. I think I had asked this before; is this based on logbooks or trip tickets?

MR. RAU: Logbooks.

MR. STRELCHECK: This information right now is based on logbooks, but we will also be looking at trip ticket data.

MR. ALMEIDA: Don't hold this – please don't take it the wrong way here, I'm not here to defend anybody or accuse anybody, but I know in the past that there was – not in this fishery, in other fisheries where you can catch five and put down ten just to get some landings. Well, I know from my logbooks and all my logs of catching, I have trip tickets to back it up and I have sales and invoices and what have you. I don't know if there is a way you can go based on trip tickets, I don't know, from dealers. I don't know how long it takes for that process to get in there.

MR. STRELCHECK: Certainly, if we move forward with the catch share program or if endorsement programs are looked at, what we do is we essentially audit the landings data for both trip tickets and logbooks and do comparisons to ensure that people aren't reporting inaccurately and trying to cheat the system or game the system.

MR. ALMEIDA: Now, but now how about when we went back to like 2000, all that speculation we had from 2000; was that based on logbooks as well?

MR. STRELCHECK: All this today was just based on logbooks, because what I had in season for 2012 was logbook data. The trip ticket data usually lags behind three, four months. The logbook data is going to be more up to date for me to use for presenting to you. Certainly, we will go back and take a look at the trip ticket data more carefully.

MR. RAU: Is it usually the trip ticket data is higher or is the logbook landings higher? In most fisheries, how does that –

MR. STRELCHECK: I'm most familiar with snapper grouper, and trip ticket data tends to be slightly higher than logbook data.

MR. R. PALMA: Like, for example, the question you asked, I won't be able to go golden crabbing now. It takes time to strip our boats to go lobster fishing and then to go gear up to go golden crabbing. Instead of climbing up the landings, it is going to be less, because right now we're going to start maintaining our lobster gear. I don't see it being a problem.

MR. WHIPPLE: I'd just like to point out that the questions and concerns that are raised about the accuracy of landings reporting, whether it's logbooks or trip tickets or whatever, those concerns speak directly to my concern for improved monitoring and enforcement of the fishing

activity and the landings; having, whatever, NMFS or state representatives present when that occurs, not only for the data but also for the continuing stock assessment purposes.

DR. CHEUVRONT: Brad brings up a good point. We don't currently have a stock assessment for golden crab. We're going to talk a little bit later. This fact that we have this 2 million pound ACL right now doesn't mean it's going to stay 2 million pounds forever. It can change, and we'll talk a little bit about that later, about what things that could make that change and how that will impact folks if there is a catch share or whatever in place.

MR. HARTIG: Brian, can I ask a question? Something I'd like to know is these guys lobster fish also, and I'd like to know how many people lobster fish. When they think they're going to quit lobster fishing, are they going to stone crab fish? Then when do they think that they'll be getting back into the golden crab fishery, you know, based on the seasonality that they've been using the fishery in the past.

DR. CHEUVRONT: Before you answer that, I just want to say just make sure he understands that there are some folks here at this table who they do golden crab fishing all the time, and then others who it is part of your natural rounds through the fisheries, which is very common.

MR. ALMEIDA: Yes, we do multispecies. We do kingfish, we do lobster, we do mackerel, and we do golden crab. We fish; so it's hard to put a date and time on when we do things and when we don't do it, but it is seasonal for us. When it ain't right to go do something, we go crabbing. When it is the beginning of the lobster season, you know, it's the beginning so it's always there. It is year round.

MR. RAU: If you had a bad year with the lobster or something, if it looked bad, you'd probably go –

MR. ALMEIDA: It's a bad year every year. There is no good year for anything. It may start good –

MR. RAU: Well, I was saying if it was really bad, then you would go to golden crab or something else.

MR. ALMEIDA: Normally when we start, Howard, in the beginning, August; August, September, October, maybe November, we hit lobster. Maybe in between those four months we may be able to go once or twice crabbing, because to maintain the traps, whatever.

It's our time for golden crab; like I've told you before, it's in the summertime is when you see when everybody can fish. You could schedule it and kind of stick to it, you know what I mean? Again, it is all because of the season, what time we went, what weather, the fisheries that we're fishing, others.

MR. MANCHESTER: I've got 300 lobster traps. About one day a week I'll go lobstering until around January, and then golden crab is almost fulltime, anyway. It's just a little supplement. I think you guys have a few more traps than me.

DR. CHEUVRONT: But it sounds like a lot of fishermen – if I'm characterizing you guys correctly, you're opportunistic, what's available and abundant is what you're going to do for what you're permitted to do, and that accurately characterizes?

MR. HARTIG: The next logical question is when you're golden crabbing and you have your traps offshore; when you start lobster fishing, do you bring your golden traps back?

MR. ALMEIDA: No, we fish them year round. We fish those times that we think that they're going to take a couple four, five weeks and we put extra bait in there. It's techniques we use to fish.

MR. STRELCHECK: In response to Howard's earlier question about how many permits or vessels were harvesting golden crab in the early 2000's, there was an average of five or six vessels harvesting golden crab; in 2011 there was eight. I'll have to look up 2012, but I assume it's comparable.

MR. R. PALMA: Now are those fulltime? Is there a way to check if they were fulltime or if they were also part-time lobster?

MR. STRELCHECK: These are vessels that reported any pound of landings of golden crab regardless of activity level.

MR. R. PALMA: So we don't know if it was year round yet, then.

DR. CHEUVRONT: There was actually – I do remember that there are a couple of years where it was down to maybe three vessels in the early 2000's and stuff. It was just a few vessels participating in the fishery.

MR. RAU: I remember two vessels actually one year.

MR. MANCHESTER: Yes, me and you.

DR. CHEUVRONT: Moving on to our next question, if we're through with the first one, is what problems do you see that could happen in the future, if any, if management doesn't adapt or change at this point? Brad brought up a couple of things and I think this is a good time to expand on some of those, but what kind of things do you think that you could see changing in the fishery or problems that will come up if management doesn't adapt somehow to the changes in the fishery?

MR. ALMEIDA: I started in late '06, early '07, and I was the first to do the RSW, which is the live well. The market was about a buck and a half, maybe, a pound average.

MR. RAU: Iced or live?

MR. ALMEIDA: Half dead; they were iced.

MR. RAU: Iced stuff was $1.55 to $1.90.

MR. ALMEIDA: When I did the live system, it doubled. It doubled in value, because they had a longer lifespan. They were able to be shipped to New York and make it live or overseas or what have you. I found that why fish doubled and make the same as fishing half and getting double for the product, so my strategy was always quality, not quantity. That being said, now everybody has got RSW, everyone here. I don't know if Randy has it. I think he was working on it.

MR. MANCHESTER: Not yet.

MR. ALMEIDA: Everybody has this higher market. At 2 million pounds, I think its okay for now; we'll cross the line when we get there, hopefully. Hopefully, we'll get there soon, who knows, and land the 2 million. But if this live market disappears, which there is talk about this tax issue they've got, importation in China, and we have to go back to the half-dead market, which is $1.50; I mean, I could put a lot more meat on the boat if I had to, and haul more gear and choke them up on ice.

The 2 million pounds ain't going to be enough then anymore. If I come in with my 5,000 pounds and I'm going to sell them for half the price and go to my captain or mate and give him half of his check for the same amount of product, it just won't work. We are definitely going to need to keep an eye on that; and like Brad said and manage it.

DR. CHEUVRONT: I think those are really good points. We see potentially the Chinese import tariffs can affect the marketability of the crabs is what you're saying.

MR. ALMEIDA: Right and we don't know where we stand now. It's looking pretty tough, and that's with all the seafood, I guess, spiny and the golden crab. There is a problem there with the importation tax. They've got to pay based on a $64.00 value

MR. R. PALMA: Forty-four.

MR. ALMEIDA: I'm sorry?

MR. R. PALMA: Forty-four dollar value.

MR. ALMEIDA: Forty-four dollar value when the item is only a $22.00 value.

MR. RAU: That's for spinys, right?

MR. ALMEIDA: And the same as mostly golden crab, I don't know.

MR. R. PALMA: Crab and anything that's live.

MR. RAU: I don't believe crab is quite as bad. What I heard was it was pretty comparable, it was livable, but spinys I heard was a nasty thing.

DR. CHEUVRONT: That's good knowledge to have, because that has not been brought up in the discussions all along. We're not taking comments from the audience right now. I'm trying to keep that here at the table. If you want to talk with some of these guys during a break, that's

fine and they can maybe represent some things you might want to say. Is there anything else that you all see that is affecting future management of this fishery? Yes, Brad.

MR. WHIPPLE: Yes, I know there are numbers and landings and all the data from previous years, but I don't believe that just looking at the document can tell you the story of what is actually happening in the fishery at the moment. It's my understanding, being close to the fishery for the last 16 years, that there is the type of dedicated and consistent effort that is happening right now and is going to continue to happen; we've never seen that before.

There have been more permits and more boats that show landings in a given year, but I don't believe there has ever been seven full-time dedicated golden crab vessels and at least two part-time golden crab vessels consistently putting landings on the board. The threats to the fishery because of that effort include the habitat and the biomass.

Then a bigger problem will be the ACL. If you just look at the last 16 months, within the last 16 months the top price from the boat for me has gone from $1.90 to $3.50. That is in the last 16 months. Now in the previous 14 years, the price went up maybe 100 percent, 90 cents when we started in 1997.

It took 14 years or whatever to go from $0.90 to $1.90, and now in 16 months it has gone from $1.90 to $3.50. That shows you where it's trending. I think in the early and mid- 2000's, in terms of the dedicated effort, there was a handful of boats, three, four, five, whatever it was. Now we're talking about nine boats.

The effort again has doubled just in the last few years. These trends indicate some big problems to me to be coming. Maybe or maybe not there is a problem with the China market, but it's only a problem if you're completely dependent on the China market. That's what I see as potential problems.

DR. CHEUVRONT: Nuno, you want to comment on some things?

MR. ALMEIDA: Yes, if you don't mind me asking, Brad, why is it that you think it's $3.50?

MR. WHIPPLE: Because that's what I'm getting.

MR. ALMEIDA: There has got to be a reason why the crab is now worth $3.50.

MR. WHIPPLE: Yes, because of the tax.

MR. ALMEIDA: Okay.

MR. PALMA: You see that as a bad thing or a good thing?

MR. WHIPPLE: Oh, it's great.

MR. PALMA: What's the problem with us being able to catch it and sell it for more money? Isn't that the purpose we all – being in there for 15 years, and so I don't see the problem with that.

MR. RAU: Well, if you get a derby going, everybody is going to go out there and catch it and is going to close it. The ACL will be closed, and you are not going to get that money. I'm going to be taking Number 2s, too, to get my money.

MR. PALMA: When you say derby; what is it exactly you mean by that?

MR. RAU: I mean everybody going out –

MR. WHIPPLE: Catching the ACL.

MR. RAU: – and catching the ACL before the year is over.

MR. PALMA: I know you guys got other buyers that you sell your product to, but we all know that we sell a majority of all this increase in the last couple years has been from one buyer. This one buyer got you started in the live, got him started in the live.

MR. RAU: It actually wasn't him; it was somebody else. We won't go there.

MR. PALMA: Okay, we won't go there, but the point is today, in the last, let's say, 16 months, in the last year and a half, we all pretty much have given everything to this one single buyer. I don't see a problem in the future being that he's already having problems with taxes, shipping logistics from your place, our place, to move this product around.

I don't see no how that one person is going to ask for you to go out and catch everything that you can catch and ask us to produce everything we can produce. He can't handle it. He cannot handle the numbers that we're catching today, little less speculating that we're going to go out there and suck up 2 million pounds in six months.

MR. RAU: Robert, I've got another boat coming that will hold 20,000 pounds live product. It's also got – I can hold 7,000 pounds of Number 2s. Now I have an offer that has been made. It is an ongoing process. It doesn't have anything to do with the buyer now, okay. He wants to buy the whole product, the whole boat, and he's established. He is a dealer and he is willing to pay $4.00 a pound, all right. He wants nothing to do with the other -- but I'm just telling you there –

MR. R. PALMA: That's no problem with that, so to get to the 2 million pounds you would have to produce twice what you're doing now. He would have to produce twice.

MR. RAU: That's two boats. I am going to produce close to 430,000 pounds with the little boat, with the Joyce Lynn, and the next boat that comes in is going to produce at least a half a million pounds.

MR. R. PALMA: We should be working towards trying to get a stock assessment to really get these 2 million pounds where they really should be, because it is equal to the ABC.

MR. RAU: Two and a half would be.

MR. R. PALMA: Or whatever it is; we should be working together. If you're projecting that you are going to be able to catch and sell what you want to, we should be working together to try

to this another way and not to manage it where you guys are only going to be the beneficiary of this thing. It doesn't work like that.

MR. RAU: But you know how hard it is to get a stock assessment. We're not going to get a stock assessment.

MR. R. PALMA: Well, then let's put this in the shelf like we talked about and we're done with it until we can manage it somewhere where it could be fair for us because we believe and I –

MR. RAU: But Still the ACL will be – we're still going to keep that up.

MR. R. PALMA: But, Howard, let's get close to doing that before we even start managing something where it all belongs to several one of us. If I get that same customer that I've been working on, too, then I'm stuck having to buy something from you that you ain't willing to lease to me or sell to me, so then I'm stuck out of business. This is what it comes down to. This is what we're all here for. The same projection that you're looking at is what we're looking at. You've been at it 15, 20 years, so have we, so has him, so has everyone else. She's got the right to do the same thing.

MR. RAU: Have you been doing it for 20 years?

MR. R. PALMA: Who?

MR. RAU: This fishery?

MR. R. PALMA: Me?

MR. RAU: Yes.

MR. R. PALMA: Since 1986, family since 1980 something.

MR. T. PALMA: We own a fish house, Howard.

MR. RAU: I know, but you've been prosecuting the golden crab?

MR. R. PALMA: Our family has; not actually us, but we've had family members that started this golden crab fishery.

MR. T. PALMA: Do you remember when all that boats came from the fishing on the south side, the Alaska boats? We didn't decided to go there because my cousin and everybody was having – Tim and Dennis were having problems with gear sitting on top of these big boats. We used to run to the Gulf. We built Lady Josephine specially.

MR. R. PALMA: Just for that.

MR. T. PALMA: Just for that. Hold on, give me a second. You guys were selling this crab and I'm glad, $1.50, $1.90 on the ice. We never could; our top price was $0.80 a pound.

MR. RAU: That's what I used to get; okay, now go down to $0.70, $0.65.

MR. T. PALMA: Then it came to the point that Gary Grave told us, listen, I can't move this crab. He showed us the freezer and he had the machine to cluster this crab.

MR. R. PALMA: Again, marketing, it's always been the problem.

MR. T. PALMA: We even gave it to Carlos Seafood, our buyers of lobster. We give it to a consignment. We would go and pull the traps, bring the crabs and they would tell us, Tony, we can't do it. Nobody wants to touch this crab.

DR. CHEUVRONT: Nuno, you want to say something?

MR. ALMEIDA: Correct me if I'm wrong, Howard, I think a little while ago you made it sound like the problem was the rest of the fleet catching up all the ACL. But the way I'm understanding this, and correct me if I'm wrong, I think that the problem is you not having enough for that big boat with the ACL. It's not the rest of us. It's for you to catch with that one big boat, because you just said it –

MR. R. PALMA: Which there ain't no problem with it.

MR. ALMEIDA: – 222,000 plus 7,000 of Number 2s.

MR. R. PALMA: you could catch a million pounds, it's all good, but it has to be –

MR. ALMEIDA: Excuse me, so that being said, that's 27,000 pounds on one trip on one boat. I don't think this is the problem here. I think the problem is you having enough for that one boat.

MR. RAU: It's just other people. You could say that now, but you are going to think other people, what are they taking, keep it wide open, then I'll put another boat into service, okay. Then you'll be stuck. What I'm trying to protect myself is I don't want to be stuck in six months. I don't have another fishery to fall back on. This is the only thing I've got is golden crab.

MS. COPPA: I'm in the same boat. I paid your partner, Mr. Whipple, for this with the understanding that he sat on a board – that he was sitting on the board and represented that this was going to be a good fishery for at least the next five years; that I would be able to at least get my foot in the door. I'm talking for my husband. My husband fishes the boat, he runs the boat, and he goes out there and puts a lot of time in.

I'm in the same boat like you were saying. This is the only fishery; all I would like to do is fish, and you can't cut me in for 40,000 pounds, which would be three trips or less maybe, or depending. I don't plan – it probably might be a couple more trips, but to put me out two months, and I've got a mortgage. I just would ask for some piece in this. I've put a lot of money out. I've got a mortgage.

I'm going to pay it off as fast as I can, because I don't want to not rush into the fishery to grab more, but I just want to – My husband is 60. What do we have, five years, eight years? We're

not sure how much longer we can fish in this industry. We would just like to – were are not going for rates? We're under 65 foot – we're actually a 45-foot vessel. Draft and stuff makes a limit of size of vessels down here, where you can moor. We have a fish hold.

There is a limit to the refrigerated saltwater that we have on the amount we can catch. We're not planning on adding 20 percent more to our boat and going off in a derby fishery. We've invested the money and we just want to fish; just have that same right. If we can fish for the entire year, I'd like that, too. I'd like that same right. Thank you.

MR. STRELCHECK: I just want to I guess summarize and make sure that we are clear in terms of taking your comments. It sounds like there are obviously differences of opinion on what's going to happen here. I'm hearing that market conditions could increase catch rates and increase target levels. I'm also hearing that market conditions could actually limit that if those markets aren't developed or there are tariffs.

MR. P. PALMA: It could go either way.

MR. STRELCHECK: It could go either way. There also appears to be clear differences whether you're a full-time golden crab fisherman or part-time golden crab fisherman, because other opportunities could certainly restrict or limit how much you ramp up or don't ramp up. I guess the perception or the question before you is, well, what do you think is going to happen in the future?

Obviously, none of us know exactly what's going to happen, so it's really managing that uncertainty in determining, well, what impacts would ramping up effort or not ramping up effort actually have on the resource, as well as you as individual fishermen. Does that capture everyone's thoughts at this point?

MR. R. PALMA: Another point to that ramping up; you guys have been fishing for a while, and you've been increasing your capacity, your poundage, while others have stayed the same, trying to still find that market where you have that opportunity already and it hasn't been afforded to us. You kind of foresee something, because you're ahead of us. To make that fair, you cannot go on the assumption that we're going to go catch the 2 million pounds, because you are already foreseeing that you are going to get close to it yourself. That's not fair for all of us.

MR. WHIPPLE: Well, we all have the same opportunity.

MR. R. PALMA: It's okay for you. Right, that is my point; why change anything if we all have the same opportunity?

MR. RAU: We've had the same opportunity all along.

MR. ALMEIDA: But we all have a different strategy.

MR. R. PALMA: We've all talked about that there is not going to be an increase. We're not going to add another boat to this fishery like you guys have, because you are already there. We already have two.

MR. WHIPPLE: Yes, I understand there are lots of differences and there are lots of differences in our perspective. There are differences in our realities; there are differences in our expectations. This speaks directly to what my concern is that there are a lot of differences within the fishery, and there is a cap on the total production and there is no further action taken. When you have all these differences and all these perspectives and all these realities and expectations, it makes it difficult to proceed with any type of confidence or some measure of security.

Everyone here has invested a lot of time, a lot of money a lot of energy into this fishery. I feel that some further action under the ACL would be nice to give some people a sense of at least some measure of security in what we're trying to do here, so you know, okay, I'm investing 50 grand this year, or I know that I can get this back, this is my – it allows you to formulate kind of a business plan. You can operate as a business man instead of just hoping for the best.

MR. R. PALMA: That's okay, but it has to be fair for all of us to have the same right. It ain't fair the way it's been set up where some of us are going to get allocated a huge percentage of it and the rest of us ain't going to get squat. It has to be equal. We have to figure something out where it can stay the status quo.

We have 2 million pounds. Like in other fisheries, let's all have the effort, whatever effort you want to give to your industry, your boat, go for it. Go for it, catch a million pounds, but let every one of us have the same right that you do to go catch whatever we can produce. If we do get to 2 million pounds, go have a margarita at the beach.

MR. RAU: Then you'll be out of work for six months.

MR. R. PALMA: You've already made a million pounds, what more do you want? It has to be fair, that's all I'm asking.

DR. CHEUVRONT: You're starting to jump a little bit ahead of where we are on the agenda, because what we are going to try to do is after lunch – we're trying to right now – we're doing a great job at laying the groundwork for what the issues are, for what people see or from the different sides. What we want to do is we want to get it all out on the table. I don't want to work on solutions yet, because people need to have time to talk amongst themselves. Then we're going to come back to this. I'm not trying to shut you down at this point.

MR. R. PALMA: No, no, I understand.

DR. CHEUVRONT: We're going to come back to it, but let's get all the issues on the table and then we're going to actually – in a couple of minutes we're going to take our first break. If you all want to take some time to talk about what's been said and consolidate ideas and maybe come back, that's a great time to do that, but we're starting to jump ahead of the agenda.

MR. R. PALMA: When we talk, we're all in this sync. This is continuous in conversation that we've had prior. To that point, I have an analysis of the 15 proposals for the Amendment 6 I would like to pass around the table so we'd have at least a topic to –

DR. CHEUVRONT: We're going to – and actually that is the first agenda item that we have for after lunch is to talk about, so that's fine, that's great.

MR. R. PALMA: I'll give you guys this and we wrote about it.

DR. CHEUVRONT: Actually if I can get a copy, that would be good, too. We're going to hold off on the discussion of this. What I would like, when we get there – Robert when we get there, I am going to go through each of these items. I'm going to rely on you, whoever, to bring up the points that are in this document as we go through each of the actions, okay.

Now if you've got some extra copies that you want to make available to people, go ahead and put them on the table over the side there, because that is where I put the agendas and the summaries of the document. That's what we'll be working from later on. Please feel free to do that, okay.

Now, this has been a really good discussion about – because some of the differences of how people see the future of the fishery are really coming out to light. You were just saying, well, we've been talking about this amongst ourselves for a long time. Well, part of this discussion, some of the things that you guys have been talking about hasn't come before the council before.

Those discussions haven't occurred, so now we've got them out there. You've got two council members here listening to it – it's going to be on our record – and they can start to factor this into their discussions. I think we're good on what that is. Are there any other new issues related to the future of this fishery if there aren't any changes to current management?

MR. ALMEIDA: Can you repeat the question, I'm sorry?

DR. CHEUVRONT: Okay it is basically the one that I have up on the board here. What problems do you see that could occur if there aren't any changes to the way the fishery is managed right now; not the way it is in the plan, but the way it is right now. Do you see that there are any problems that could be developing if there are no changes?

MS. COPPA: Yes.

DR. CHEUVRONT: Okay, Terri.

MS. COPPA: Boat length; I don't want to see a race for everybody to go to an 80-foot boat and larger capacities and stuff. I think it's a manageable issue to help with the fishery.

DR. CHEUVRONT: I think what we'll do is when we get to that action item, we'll talk about why that action is in there and the way it is. We can get all the different opinions out there so it can be discussed as to why it looks like it does now. We can find out from folks what are you thinking about in terms of vessels and things like that; why are some people in favor of that? We'll get to that action then, but, okay, you could see that as a potential, too many big boats you see as a potential problem getting into the fishery.

MS. COPPA: Yes, I think it is a possibility of a problem.

MR. WHIPPLE: Since you restated the question, I'll restate my answer. The threats I see under the current management are inadequate monitoring and enforcement. Those are threats to the

biomass. Those are threats to the habitat. And without further action under an ACL, I think there is a threat to the overall viability of the fishery.

DR. CHEUVRONT: All right, anything else?

MR. RAU: I think we need a VMS either way as soon as possible just for monitoring vessel offload.

DR. CHEUVRONT: Yes, and we're going to talk about – because some of you may be familiar with the idea of VMS in other fisheries, there has been some discussion about specifically how VMS might work in this fishery, which would be different than in other fisheries. We'll get that out on the table, too, when we get to that action item.

MS. COPPA: That small vessel, large vessel thing I was saying, Action 10 was one of the ones that I was concerned about, a subzone restriction, releasing that. There again that might feed into your bigger boat, bigger fish, bigger problems. The one permit per boat, stacking permits, if it cost you more to put two boats into action to fish, I think there again it might help the fishery by not stacking the permits on the same boat.

One of the reasons, which you asked me to state, when you start stacking permits and vessels crossing lines with those permits, nobody knows where each other's gear is. For example, I don't intend to do this, but if, say, somebody got a big boat and they go from my zone to their zone or something, northern zone to middle zone, they could be dragging through everybody's gear. I've seen it happen in the lobster fishery. That's where I have the most experience. It's pot fishing or trap fishing, and it can make for some problems with people who – we do grapple up here.

DR. CHEUVRONT: Yes, I understand that and you're bringing up some really good points. These might be some issues –

MS. COPPA: These big problems.

DR. CHEUVRONT: Yes, problems. When we get to the specific actions, we might be able to work out or discuss solutions that will help fix some of those problems or you may not be satisfied with what the other folks have to say, and that's fine, and we need to get those points in there as well.

When we get to talking about each of the individual actions, we'll get all that out and we'll work through each action. Brad has already made some comments about this discussion item, what management changes would you like to see. We've already talked about some, but we didn't specifically ask the question, so some of these have come out.

Right now, when we formulated this question, it was more of put Amendment 6 aside for a moment; how would you like to see this fishery managed differently than the way it is being managed right now? Are there any big picture items and things that you would just like to see changed about the way this fishery is managed?

MR. R. PALMA: I would like to find out who has any concern of the way it's been managed until now. What concerns do you have about the way it is being fished with facts, not speculations about what's happened. What is wrong with it the way it is managed now?

MS. COPPA: Basically we satisfied the Magnuson-Stevens Act with the ACLs, so we've accomplished that. We now have a 2 million pound limit. Nobody that I have talked to on a close basis right now, none of us are planning on going out and derby fishing or increasing the size of our boats or anything, because the limits are set with the way it is now. We have 65-foot boat limits. We have a lot of limits already in place. When we start changing these and stacking permits and stuff like that, that's when I see issues coming up and arising.

MR. WHIPPLE: I'll just adjust Robert's question, which is the same thing that I said. When you asked earlier what problems do you see with how the fishery is being managed now, the problems that I see are inadequate monitoring and enforcement, cumbersome administrative procedures, antiquated rules, and I think all of these things need to be addressed given the direction now that we have the experience and have operated under these rules and we can all agree that a lot of the things that are in here need to change.

MR. R. PALMA: Okay, but specifically like the enforcement; VMS takes care of that, right?

MR. WHIPPLE: Yes, that will certainly help.

MR. R. PALMA: Okay, administratively, that's stuff that has to be done through the council. Those are stuff that – you know, write them down. Don't keep generalizing stuff; write the stuff down so we could agree on what it is. Like the VMS, that will take care of the enforcement. The old rules, just bring them out; let's take them out of the box or whatever it is that we've got to do.

MR. WHIPPLE: That's all in Amendment 6, and I think we're going to talk about that action a little later and then I'll –

DR. CHEUVRONT: This might be a good point to take our break, because we're heading right into the direction, and next we're going to start talking about the actions. I'm going to briefly go over what's in Amendment 6, and on some of the stuff that Brad is talking about is addressed in Amendment 6, but we need to find out.

Terri has brought up some things that she has issues with related to Amendment 6. Let's get it all on the table. Let's go ahead and take our break for about fifteen minutes and come back at twenty minutes to eleven. Before we go, Nuno is going to say something.

MR. ALMEIDA: I have a question, and I don't know if this is something you can answer. On the summary, on the handout summary between today's and the one I got for March, and I think I handed one over to Randy from June –

DR. CHEUVRONT: There is very little change.

MR. ALMEIDA: I'm trying to find what the purpose and need of the Amendment 6 is, the true purpose and need. I understand basically everything that's in it, and we know what we're

targeting, but what is the true purpose and need, because when you open this up and you look at why is the council taking action, this wording changes in every handout.

DR. CHEUVRONT: Because the council has been struggling with this. I'll be perfectly honest with you, that's what –

MR. ALMEIDA: I stayed up all night just trying to figure this out.

DR. CHEUVRONT: I'll tell you, for the last three meetings the council has discussed the purpose and need of this amendment. You are exactly right. You've honed in on an issue that the council has been struggling with. Let's go ahead and take that break now. We've gone a little bit over so let's go until quarter to eleven. Bill, I'll talk to you in a second, and we'll find out if we need to bring up something when we come back.

(Whereupon, a recess was taken.)

DR. CHEUVRONT: The council generally responds to things that they either see is happening with the stock of the fishery, or people come to them and say, you know, there are some issues that we need to talk about and maybe change some of the way we do some things in this fishery. Some participants in the fishery basically came forward and said with this ACL now there is a possibility that there could be a derby fishery.

Even if you look at the projected landings that we talked about earlier, and if they stay on the trajectory that Andy had showed, we could be facing the highest landings this year than has ever been landed in this fishery before, but it is still about half of the ACL that is out there. What is going to happen in future years; I don't know.

But right now I don't think anybody is predicting that in this fishing year we're going to hit 2 million pounds, but who knows what's going to happen in future years? We could run into something like that, depending on how the fishery goes. There were some people who were concerned that now that we have a definitive ACL, the fishery could run up against its limits. We need to think about how that could impact how you all are going to be able to fish.

Now, some people thought that a catch share program would allow fishermen to increase productivity and invest more in their fishing business. Now let me explain to you what they mean by that. If you know how much you're going to get, how many pounds you are going to get, that can help you to make business decisions as in the case maybe somebody like Randy to decide whether he wants to put in that refrigerated seawater system into the vessel.

Is it going to be economically viable for him to do that? If you have an idea of how much you're going to be able to catch, those kinds of things can help you make those decisions and maybe could help impact some other business decisions that you might have. Now, we're going to talk about pros and cons of catch shares in a little bit, and so we're going to lay it all out on the table,

I've got some suggestions of pros and cons, you guys can probably come up with some others, but I've got these to help stimulate the conversation later. There are also some concerns about deepwater coral interactions and potential for gear damage. There has been some discussion already. Nuno has already said he is not happy with that latitude 29 line.

Well, it may be that the council would decide that going above that, there is the potential for coral interactions; that they may or may not be real things, but that is something they can discuss later on to see if we can work around that. But then there are also issues of gear entanglement possibilities, communications between fishermen, but there are things like that that need to be talked about.

Those are the kinds of things that have motivated the council to get to where they are now with Amendment 6. That is not the exhaustive list, but that is where we are. Okay, there are 15 actions in Amendment 6. Three of them are directly related to how a catch share would be implemented, and then there are a couple of other ones that are in there like how you could appeal and stuff like that. I don't see that as being the big controversial stuff about a catch share.

But then there are some other issues, but right now this kind of a catch share that they're talking about is something called an IFQ or an individual fishing quota. Each permit would be allotted a specific number of pounds based on some equal allocation as well as some landings history. We'll talk about the pros and cons of doing it that way, and we'll get there in a minute.

But this individual fishing quota does not mean that this is what you're stuck with. You can actually trade amongst yourselves, work out any arrangements. Typically what happens in a lot of catch share programs, market conditions help interact and shares trade around. People can sell their permits; they can do whatever they want to, but whatever is going to work out best for them economically in terms of participation in the fishery.

MS. COPPA: How many fisheries actually have this IFQ to date?

DR. CHEUVRONT: In the South Atlantic?

MS. COPPA: Well, in the South Atlantic and then the United States.

DR. CHEUVRONT: Can you help me out, Andy?

MR. STRELCHECK: I don't know offhand how many in the United States.

DR. CHEUVRONT: Roughly it is 20, isn't it?

MR. STRELCHECK: They're commonly used in Alaska, the northwest, and we have sector management in New England.

MS. COPPA: How many is in the northeast or down here or anywhere?

MR. STRELCHECK: In the southeast, the only ITQ program we have in the South Atlantic is wreckfish. It's a very small fishery similar to this one. In the Gulf of Mexico the grouper, tilefish and red snapper fisheries are managed under an IFQ program.

MS. COPPA: There are three in the Gulf and one here on the east coast?

MR. STRELCHECK: There are two programs in the Gulf and one in the South Atlantic.

MS. COPPA: Approximately four in the state of Florida or the Gulf Atlantic takes up Louisiana or any of them?

DR. CHEUVRONT: Yes, it goes all the way around to Texas.

MS. COPPA: Okay.

DR. CHEUVRONT: For this, the wreckfish program only goes up to – it is the North Carolina/Virginia line is where the South Atlantic Council's jurisdiction goes. The Mid-Atlantic Council, which is from Virginia up through New York, has I think it's two. There is tilefish and ocean quahog clam.

MS. COPPA: Out of how many fisheries; are we talking a lot of fisheries? Are there only 10 in the United States or are there hundreds?

DR. CHEUVRONT: Oh, no, there are lots.

MR. STRELCHECK: For instance, the Gulf, there are 13 species under IFQ management in the Gulf, but the reef fish fishery includes more than 13 species. It's not the entire fishery that's under IFQ management; it's a select group of species within that fishery. But those that are under IFQ management represent a large portion of those landings. In the southeast, I believe we have approximately seven fishery management plans in both the South Atlantic and Gulf of Mexico so you're looking at about 14 fisheries in those two jurisdictions.

MS. COPPA: Are they in effect or possible?

MR. STRELCHECK: No, those are –

DR. CHEUVRONT: They're in effect.

MS. COPPA: So we have 14 IFQs?

MS. GORE: Management plans.

MS. COPPA: Okay, management plans; so IFQs are just four of them pretty much in the state of Florida.

DR. CHEUVRONT: Well, the wreckfish covers all the way up to North Carolina/Virginia. The ones in the Gulf cover all over to Texas. They're not just specific to Florida. The nature of this fishery is that it occurs in Florida. That's just the difference.

MR. ALMEIDA: I have a question and it may be for Andy. In each one of them fisheries, is it to preserve the reproduction of the fishery or are they predator or what is the reason behind them having that particular ITQ or –

DR. CHEUVRONT: IFQ?

MR. ALMEIDA: Yes.

MR. STRELCHECK: Wreckfish was a fishery that developed very rapidly in the late 1980's. It went from essentially unharvested to almost 4 million pounds in a matter of a few years. There was a huge derby that developed. They put it under ITQ management back in the early nineties. For red snapper and grouper tilefish, red snapper in particular, the fishery was overcapitalized, too many boats going out and harvesting the resource and overfishing was occurring.

It occurred for 20 years and the seasons were very short, ten-day openings, 20-day closures. The fishery got down to a 50-day season at one point. There was a large derby occurring, and the same with grouper tilefish, primarily with the deepwater and tilefish species where the closures were occurring very early in the year. They wanted to spread out effort and reduce fishing capacity on the fishery. That's why they were in it.

DR. CHEUVRONT: Randy, is your comment to that point?

MR. MANCHESTER: Yes, I want to know at one particular point how many red snapper permits were out there? Like you said, there were a lot of them; was it 20, 50, 100?

MR. STRELCHECK: There were over 600, I believe.

MR. MANCHESTER: Well, that answers my question.

MR. RAU: Yes, how would you categorize the spiny lobster fishery – I mean, the stone crab fishery? Isn't that sort of a catch share program?

MR. STRELCHECK: It is in the sense that you're limiting effort through traps and tags or trap reduction.

MR. RAU: That's a very successful program; is it not or not? I don't know.

MR. STRELCHECK: I'll leave it up to these folks in terms of management.

MR. WHIPPLE: What you said before about it, it didn't sound too good.

MS. COPPA: What I think I'm hearing you say is that there are two ways of managing of this, either IFQs or some other resource that limits one.

DR. CHEUVRONT: On gear.

MS. COPPA: On gear or something.

DR. CHEUVRONT: Yes, and actually we're going to talk – that is more of a traditional management measure, and that is actually the kind of thing that we're going to bring up later when we talk about alternatives to catch shares. We're going to open it wide up and talk about different things that you could possibly want to think about and consider if you think it's necessary and give some ideas. It may not be relative to this fishery, but just to give you guys ideas to think about different things that could be done. Anyway, getting back to the golden crab issue that the council is considering, they have some – depending on these three main actions

that could impact how the share allocation is distributed, results in different quota share being allocated to each permit.

When you were sent the sheet that showed all those numbers on there, it was all the different combinations of how that could work out. We're actually going to have some time to talk about that in a little bit. Now, Amendment 6 is also going to look at the VMS requirement, potential elimination of the small vessel subzone, allow for more than one permit on a vessel at a time; several different things.

Let me check my next slide, because this might be the point what we're going to talk about. Yes, what we can do; I'm going to go over quickly some of the concepts that are in this catch share and then we're going to go through the different actions that are in there and we're going to have the discussion on the different actions.

Just so you understand the different actions that are in there is that the allocation criteria have three parts. One is what percentage of the ACL, that 2 million pounds right now will be distributed equally among all the permits. Regardless of your landings history, how much of it is equally going to go to everybody; what percentage of that?

Then what percentage of that overall ACL, the part that's remaining would be distributed based on landings history? Right now if 25 percent of the overall allocations – excuse me, overall ACL, 500,000 pounds is distributed equally among all the permits; we're talking 500,000 pounds divided 11 ways. Then because that is only 25 percent, then the other 75 percent would have to be allocated by history.

Now the council has allowed some leeway in there. They have alternatives in there that go everywhere from the equal allocation going from 25 percent, I believe, to 50 percent in there, and there is a 35 percent that was added. Then there is the remainder then gets allocated based on history.

That's two of the things, but then there is what they call a share cap. The share cap is designed to help with consolidation issues in a fishery. That is some catch share programs don't have any share cap. That literally means if one entity wanted to, they could buy up all the shares from everybody else and control the entire fishery.

Now right now the council's preferred is to have that share cap set at 35 percent. That means no entity could own more than 35 percent of the fishery in terms of the allocation. If somebody has, for example, the share allocation that is equally distributed, and then their landings history, when you sort of add them together in whatever combination, would get them to have more than – in this case based on what the council's current preferred is, if it came out to be more than 700 pounds, they cut off that extra and it goes back into the pot and gets redistributed amongst everybody else. The council's current preferred version of this says that no entity can own more than 700,000 pounds, when you translate the allocation. You can't have more than 35 percent. That translates out to 700,000 pounds.

MS. COPPA: Where am I in this handout?

DR. CHEUVRONT: I'm going to go walk through the handout. I'm just giving you the overview of it now, so we're okay. Those are the three things that have played into what the council is considering about this catch share. Then we'll explain each one of them individually. I've already kind of explained this, the equal distribution scenarios, 25 percent is what is currently preferred, but they also have 35 percent and 50 percent in there.

Conversely, if 25 percent is distributed equally, that means 75 percent is distributed based on landings history. If it's 35 percent equally, 65 percent would be based on landings history, or 50/50. The other thing is that currently the council prefers a 35 percent share cap. They changed that to that at their June meeting. It had been set at 49 percent; now it's down to 35 percent.

The other ones that they're considering is that there is 25 percent, 35 percent, 49 percent, or they also have an alternative in there based on landings history and all that. Whoever got the highest in that first initial allocation; that is what it would be set at. But right now it is set at 35 percent is the maximum amount that somebody in the current system would be able to have.

There also is an alternative that they have in there that says do it all as an auction. You buy your shares based on an auction; they go to the highest bidder. That's not really been seriously considered and discussed by the council as a viable alternative, but it is included in the – the National Marine Fisheries Service has a catch shares document to help guide councils if they're going to consider catch shares.

One of the things that it recommends is that councils consider having an auction. The council figured we'll put that in this document, but it's never really been actively discussed. It has not really been recommended by any of the fishermen that this be done. But it's in the document and I put it in here just so that you know that this is an alternative that they could choose. I haven't seen any indication that the council is headed in that direction.

What we've got, Andy is going to take over here in just a second and talk about how this all plays out for you based on if you were to go into it, the council was to decide on a catch share program, how would you be impacted by this? Our goal is to make sure that everybody understands how they would be impacted if the council goes to a catch share. We want to make sure that is taken care of.

A couple of weeks ago you were all sent this document that shows all your numbers and stuff on there under the different scenarios. Those are the alternatives that the council has, but that doesn't mean that's what the council has to do. You can come up with different recommendations if you think that that's a possibility that could help you out or if you want to consider that.

You don't have to; I'm just saying it is a possibility. If you need some time because you want to get some clarification on what those numbers are for you, we can take a quick break and you can talk to Andy, because this came out of his shop, to figure out how all these numbers work. He'd be glad to work with you one on one to tell you so you understand.

This is a good time to make sure if you want any kind of clarification let us know, because we want to make sure everybody knows where they stand before we get into more discussions about any potentials with catch shares. Then the last thing I want to say is this information is

confidential to you. Staff people know, because we have access to the confidential data, but nobody else among the other fishermen here sitting at the table has seen anybody else's numbers.

That does not mean that if you choose to you can share them with each other if you want to, or with anybody you want to, or you don't have to share them with anybody. That is your right to decide how you want to do that. If you feel that you want to discuss that amongst yourselves and you don't want anybody else in the room to hear your discussion or you want me to leave the room, I'm willing to do that if you guys want to. But nobody is under any obligation to share or talk about their specific numbers with anybody else. I want to make sure that's really clear.

MR. ALMEIDA: Just real quick – I don't mean to stop you here, but I would be in favor to raise my hand, I have one eligible permit; one of the I believe five eligible permits.

DR. CHEUVRONT: What do you mean when you say eligible?

MR. ALMEIDA: Meaning active and have landings. I don't know if the rest of us would be willing to raise their hand and say, well, I have one also. But I know I have one; and like you said, I know it's confidential. There is no other way really to go about doing this. I don't know if that is something that everybody would be in favor to do. I have one eligible permit.

DR. CHEUVRONT: I do want to say one thing about this; that every permit, regardless of landings or lack of landings on their permit, is getting allocation, because that is why the council included that one action in there that says that a certain percentage of the overall ACL will be allocated to every permit regardless of landings.

But if you've got a permit that doesn't have active landings on it, that is the share of the allocation, that's it, because it has no landings history. It only got its share of the landings of the allocation that got divided between all the permits. Every permit got something, but the math gets complicated when you start factoring in landings history and then share caps. That is kind of where we are.

MR. STRELCHECK: I'll clarify that every permit gets something under the preferred alternative.

DR. CHEUVRONT: Under the preferred alternative.

MS. COPPA: That's the one highlighted in yellow?

MR. STRELCHECK: Correct.

DR. CHEUVRONT: That is the preferred alternative is the one that is highlighted in yellow. Anyway, I think the next slide Andy is, yes, this is where do you want to take over and talk about some of this?

MR. STRELCHECK: Just so I think everyone is clear on how these calculations are made, we don't calculate these on a permit basis when looking at how your shares compare to the share cap. We actually look at these on an entity basis; so you as an individual entity as well as jointly held permits as well as permits that are involved with corporations.

If you hold multiple permits and your share history is based off of the permits that you have ownership, and up at the top, if you look at your page, if you have multiple permits, it should list the permits that you are involved with. If you have a single permit, it will list just the one permit. I cut off this at Action 6. There are a couple of actions obviously below that, but the first two columns hopefully are self-explanatory. Those are essentially the actions in the amendment that pertain to how shares and allocation will be initially distributed.

What Brian just went through is the share cap and you can see that this is repeated all the way down the page. This is essentially if the council chose to cap shares at something other than 35 percent or choose a different alternative; that you can see what you would be allocated in terms of initial shares in annual pounds.

If there is no cap, then ultimately how everything is divvied up is based on whatever the initial distribution scenario is combined with your landings history. The second column is your initial shares. If you look at your paperwork and your initial shares equal the share cap under any scenario, that means that when we calculated your shareholdings you were at minimum equal to but most likely over what is the share cap. Therefore, you have been reduced down to the share cap.

Well, what happens then is that if you're reduced back down to the share cap, the shares that you would have received under that scenario then get distributed to the other entities based on the initial distribution. Then the last column is the initial pounds. This is simply taking the percent of shares that you would initially receive and multiplying that by the catch limit.

If it says that you're going to receive 10 percent, you take that 10 percent and multiply it by 2 million pounds and your initial pounds would be 200,000 pounds. Obviously, the more shares you have the higher the poundage you are going to receive; the less shares the lower the poundage.

Under the different scenarios I'll point out, for instance, under Action 2, Alternative 4, it says distribute initial shares equally, 50 percent equally, 50 percent based on landings history. If you do not have a landings history for any date during the time series, the minimum you are going to receive under Alternative 4 is about 4.5 percent of the share. That is taking 50 percent and dividing it by the 11 permits. Under the 25 percent equal distribution scenario, everyone is going to receive a minimum of about 2.3 percent of the shares.

Now if you have landings history, that is obviously going to add to your total beyond that minimum amount. The last thing I'll add to this is this is something that can change. What you receive is preliminary. If there is permit transfers, if there is new ownership in the fishery, if there is changes in permit status or corporate structure, that all has to then be taken into account and recomputed in order to estimate the initial shares and allocation.

What you have at hand today is our best estimate based on the current composition of the fishery. Ultimately if you move forward with the catch share program, it might be your initial shares and allocation might differ from this either due to changes in the permit holders or you can come in and appeal your landings history and say, "Well, I had more landings history than what you essentially told me I have, and therefore I think I should be getting more shares." There is an appeals process built into the catch share program. With that, I guess I will answer any question.

I obviously haven't provided any numbers here; this is all just an example of what your sheet should look like.

DR. CHEUVRONT: Actually if at any time that you had any specific questions about your landings, if you want to talk privately to Andy, this is the time to do that, because he can help you understand it. If we need to take a quick little break to do that, let's do that.

MR. ALMEIDA: I was a little confused when Andy said about the history on the landings; is that like an honor system? I can tell you with Tony back here did a trip on a boat in which my permit was on back in '04 or '05. That fisherman did not land the crabs in Florida because he didn't have a saltwater products license, couldn't offload the boat. They didn't let him offload that load. I don't know if it will amount to much. I don't even know exactly what the catch was, the amount, but nothing was logged. He took it all back up to Rhode Island where it was sold in the black market.

MR. STRELCHECK: With an appeals process, the devil is in the details. Oftentimes what we look at in the terms of appeals process is we provide you your logbook landings history. You can then look at your logbook landings history and say it does compare to the dock, are you missing some trips that maybe we don't have. If so, essentially the onus is on you to provide that documentation based on your logbook landings history.

Maybe NMFS didn't receive it; maybe we lost it; who knows? Trip tickets can also be used as part of the appeals process, but once again it is contingent upon how it is done. For something like that, if it was never reported, it will never factor into the calculations here.

DR. CHEUVRONT: Terri, did you want to talk to Andy?

MS. COPPA: Yes, I'd like to just go over it real quick.

MS. GORE: I was just going to say I had brought your landings history if you don't have copies with you.

MS. COPPA: I have them.

MR. ALMEIDA: Oh, great, I forgot mine at home.

DR. CHEUVRONT: The guys here at the table, let's not leave the room. We can take a quick break and let Andy talk with Terri; and, Nuno, if you need to get up with Karla for your landings history stuff; anybody else, let's just take a quick break here and let that happen and not go far.

(Whereupon, a recess was taken.)

DR. CHEUVRONT: I want to welcome you back. Now, I want to make sure that people do get a chance to get their questions answered and stuff that they had, because I think that is really important because you need to know the baseline that you're starting from in regards to what the council is proposing and thinking about doing at this point. Let's move along. I said we're going to talk about some advantages and disadvantages. You guys may come up with some different ones.

Let me give you the list that I've come up with for the advantages first; and then if anybody else has other advantages they could see, knowing that there is a list of disadvantages – and I have two coming up right now right after this.

Let's keep the conversation focused on potential advantages if you see some. If you don't see any, you don't have to say anything, but these are reasons why IFQs have been implemented some in the past. The first being each fisherman is guaranteed a specific portion of the catch. You may not like that portion that you have, but at least it is a guaranteed amount.

Then each recipient who has a guaranteed amount usually gets to decide when you're going to fish it, whenever it's going to work for you. If you feel like the market is getting glutted with crabs right now and you think that the price is going to be higher later on, you can hold off fishing for your crabs, knowing that they are going to be available there for you to fish at a later time and you could time it according to how you think the market is going to be.

The transferability of shares or annual pounds will allow again economics to decide how those shares and things will be distributed. Now even if you are up against a share cap, if that was to go into place, you cannot buy more shares under any circumstance. There is no way that anybody could buy more even then what they get initially allocated.

There is some individual accountability. You are the one who is responsible for making sure that you don't land more than you are allowed to land. If somebody else – for example, let's say we get to the point where the fishery ramps up and you're catching 2 million pounds and it goes over because somebody has overfished it before the National Marine Fisheries Service is able to close the fishery, that will affect everybody the next year if there is an accountability measure that has to reduce the amount of landings in the future year based by the overage from the previous year. Well, if it happens, if there is a catch share, whoever made it go over is the one who loses the pounds in the next year. You would not be impacted by somebody else's behavior in that case.

MS. COPPA: Individual accountability, we're dealing with a live product. Basically you've got another trawl, that trawl gets thrown back. You know that you're close to your 3,000 pounds or whatever; you can throw it back. It is a live product, it can be put back in the ocean.

DR. CHEUVRONT: Yes, but the point I'm trying to make here is that right now it is based on the National Marine Fisheries Service keeping tabs on making sure that ACL is not exceeded. However, if the way that they get the data and process it is not fast enough to stop you from going over the ACL; you still could be limited in the following season if the fishery has harvested more crabs than are allowed.

While nobody intentionally overfished, it could still happen. The way the Magnuson Act is set up and they have accountability measures and things, the ACL the next year could be reduced by that amount of overage. Now if you know what you're allowed to catch, for example, you know I'm hitting up against what I'm allowed to do, then you pull up that last trawl and you realize that you're going over; you've got to put those crabs back.

That would keep you from losing some of your share from future years. But let's say somebody didn't do that, let's say somebody did go over, then it is the individual who holds the responsibility for going over, and it doesn't affect the other participants in the fishery. Some

folks would see that as a positive thing. Transferability could allow you some flexibility. Let's say you've got some shares assigned to your vessel but you have a major vessel problem in a given year.

You could transfer those shares permanently or temporarily to somebody else. However, you want to work it out marketwise, you could keep some of the value of those shares; you are leasing them to somebody else to fish them this year, and so they could make more money and you could still get some income potentially whatever deal you worked out by letting somebody else fish your shares for that year, or you could transfer them permanently, however you wanted to do that.

This one I want to make sure you kind of understand what we mean; more equitable way to maintain participation of small vessels and newer participants than some other management measures, like endorsements. For example, we just went through an endorsement process in the black sea bass pot fishery.

About 60 percent of the folks who had used black sea bass pots in the past no longer can use the gear at all, because they went to an endorsement system. There are no limits on what they can catch, but the council had to reduce capacity in one way or another, so they reduced the number of participants as a way to do that, but there was no limit on how much any one individual could catch, but it cut out a bunch of guys.

In this fishery – and we're talking 32 endorsements I think in the black sea bass pot fishery. That is all the participants that there are in a fishery that had a lot more than that at one time. Okay, this is a little bit on the smaller scale, but nobody is completely getting out of the fishery under the idea of a catch share.

Brad brought up this point earlier; additional reporting and monitoring would provide better data for management in stock assessments, because, for example, if there is VMS we'll know more accurately the number of trips that are going on, how long the trips are occurring. This is the kind of information that they need to do a stock assessment. We kind of laughed a little bit earlier about what's the probability of getting a stock assessment considering the list of priorities that the council has.

Getting a stock assessment for golden crab I would have to say is probably not their highest probability right now. But, there are things that could happen in the future that could change the ACL and a stock assessment is one of the things that could happen. But having the better data would be one of the things that could help improve the probability of there being a stock assessment.

I think everybody agrees if we had a stock assessment and we really knew how many crabs were out there or had a really good idea of how many crabs were out there, that ACL just might go up, we don't know. We really can't say. The SSC made their projection of 2 million pounds for the ABC basically based on landings and the fact that the fishery has the ability to grow based on the demand of product.

They haven't seen any indication that there's a problem with the stock at this point, so they were willing to go out and increase it to over double what it's been in the past. You guys don't see

this as an advantage, the idea of cost recovery. Obviously, you don't, but from administrative purposes basically what happens is that the law requires that there is a small percentage that you guys would end up having to pay to help run this program.

MR. ALMEIDA: That's based on percentage?

DR. CHEUVRONT: It's based on percentage.

MR. ALMEIDA: Three?

DR. CHEUVRONT: That's the maximum it could be. It could be less than that but it cannot be any more than that. The law says it cannot be any more than three.

MR. ALMEIDA: Three percent of whatever you have allocated?

MR. STRELCHECK: Three percent of the ex-vessel value.

DR. CHEUVRONT: Right, so whatever you land.

MR. STRELCHECK: If you're paid $3.50 a pound, it would be 3 percent of $3.50 a pound.

MR. PALMA: A chunk of money; forget the fuel bill. Fuel bill will be less money.

MS. GORE: Right, up to 3 percent, so just to cover the cost of the programs.

DR. CHEUVRONT: Right, so that would be, what, fourteen cents a pound, roughly; say if it was 3 percent and you are getting $3.50 a pound. I'm just saying that is the maximum.

MR. ALMEIDA: We can spin wheels all day and say, well, $3.50 delivered after the truck, after the box after the ice after the logistics.

DR. CHEUVRONT: Yes, but I think it's based on ex-vessel, right, Andy?

MR. R. PALMA: It's what you get paid for and not after all your expenses.

DR. CHEUVRONT: Not after your expenses.

MR. ALMEIDA: I figure it all in, though.

DR. CHEUVRONT: Yes, I understand.

MR. R. PALMA: You do but the government is not going to factor it in. You can do all you want. You can land 5,000 pounds at $3.50; that's what you're going to pay. Forget about the rest; the rest is on you.

MR. ALMEIDA: I'm paying 3 percent on the $4.00 box I paid for.

DR. CHEUVRONT: Okay, we're going to get to some of the discussion. It depends on whose advantage is that for. Obviously, it is not an advantage for you guys having to pay for that out of pocket. One good thing is that there is more timely reporting of landings and improved enforcement issues if there are any problems with folks. Basically it gets back to that individual accountability. You are responsible for what you're doing on the water.

MR. RAU: This is a small fishery and probably 3 percent would not be a doable number. I think you're probably looking at more like 1, 1.5 percent.

DR. CHEUVRONT: That's very possible; I don't think they've worked it out. That 3 percent is not a guaranteed thing. It is just that federal law says it cannot be more than 3 percent. It can be less than that, including zero, but I don't know that the feds would go to that.

MR. MANCHESTER: Andy, didn't you say at one time because it was such a small fishery that it is a possibility, like the wreck fishery, that it might not cost us as much or did you say it might cost us more?

MR. STRELCHECK: Well, it can't exceed 3 percent. I know the northeast at one point was looking at de minimis status for their golden tilefish catch share program, because the money that they were going to bring in was so little compared to the administrative cost that they were recommending not collecting the fee. Now whether they did that or not, I'm not certain.

In this instance with the IFQ program there are additional costs that the government is going to incur. The 3 percent is the cap. Our costs could exceed 3 percent and that is why it's being collected to help defer some of the cost for the IFQ Program. If are cost are not 3 percent, then it could be less.

DR. CHEUVRONT: Now let's get to some disadvantages of an IFQ program. If based on what you get in your initial allocation is not as much as you need, it is going to cost you money. You've got to have – to increase your operation size or even to enter the fishery, you're going to have to lay out a chunk of change.

It's probably a bigger deal for those who want to enter the fishery who have not been in the fishery, and that person is going to have to buy a permit, is going to have to buy all the shares that they are going to need, because it could be a really sizeable thing. Catch share programs have been difficult for new entrants, new people to get into the fishery.

Right now you are all in the fishery, but let's say you want to get out. If there is a catch share in place and you are going to retire, whatever you want just to sell it, it may be hard for somebody to come up with the money to buy their way into the fishery. The share cap could limit some operations growth based on where they are headed now.

You could run up against that wall saying, sorry, can't do anymore than that. Regardless of who you are, at any point in the fishery that share cap can stop your operation from getting to any specific size. Consolidation and concentration may impact fleet diversity. Right now I think we're looking at a 35 percent share cap on this fishery. It's conceivable, if everybody started consolidating and all this, there could end up with three participants in the fishery. There can't be less than three.

Well, there could be if somebody chooses not to fish their shares, but with a 35 percent share cap, if people started buying up each others shares, it could get down to three participants in the fishery. For example, you could have two people at 35 percent, two entities at 35 percent and one at 30 percent. That's as far as consolidation in the fishery could ever go. That is under the current preferred alternatives.

Changes in the share distribution in certain areas may affect communities and fishing infrastructure. This is less an issue in this fishery because it is so small. I don't think there are any communities that are hugely impacted based on this one fishery. If the fishery was to go away, there might be a fish house or two that might close, but I don't think that is going to happen. But somehow if the fishery gets consolidated in one place or another and you get only a couple of fishermen, then you might start losing some infrastructure in some places, the guys who provide the traps, whatever, as well as fish houses.

There may be – we talked about that – the increased cost for additional reporting and monitoring. If we go to the VMS, if that happens in that fishery, right now the National Marine Fisheries Service has a fund that helps to pay for that hardware to put a VMS on your vessel, but then it becomes the fisherman's responsibility to pay for the monthly maintenance and the cost of transmission, which looking at the numbers right now, depending if you have maintenance or not, will probably run between $30.00 and $50.00 a month for the vessel.

MR. RAU: We're probably going to get a VMS either with or without a catch share, though, right?

MR. CHEUVRONT: I don't know that necessarily has to be the case. The VMS is kind of a necessary component of a catch share, but we have a lot of fisheries that are not under a catch share and do not have a VMS, but the council could still decide to go with VMS one way or not. They can tie it just to the catch share or not. That is one of their decisions that they can make.

MS. COPPA: Out of those four or whatever programs that now have this IFQ; you're saying only a couple of those have the VMS?

DR. CHEUVRONT: No, all of them; all the IFQs have VMS, right?

MR. STRELCHECK: Wreckfish does not have VMS.

DR. CHEUVRONT: That's right, wreckfish does not; I'm sorry, you're right.

MS. COPPA: Out of four we have three that report.

MR. STRELCHECK: There are three programs in the southeast. Two of the three have VMS. The two programs that have VMS, those are IFQ, but it also applies vessels that harvest reef fish but aren't part of the IFQ program. It pertains to anyone who has a reef fish permit. It's a broader universe of vessels that are required to have VMS. We also have VMS in the rock shrimp fishery. That is largely to prevent trawling in habitat areas of particular concern, correct?

DR. CHEUVRONT: Correct. Actually that was a case where having the VMS came out to be to the advantage of those rock shrimp fishermen. As the council; when they're dealing with

speckled hind and Warsaw grouper, and looking at the potential of maybe needing to close some bottom area where some of the fishing has occurred, it had the tracks from the VMS from the rock shrimp fishery, and they can show this is exactly where they're fishing. It is not affecting the potential areas that they are considering for speckled hind and Warsaw grouper. That was actually used to those guys' advantage.

MR. STRELCHECK: I don't know if you guys fish in the highly migratory species fisheries at all, but they also require VMS.

MS. COPPA: The IFQs are the main thing I'm concerned with. What fisheries with IFQs have VMS? I think if I wrote this note down properly, it is three in our area in the South Atlantic. Two have one and the wreckfish does not.

MR. STRELCHECK: True.

MS. COPPA: Okay, thank you.

DR. CHEUVRONT: Then we were just talking a moment ago about the cost recovery requirement. That's a disadvantage obviously for you guys. That is more money being taken from you. Allocations tend to favor larger fishing operations if they're based on historical landings history. That is part of the crux of what we're talking about here today.

The longer you've been in the fishery the more you've been catching; and if the allocations are based on landing history, you end up being able to get more. Then in general there is fairly broad opposition to catch shares overall in the South Atlantic. The council has heard it over and over in different fisheries. There are some folks who are in favor of catch shares in most every fishery that it's been discussed, but I think the majority of participants in most of the fisheries have not been in favor of catch shares. There is that issue as well.

I want to take this time, while we've got it here, to look at Amendment 6. I know, Robert, I read over the document that you've presented and I am going to again rely on you. There are a couple of things in there I saw that I thought might need a little bit of clarification. Let's go ahead and let's start with the handouts that I gave everybody. It's the summary of Amendment 6.

It's Action 1; it should be about Page 4. It says in big letters on the top, "Action 1". The ones that are specific to catch shares I'm going to mention this is specific to catch shares, and we're going to kind of jump over that, because that is what we're going to be discussing a lot after lunch. We want to get to some of the nonspecific catch share things now, if we can do that, and get the comments in now on those, knowing that we're going to come back and talk in detail on all the specifics of the catch share stuff as we talk about potential future management.

This first one is catch share or no catch share, and who is eligible to participate in a catch share. In this case the council's preferred is that everybody who has got a valid permit, if they decide to go with the catch share, they're in. Some of you – and when I read what you had, Robert, you said that you are not in favor of that. I understand that.

Number 2 has to do with the apportionment. That is all that stuff we were talking a little bit earlier. I'd like to just go ahead and skip over that, because that gets down to the nuts and bolts

of how the catch share would work. The Action Number 3, establish a criteria and structure of an appeals process, if there is not a catch share program you don't need Action 3. But it is the idea of what will happen if there is a catch share, this provides the process by which if you don't agree with what you would be allocated in the catch share; this is the procedure that you would go through to get your allocation reviewed.

That tells you what your responsibility would be and the council, and actually it's going to go to the Regional Administrator. Basically Roy Crabtree becomes the final adjudicator based on the information that you would provide. Action 4 is also related to this, and one thing I wanted to point out. I think it was based on – and correct me if I'm wrong the way I read what you guys gave us, Robert, is that the criteria for transferability is transferability of allocation, not permit.

You will always be able to transfer your permits however you need to, based on the regulations that currently exist. This has to do with giving you the opportunity to transfer the shares of the annual pounds. It has nothing to do with transferring vessel permits. You can still do that anyway you want to or need to within the guidelines of what is already in the regulations.

When I read what you put in your document, it sounded like you were talking about vessel permits to me. We may need to talk about that a little more clearly and make sure you guys are okay. This Action 5 is the share caps that we had talked about before. We'll discuss that in more detail after lunch to see if there is anything that could be worked out there.

Action 6, the use-it or lose-it policy; the idea behind this policy is that if you've got shares under a catch share program, the goal is to get the fishery to be as productive as possible without exceeding the ACL. In other words, the idea is that you can't get allocation and sit on it and never use it, because if you're not going to fish in the fishery the idea is, well, let's get those shares to people who are going to use it.

You are going to have three years to basically – and I forget what the – shares that remain inactive on average for three years would be redistributed amongst the other participants in the fishery, so that other people can have the chance to fish it. The possibility could exist that if this goes into effect, let's say Brad doesn't use all his shares in one year and the Coppas don't use all their shares in one year in the three-year average, and they go back into the pot for redistribution, Brad can't get some of the Coppa's shares and the Coppa's can't get some of Brad's shares, because they would be benefiting from their lack of participation.

That was a clarification that was in there. That was an example and I'm not saying that is going to happen to anybody. But I'm saying the goal of this action is to try to get as much crab caught as possible out of that 2 million pound ACL. We're going to talk a little bit more about that use it or lose it. That becomes irrelevant if there is no catch share program. The cost recovery plan is the same thing; no catch share program no cost recovery.

Number 8, this is where we are getting to the first one that is not specifically catch share related. Right now the revised boat length limit rule; the current limit is you can move the permit to a vessel that is 20 percent larger than the vessel it is currently assigned to. The council's current preferred is to go up to 35 percent from what it currently is. Now I don't think that many people are considering increasing the size of the vessels that they currently have. I know, Randy, you don't mind me just mentioning.

I didn't think you would, because it's been discussed in AP meetings. Randy is currently considering having a larger vessel, largely so you can put a refrigerated seawater system and it can do that if that is possible. That is why the AP wanted to consider having it up to 35 percent. Personally I'm not aware of anybody else who is trying to expand the size of the vessel.

The reason why there is even this boat length limit rule in there is to keep these super trawlers from coming in from somewhere, buying somebody's permit and basically if there is no catch share and there is no nothing, keep them from coming in and scooping all the crabs, taking the ACL and it's gone, and, boom, everybody is gone.

The AP's discussion – and some of you guys are on the APs, correct me if I'm characterizing this wrong – is that we still feel that having a size limit in place on how big the vessels could be; there is a remote possibility, but not a high probability that could happen again, but they want to make sure that this fishery doesn't come wide open and let some super vessels come in.

But let's work with the guys who are already in the fishery; and if somebody needs to get a bigger vessel to be able to compete a little better, then let's let them go ahead and do that. Do you think I characterized that okay? That's the reason why the AP recommended 35 percent and the council approved it based on the AP's recommendation. That's all we're talking about.

I think, Terri; you had some concerns about the vessel size increase. If you do, let's state it now so we can get it into the record. This is the place to talk about any concerns that you have based on the reason why we have this there. But if you see some other concern that we haven't discussed yet, let's talk about it and get that on the table as well.

MS. COPPA: Well, my main concern is it looks to me that on a regular 65-foot boat, 20 percent would be 13 feet as I'm calculating this as we speak.

DR. CHEUVRONT: 78 feet roughly.

MS. COPPA: 78 feet. Now the way it is written now, I can do this on December 31, 2012. What stops me from doing it the following year on January 1, of increasing it by another 20 percent?

DR. CHEUVRONT: Right now there isn't anything that would stop that from happening. Are you making a recommendation that they might want to limit how often?

MS. COPPA: That's at 20 percent, that was at 20 percent. 35 percent right there on some of the small zones, what did we call that, the subzone or something, there is a limit of 65 foot. I don't know what everybody's boat sizes are. We've got to also consider that there are other permits being carried on these boats, and maybe they need different capacities. It's got to be discussion at this point; I would say open it up for discussion. But there are some concerns I have of how often it can be done. I heard everybody here say they don't want super vessels in here again.

DR. CHEUVRONT: Well, you bring up a point that I don't think the AP discussed and I don't recall that the council has ever discussed it either; and that is the frequency with which these transfers can occur. That might be a point worth discussing.

MR. WHIPPLE: I believe as it currently is a permit can increase by 20 percent one time; that's it. After that you have to put permits together.

MS. GORE: I thought that was what it was.

DR. CHEUVRONT: So it's a one-time thing?

MR. WHIPPLE: Yes, you can't just keep getting bigger and bigger by 20 percent. You can only do it once and then that permit is fixed at that.

MR. ALMEIDA: Isn't there also a max?

MR. RAU: There is no rule in the northern zone.

DR. CHEUVRONT: That's right; there is no rule in the northern zone; it's the middle.

MR. RAU: You can come in with a 200 footer if you want in the northern zone. You have a 50-foot permit, so you can go unlimited.

MR. WHIPPLE: You can't just infinitely increase. You can only do it one time per permit.

DR. CHEUVRONT: That includes the northern zone as well?

MR. WHIPPLE: Except in the northern zone; there is no limit in the northern zone.

DR. CHEUVRONT: This brings up a good point then. Do you think the council needs to consider in this limiting either how frequently or the number of times that this rule could be invoked for the northern zone? It sounds like we've already got it in place for the middle and southern zone, but not for the northern zone.

I'm not going to force you to make up your mind right now. We're going to come back to that. If you want to make a recommendation later in the day about that for something you would like the council to consider, but it sounds like perhaps it's an issue in the northern zone. If you want to take some time to think about what kind of a recommendation you'd like to make to the council regarding that, remind me when we get to the discussion section at the end and the recommendations. Whatever you think that it should be is what gets recorded. Now you had another issue related to the vessel size. Is that still an issue based on the discussion that we've had already?

MS. COPPA: Well, I'm not recalling at the moment.

DR. CHEUVRONT: Okay, well, we can come back to it later. That's part of the thing with this recapping at the end. If you want to spend some time thinking about it and come back to it later, you certainly could do that. I don't want to cut off anybody, but I want to give you ample opportunity to make sure your issues get aired.

Let's jump over to Action 9; modify Regulations on Golden Crab Fishing Zones. I know there has been some discussion on this. Participants can use annual pounds for any zone in which they

possess a permit. I don't think anybody has – and I may be wrong; I'm trying to go by memory here – anybody has more than one permit for the same zone; is that correct? Nuno, you've got two vessels in the northern zone?

MR. ALMEIDA: Two northern zone permits, two vessels fishing, not one inactive. They're both fishing. Each has its own permit in the same zone.

DR. CHEUVRONT: Okay, Randy, you're in the same situation; you've got two middle zone permits. Okay. The idea behind this and what the council has as their preferred is let's say you have a middle zone and a southern zone permit; the way this is set up is that your pounds that are allocated to your permit in the southern zone and you have a middle zone permit, if you wanted to fish them all in the middle zone, you could do that; or fish them in the southern zone if you wanted to do that. Now there are questions as to how would that impact the stock if you did that. If the crabs weren't there, you're not going to fish for them. I think that is kind of the argument that people would have.

MR. ALMEIDA: I'm sorry, could you just repeat that part again. You're saying, if I recall, that the boat can go to a different zone?

DR. CHEUVRONT: No. Let's say you've got two permits. You've got a southern zone permit and a middle zone permit, and you've got allocation for each of those permits. You would be able to; in essence if you wanted to fish in the middle zone and you've run out of your allocation for the middle zone permit, you could fish some of your southern zone pounds in the middle zone if you wanted to, theoretically. It gives you a little more flexibility as to where you want to fish your pounds.

MS. GORE: Well, this actually is just related to the catch share program.

MR. ALMEIDA: Right.

DR. CHEUVRONT: Yes. That one is pretty much a catch share related program or action. If it goes there, that is something that could be considered. Now Action 10 is Modify the Small Vessel Subzone Restriction. There is currently on the books a 65-foot limit on the southern zone subzone restriction. From what I'm hearing, people aren't paying much attention to that, right? People are fishing bigger boats in there. No?

MR. PALMA: Who's that?

MR. RAU: If you're fishing outside of it, then you're fishing smaller boats. You can't do that. What are you, 65s?

MR. R. PALMA: 57.

MR. RAU: So you should be only allowed to fish within that zone. You can't go outside that and fish.

DR. CHEUVRONT: You're fishing only in the subzone?

MR. R. PALMA: Only where we're permitted to fish inside the subzone. We are restricted. We have a big, large southern zone. We're restricted to this subzone.

DR. CHEUVRONT: Yes, and I have this little teeny, tiny triangle.

MR. R. PALMA: This would affect us and particularly if that subzone were to disappear, then we are allowed to fish the normal zones like northern, middle and southern zones. This was made way back in the days.

DR. CHEUVRONT: Yes, to protect those smaller vessels.

MR. R. PALMA: Yes, when those Alaskan boats came they thought that all that stuff – It was to restrict them away from gear conflict. It had nothing to do with the size of the boat.

DR. CHEUVRONT: You guys want to keep that small vessel subzone?

MR. R. PALMA: I don't care for it.

DR. CHEUVRONT: You don't want it?

MR. R. PALMA: No, that is restricting us to fish only it.

DR. CHEUVRONT: Okay, that is what I want to make sure we get to. The agreement; I think we have our first consensus. Everybody wants to get rid of this.

MS. COPPA: Are you shocked?

DR. CHEUVRONT: Everybody kind of agrees on Action 10 is let's get rid of that small zone.

MR. R. PALMA: Yes, it makes no sense.

DR. CHEUVRONT: That was the point I was trying to get to. I was trying to see were you trying to say that this was somehow protecting you to be in that small zone.

MR. R. PALMA: No.

DR. CHEUVRONT: Because that is really small.

MR. R. PALMA: It's tiny.

DR. CHEUVRONT: It's very tiny.

MR. ALMEIDA: I know the feeling.

DR. CHEUVRONT: But your zone is a heck of a lot bigger than their small zone.

MR. ALMEIDA: It used to be the biggest and now it's the smallest because there are three boats.

DR. CHEUVRONT: Okay, but these guys are –

MR. RAU: What about north; what about up by South Carolina?

DR. CHEUVRONT: Well, we can talk about that issue and the possibility of fishing in other areas, too, because that is also a real possibility as well. We have consensus on Action 10, moving right along. Action 11 is the One Vessel One Permit Policy for Golden Crab. This is not a catch share action.

There are some people, some entities who have more than one permit that are in different zones. They are bound right now; the way it is, is that you can fish in your one zone, you've got to come back in, transfer the permit and then you're going to have to go back out and fish your other zone. This used to be what they were calling permit stacking.

The council didn't' like the term permit stacking so we had to come up with a new name for it, so this is one vessel one permit policy. What this does is it gives some administrative leeway in this era of expensive fuel and all this other stuff that you could fish more than one zone with – if you've got a permit for two separate zones that you don't have to come back in. You can stay out and fish. Am I characterizing that right, guys?

MR. WHIPPLE: It's also administratively in terms of renewing and with the annual renewal, it simplifies that process while you're there as well.

DR. CHEUVRONT: Okay, it will simplify that. What the council has – there is nobody who has three permits, but the council's preferred action at this point and alternative is to allow if somebody at some point was to have a permit in each zone, they would be allowed to fish in all three of their zones, if that's how you wanted to do it. Is everybody in agreement that they're okay with the idea of allowing more than one permit on the vessel at a time, because right now you have to switch the vessel on and off the permit or the permit on and off the vessel. Terri, did you have something?

MS. COPPA: Yes, what would prevent somebody with a middle permit or a southern permit to come up into the northern zone where we have our gear and Nuno has his gear? How are they going to know where we are to start grappling for their gear?

DR. CHEUVRONT: If they're not permitted in your zone, they can't fish up there.

MS. COPPA: But when we start reallocating all these things, depending on what happens here, there –

DR. CHEUVRONT: Oh, yes, I understand.

MS. COPPA: – could be a possibility that there might be a northern permit up for grabs, and Nuno might be sitting there holding the northern permit, and somebody come in and grapple up to his gear. They don't know where it's at.

DR. CHEUVRONT: And that has happened.

MR. ALMEIDA: Right, but I think there is – I think one of these guys has a northern zone permit and I think that is what she's trying to get at.

MS. COPPA: Or a southern permit; it doesn't matter.

MR. RAU: If you were a responsible fisherman, you would be able to see where the gear was. You would look for it.

MR. WHIPPLE: Or you would talk to the people that are already there.

DR. CHEUVRONT: You communicate; you all know whose got permits where.

MR. WHIPPLE: It doesn't matter what the name of the boat is. The permit is the point. It's an issue regardless.

DR. CHEUVRONT: Is this something that instead of government stepping in and saying this is how you're going to communicate with each other; is this something that you all can work out?

MR. WHIPPLE: I would hope that it is, because it is not a fishing issue. This is purely an administrative issue. It's got nothing to do with how you can fish or where you can fish or anything like that.

DR. CHEUVRONT: It really is administrative.

MR. WHIPPLE: It's just an administration.

MR. ALMEIDA: Say Randy has got two permits and I want to purchase one of these middle zone permits; can I put out my boat and go fishing in the middle zone?

DR. CHEUVRONT: Yes, sure could. The idea behind this action is to make it more flexible, so you guys don't have to come in and out of port to change it.

MR. WHIPPLE: You could do it, anyway. Without this rule, you would have to come in, land, report it and then go back out.

MR. ALMEIDA: Okay, so we're trying to do away with what permit –

DR. CHEUVRONT: Because right now you can only have one permit on the vessel at a time.

MR. ALMEIDA: I understand that part.

DR. CHEUVRONT: You don't have to come back in and start switching around permits to go out and fish in your other zone.

MR. ALMEIDA: What you're saying is each permit can go in any zone?

MS. GORE: No.

MR. RAU: You have to have a permit for that zone.

MR. WHIPPLE: You have to be permitted for the zone.

MR. ALMEIDA: Well, how are you saying you can do it anyway?

MR. WHIPPLE: Because if you bought Randy's middle zone permit, you could right now take your boat and fish in the middle zone.

MR. ALMEIDA: But I'd have to take the other permit off of it.

DR. CHEUVRONT: The way it is right now.

MR. WHIPPLE: Right, then you would have to come into port, make the phone call, switch it over and then go back out, but you could still do it.

MR. ALMEIDA: I understand that part.

MR. WHIPPLE: And then come back in, switch it back over, go back out.

MR. ALMEIDA: This would be –

MR. R. PALMA: Eliminate that process.

MR. WHIPPLE: This would eliminate –

MR. ALMEIDA: Allowing to stack the permit.

DR. CHEUVRONT: Right, you could go out and fish northern and middle zone on the same trip without having to come in, if you're permitted.

MR. ALMEIDA: With the same vessel?

MR. WHIPPLE: Yes.

DR. CHEUVRONT: With the same vessel if you're permitted on that vessel for both of those zones.

MS. GORE: It wouldn't change the number of northern zone permits or middle zone permits. It would just give you more flexibility.

MR. ALMEIDA: But then that boat has to be within the length that's allowed in that zone also.

DR. CHEUVRONT: You've got big boats; don't you.

MR. ALMEIDA: Yes and no; I think it is right within the length. But this is eliminating a 70 footer to put three permits, southern, middle, northern, and fish all the zones.

DR. CHEUVRONT: Yes, if the limit is 65 foot in the southern zone, then, right, a 70-foot vessel would not be very smart to buy a southern zone permit, because they wouldn't be able to fish it if it stays at a 65-foot limit. That is basically what that would mean.

MR. STRELCHECK: What is the maximum length of the vessel currently operating in the fishery?

MR. ALMEIDA: Well, you've got vessels that are documented a certain length, but out of the water, of course, it's –

MR. STRELCHECK: Well, documented length would be good.

MR. ALMEIDA: 65.

MR. STRELCHECK: Does anybody have a vessel bigger than 65?

MR. WHIPPLE: Well, it's not the size of the – well, do you want to know what the vessels are or what the biggest permit is permitted for right now; what is it that you are asking?

MR. ALMEIDA: Currently the largest boat.

MR. MANCHESTER: The biggest fishing boat that's fishing?

MS. COPPA: The largest documented fishing boat.

MR. ALMEIDA: 67, I think.

MS. GORE: Unless Action 8, the revised boat length limit rule was changed, that boat couldn't fish in the southern zone.

MR. ALMEIDA: That one couldn't but the other one could.

MR. WHIPPLE: Well, 67 can fish outside the box, right? It's 65 that's the cutoff. Why are we getting co-mingled in the zones? I'm not sure what's going on.

DR. CHEUVRONT: Well, part of the problem is some of these actions are codependent on what happens in others. If you've got a 67-foot vessel, you can't fish it in that small subzone.

MR. WHIPPLE: No, you can't fish in the subzone, but you can fish in the southern zone.

MR. RAU: Well, get rid of the subzones.

MR. WHIPPLE: In the middle.

MR. A. PAAN: Get rid of the subzone.

MR. MANCHESTER: Get rid of the problem.

MR. WHIPPLE: You could fish everywhere with a 67-footer right now.

DR. CHEUVRONT: Yes, if we get rid of the subzone.

MR. WHIPPLE: Even with the subzone; there is a southern zone and there is the subzone.

DR. CHEUVRONT: Right, the southern subzone right now is limited to 65 and under, so if we don't get rid of it –

MR. WHIPPLE: The southern zone.

DR. CHEUVRONT: Right, the southern zone is no problem.

MR. WHIPPLE: You can still fish in the southern zone in a 67 foot –

DR. CHEUVRONT: Just not in the southern zone.

MR. WHIPPLE: Right, you can fish everywhere.

DR. CHEUVRONT: Exactly; I think everybody agrees with that. If you get rid of the subzone, then you would be able to fish everywhere.

MR. STRELCHECK: Regardless of vessel length; what this would allow you to do is if you had permits for multiple zones that were side by side, You could fish both of those zones on the same trip. Right now you would have to come back to port.

DR. CHEUVRONT: That might be something you might want to think about a little bit more and when we get to the stuff this afternoon you can tell us what you think about that. Action 12, which is the Monitoring and Enforcement; that has to do with the VMS; basically if the council goes with the catch share, there is a pretty good chance that VMS is going to go along with it.

It doesn't have to go. If the council does not go with catch share, it doesn't mean that VMS has to go away. There are some advantages and disadvantages of having VMS. Disadvantage, obviously there is going to be some cost that has to be borne by the fishermen with that, a monthly charge.

Right now the National Marine Fisheries Service has a fund to help pay for the hardware. But once you've got it and you've got it put on your boat, you are responsible for maintenance and the monthly charges that are like text messages kinds of sorts of things –

MR. RAU: And the installation charge.

DR. CHEUVRONT: Yes; and the installation charge. You would have a little bit of an initial outlay and then it is roughly $30.00, $50.00 a month to keep it running on the vessel. Now, there has been some discussion with law enforcement about this, because there was some real concern on the part of the AP as like how are they going to monitor the vessels when they're out there when the vessel isn't where the gear is?

You deploy the gear, the vessel drifts perhaps into one of those protected coral areas. Man, when that comes up on the law enforcement watching, it's going oh, my God; there is a vessel out there and we need to send somebody out there to intercept them and they're not where they're supposed to be.

We've had a discussion with law enforcement about this and they understand the nature of how this fishery is different. What they really want to use it for largely is when you're coming and when you're going. The agreement – and this was at the March council meeting. The Law Enforcement Advisory Panel discussed this issue, and they said their people who monitor this stuff seem to have an understanding now that this is not going to work for pinging vessels where they're not supposed to be, because you drift.

There are times when you drift and you could drift into one of those closed areas. They are saying that you are not going to have to worry about getting a violation for that. The good thing about it is that if we can get to a point where we can get a stock assessment, VMS data can be very, very valuable in helping to do a stock assessment. It also helps with making sure they know who is going out and fishing and when they're coming back.

There are some advantages and disadvantages of VMS whether or not it is tied to a catch share. I just wanted to make sure you all kind of understand what the state of this is right now. Right now the council's preferred is to put VMS on the vessels. They've only talked about it in terms of the catch share, but it could be done even without a catch share.

You may not be ready at this point to give us an opinion on what you think about that, but we'll bring it up again later if you want to talk about it some more amongst yourselves and revise your opinions or what you think about it. It is really interesting; the Defined Annual Pounds Ownership Cap, Action 13; this actually got added in at the March meeting.

It's an administrative clarification. We talk about the share cap early on, which right now the council has as 35 percent – that is the initial allocation – but they wanted to clarify after that initial allocation how much could you have to make sure that somebody couldn't exceed whatever that share cap is that was initially allocated.

What the council has chosen as their preferred is that initial share cap is the share cap that goes on through the life of the program. If somebody gets 35 percent under the council's current preferred, that they can't over time slowly increase that and get higher than that. It is 35 percent and can't go any higher. That is the council's current preferred.

MR. STRELCHECK: You're mixing and matching shares and annual pounds now. This annual pounds cap essentially says that you can't hold, harvest, possess more than 700,000 pounds based on the 2 million pound annual catch limit. Someone could have a 35 percent share cap and without an annual pounds cap they could go out and start buying everyone else's annual pounds, and then again maybe harvest 1.2 million, whatever the case might be, so they would be over the amount that they have in terms of shares; because of leasing from others they would be harvesting more annual pounds. This essentially caps them at that maximum amount of 35 percent of whatever the catch limit is set at.

DR. CHEUVRONT: Thanks for the clarification. Basically it's limiting folks on how much they can do. Action Number 14 has to do with an Annual Pounds Overage. This is related to the catch share program. What this basically – the council's current preferred is let's say you've got 10,000 pounds remaining on your allocation, whatever it is at that point, you're out on what conceivable could be your final trip of the year and you've got some particularly good landings.

They are going to allow you to go over by 20 percent so you don't have to throw the crabs back, 20 percent of what you've got remaining. If you've got – I don't want to get on the spot – if you've got 10,000 pounds remaining, that is 2,000 pounds that you can go over. You could actually harvest 12,000 pounds on that last trip knowing that you're going to pay back that other 2.000 pounds the next year.

This would be the idea of giving you – you don't have to put back crabs on your last trip if they go with the catch share. That is to help out folks on that last trip if that is what they want to do. The council's current preferred is to allow you to have that. The last action has to do with the approved landings sites.

There has been a lot of discussion about how this approved landings sites will work. It doesn't mean tell the National Marine Fisheries Service where you want to land your crabs most of the time. What they want to do is they want to give you as much flexibility to land crab wherever you want to, for whatever reason.

Vessel breakdown, you've got to get into port somewhere quickly. What they need to do is – and it is a law enforcement issue – is that if there is any place that you potentially could ever want to land your crabs, you are going to need to provide them with a list. They'll send out the law enforcement guys to go out and check the site, to make sure that somehow they wouldn't be barred from access and make sure that the place isn't surrounded by razor wire and Rothweilers and stuff so that the cop couldn't get in there to see.

It doesn't mean that's where you have to land your crabs. They just want to know the list of places so that you could call in and say I'm going to land at this place. They would say, okay, it's on the list; we know that we can get there if somebody needs to check your landing, we could do that, but they just need to make sure that they have access to it.

It is not in any way trying to limit you to say I normally land at this place and that's the only place I'm ever going to be able to land crabs. They want to give you the flexibility, but they need to know where they are so they can check them out ahead of time. That is all that action is about.

MR. STRELCHECK: Any landing flotation that is approved for the program can be used by fishermen.

DR. CHEUVRONT: Right, by anybody, and you get to decide where you're going to do it. You just have to be able to give them all the potential places that you did it. They just need to be approved ahead of time. That's all that is. That is the 15 actions that are in there. You saw some of them are directly related to catch shares and some are sort of tangentially related, and there are a few that are not related to catch shares at all.

Coming back from lunch, we are going to talk about all this catch shares stuff and other management, and we're going to see what we can come up with. Then we'll then have other management issues that we want to talk about if you guys want to bring up some other things. Then we'll put it together and get some recommendations to the council.

First off, I just wanted to thank you all for being so helpful so far this morning. It's been really good discussion. We've gone over a little bit on the time that we had for the agenda for this. Let's try to get back as close to 1:30 as we possibly can. Then we'll get into some specifics.

(Whereupon, the meeting recessed for lunch.)

DR. CHEUVRONT: We're all back from lunch. I hope everybody had a good lunch, because now we're kind of ready to start getting into the hard part and stuff here. What we're going to do is we're going to talk about the actions and alternatives in detail. We're going to figure out which ones you're going to be willing to support and if some of the ones that are already in there, could they somehow be modified to earn your support. We'll take it from there, so we're going to discuss each one, one by one.

MR. WHIPPLE: I have a question. If it's possible or anyone else is in agreement, if industry could have ten minutes in the room off the record before we start this afternoon process.

DR. CHEUVRONT: Okay, so what you would like is just you seven entities talking here first; turn the recording off and we'll start back at two o'clock.

MR. WHIPPLE: If everyone agrees, yes.

MEMBER: Let's see if everyone agrees to this first.

DR. CHEUVRONT: Well, if you all agree.

MR. R. PALMA: I'm okay with it.

MS. COPPA: Question; we get seven with Tony; is that all right?

MR. WHIPPLE: Oh, absolutely, yes.

DR. CHEUVRONT: Sure, that makes sense. You guys represent the industry. If you guys want to take a few minutes and talk, fantastic. If you get finished before two o'clock, come out and let us know; we'll be standing outside. Otherwise, I may come in to say are you guys about done, and what do we need. I might check up on you by then.

(Whereupon, the Permit Holders held a closed session.)

DR. CHEUVRONT: Okay, we're back on the record and since you guys had that discussion while we were gone, you had just about a half an hour. I think what we need to do at this point; you all need to tell us where you stand. If you don't want to tell us what you all talked about, that's fine. But if you've come to some kind of consensus on something that you think that you

can do and you want to share that with us, that's fine. You don't need to tell us all the other details; just if somebody wants to let us know what you are thinking.

MR. WHIPPLE: I think we can proceed with the agenda.

DR. CHEUVRONT: Okay, so that is kind of where we are; we're just going to continue on?

MR. R. PALMA: To this point, at least us four on the paper that I presented to you, we're against the catch share program to this point. There are two in favor, four against. Randy is a middleman.

MR. RAU: One consensus to one of the alternatives; I think just one.

MR. WHIPPLE: We'll see when we get to that.

DR. CHEUVRONT: Let's go through it. We can say then under Action 1 that the established eligibility for a golden crab catch share program, that there are still folks that there is no agreement on any kind of a catch share approach. We can say that at this point:

MR. ALMEIDA: Yes.

DR. CHEUVRONT: Okay, now what we need to do though is say that – understand that if the council was to decide to go ahead with a catch share, they can still do that. Everybody understands that. Their current preferred alternative is Alternative 4, which is the one that basically gets everybody who has a permit is eligible to participate in the catch share program; understanding that a lot of you are not in favor of the catch share program, and that's okay.

But if they're going to go ahead with that, the idea is that you had to have some of the other alternatives required landings before you could be included in the catch share, which several catch share programs have done that. In this case the council's current preferred is that everybody who has got a permit would be included in the catch share. If the council does decide to go that way, are you in agreement with that's the way it ought to be, that nobody should be cut out.

MR. WHIPPLE: We're in agreement with that; no one should be cut out.

MR. RAU: Is that everybody?

MS. COPPA: The issue I'm addressing here is the dates would cut people out, the cutoff dates that they currently have.

DR. CHEUVRONT: All right, so your concern is that we do have landings now through 2011. At the time that this was done, the most recent landings we had went through 2010, so that's why they were in there. But I also realize now that in your case, Terri, that if they included 2011, you would be in there.

MS. COPPA: By the skin of our teeth; we only fished two months in 2011.

MR. STRELCHECK: You're opposed to Alternative 2 and 3.

DR. CHEUVRONT: It is through 2010 right now.

MR. STRELCHECK: Alternative 4 would not have it.

MS. COPPA: Yes, anything with the cutoff dates being –

MR. CHEUVRONT: It is through 2010 right now, that's fine. I think we can record that.

MR. R. PALMA: I want to clarify something. We are against anything that has to do with any actions –

DR. CHEUVRONT: I understand that.

MR. R. PALMA: – any criteria that has anything to do with the catch share. It gets very confusing when they ask a question and trying to simulate a situation where we agree on one thing or another, but anything associated with a catch share program and its affiliation.

DR. CHEUVRONT: That's your preferred thing is no action and that is completely understood.

MR. R. PALMA: No action, okay.

DR. CHEUVRONT: That is completely understood that there are a number of you who are not in favor of any catch share program; that is understood, but also remember though that the council can override.

MR. R. PALMA: I understand that.

DR. CHEUVRONT: And so what I'm trying to get at is if the council chooses to override the folks who do not want a catch share and this is put on you, what is the least objectionable to you, if you can come up with that? You may not be able to.

MR. R. PALMA: None.

DR. CHEUVRONT: Well, the thing is that – and that is okay, you can say that if you want to, but then you're not giving the council anything else to consider.

MR. R. PALMA: Sure, there are a lot of things to consider. Do you want me to read my –

DR. CHEUVRONT: Well, we're going to go through it action by action. For some of you, clearly your preferred is no action?

MR. R. PALMA: No action.

DR. CHEUVRONT: Okay.

MS. COPPA: Do you have a number on how many people that is? You're saying it's just a couple of us, some of you. The council doesn't know what some of us are; is that two of us, one of us?

DR. CHEUVRONT: I think the council knows.

MS. COPPA: Okay, because basically we have proposed – we have a full proposal here of some of the things I mean we're willing to concede to, but we can't even get it read in the minutes, because you're going to override it to this.

DR. CHEUVRONT: No, no, no, we're actually going through all this and going action by action. You guys, I read this document. You have said in Action 1 your preferred alternative is no action.

MR. R. PALMA: No action.

DR. CHEUVRONT: And that's correct; that is into the record.

MS. COPPA: Well, do you want to know our reasons why?

DR. CHEUVRONT: Sure.

MR. T. PALMA: If asked; I'm not asked.

MS. COPPA: Because we feel that there is no biological purpose for this action; that the golden crabs are not undergoing overfishing or overfished. Basically I have some reports to congress here that actually say that they're not overfished. There are no gear conflicts and no user conflicts between the permit holders that are fishing by zone; that assertions that a derby fishery has already begun for safety at sea is compromised is actually false.

Consumer demand and the limited market for the product have developed at only a slow to moderate pace and wholesalers expect this trend to continue. Concern for the SSC will reduce the ACL without stock assessment is nothing more than speculation. The SSC felt confident enough in the healthy stock to set the ACL to an ABC or above the limit.

We discussed that when we were here before without you in presence. The implementation of a catch share program in the golden crab fishery will force the majority of the permit holders to lease or buy shares in order to grow their businesses. Right now with the market values and things as they are, financially that's not possible, and some people have mortgages. That's me.

A catch share program in the golden crab fishery would convey private ownership to a natural resource to just a few specific individuals or the majority. These are some of the things that I'm opposed to and the reasons why I'm opposed to this. I'm sure there are answers to them, but that is one of the reasons that I don't want to see this happen.

DR. CHEUVRONT: Okay, that's fine. I want to correct a couple of technical things that you had said. What it is, is that the SSC does not set the ACL. The council sets the ACL. The SSC sets the ABC and that is the allowable biological catch. That goes to the council and the council

then sets the ACL, but the council is not able to exceed the amount of the ABC. They can go up to it, but they cannot exceed it. In your bullet point 4, the concern that – it is actually the SSC would reduce the ABC, because that is what they set. Then the council felt confident enough about the stock to set the ACL equal to ABC.

MS. COPPA: The council is the one that set that?

DR. CHEUVRONT: The council is the one that sets the ACL, but the SSC sets the ABC. That is just a technical clarification. Your concept is right, but who you attributed it to was not technically correct.

MS. COPPA: Thank you for that clarification.

DR. CHEUVRONT: The folks who are still in favor of catch shares; do you want to respond to some of the things that were said at this point, or do you want to add additional information? You don't have to at this point. If you want to come back and do it later, you can do it later.

MR. WHIPPLE: I feel like I've said it before, and I guess I'll say it again now for the record the reasons why. In terms of the trending of the effort in the golden crab fishery and what it portends for the future, I feel like the increased accountability with vessel monitoring and reporting is going to be important to protect the biomass.

I feel like preventing the derby from beginning will protect the habitat as well as the biomass. I think everyone; even people who object to the catch share plan, understand that if all of the vessels are operating near their capacity, the ACL is in jeopardy. If you look at the price increases and the demand that I'm aware is out there, I think it is important to manage the fishery beyond an overall production cap.

MS. GORE: Under Action 1, those of you that are in agreement with the catch share program, you would support which alternative?

DR. CHEUVRONT: Alternative 4.

MR. WHIPPLE: I would support an alternative that makes everyone happy. If there was room for negotiation, in order to achieve passage of the amendment, If there were enough shares to go around to get everyone enough of what they wanted. I would support any such action that would accomplish that. There is no action that accomplishes that in the document right now. Therefore, I support the current preferred.

MR. RAU: I also support the current preferred.

DR. CHEUVRONT: Well, we're not necessarily doing voting, but that's okay.

MR. R. PALMA: She asked.

MS. COPPA: I'm opposed to the current preferred.

MS. GORE: All of you are against, so under Action 1 you prefer Alternative 1, no action?

MR. R. PALMA: No action.

DR. CHEUVRONT: So there is support for Alternative 1 and Alternative 4.

MR. MANCHESTER: I can tilt either way, so I have no action, no comment.

MR. STRELCHECK: Abstain.

MS. GORE: Abstain.

MR. MANCHESTER: I'm abstaining.

DR. CHEUVRONT: Action 2 is the initial apportionment of catch shares. I know looking at the document the folks who are against the catch shares prefer Alternative 1, correct?

MR. R. PALMA: Yes.

DR. CHEUVRONT: Are the folks who are still in favor of catch shares; we have the preferred Alternative 5 from the council; is that still a preference?

MR. WHIPPLE: Yes.

MR. HARTIG: Brian, can I ask a question.

DR. CHEUVRONT: Yes, Ben.

MR. HARTIG: I don't know if it's appropriate or not. The question I have is with the allocations that you've seen that you'll get out of this fishery; how many people will be functionally cut out of the picture; I mean you're not getting enough to continue?

MR. ALMEIDA: I have two boats, Ben, so one will remain, one will not.

MS. COPPA: There's actually three.

MR. HARTIG: You wouldn't get enough to cover two vessels?

MR. ALMEIDA: No, one of them would be gone.

MR. HARTIG: And you wouldn't get enough?

MS. COPPA: I wouldn't get enough.

MR. HARTIG: Would you be getting enough to cover what you're catching now?

MR. R. PALMA: No.

MR. HARTIG: Those are the kinds of questions that –

MR. ALMEIDA: What we're catching now is way beyond what we'd get out of it.

MR. HARTIG: I appreciate that; thank you.

MR. WHIPPLE: To that point, Ben, I would just like to offer that if people who are going to get more shares could accommodate that in a negotiation, we would like to do that. It doesn't seem like that is going to – it appears like the opposition is more fundamental to catch shares in general.

MR. HARTIG: Yes, and that's why we need to sit at the table and do this. That's what I was hoping, that you guys would be able to horse trade, so to speak, with the people who aren't getting enough to make sure that their business plan was accommodated for how they see their operations acting in the future. Then if that was too much to impact you guy's business plan, then we're at a stalemate, anyway. But if it's philosophical, then there is nothing we can do to change that perception.

DR. CHEUVRONT: Yes, I think that's an interesting perspective. Is it true to characterize for those of you who are against catch share, it is really more a philosophical thing than anything else?

MR. R. PALMA: No.

MS. COPPA: No, financial.

DR. CHEUVRONT: It's financial, it's pounds?

MR. R. PALMA: Yes, it's the way it's all set up. Right now it's open to us to be able to produce what we can market and sell. Accepting the catch share program, no matter what we get allocated, we still have to buy to increase our business. That's the part of the program that we're not in agreement on, because they get allocated more of the shares, whichever which way has been presented of all the actions, more than others, and it is not fair for one of us or another to have to buy or lease shares to maintain our status quo. That's the main.

MR. STRELCHECK: With that said, it's a financial decision. If everyone sat down at the table and said this is the minimum amount I need and kind of laid that out amongst yourselves, you –

MR. R. PALMA: We've tried that.

MR. RAU: We just tried that; nobody wanted to do it.

MR. R. PALMA: To that point, Andy, this is the big picture. Right now it is open for any one of us to be able to catch again what we can catch. If we get allocated any amount of number, whichever one of us want, half a million pounds, it is still limiting what we can do with our business. That's what this catch share does to us.

DR. CHEUVRONT: Understood.

MR. R. PALMA: It is flat out what it is. It's limiting us to what we can catch and forcing us to buy or lease to grow our business and that is what we want to get away from. There is nothing in this program the way it has been done.

DR. CHEUVRONT: Right, but that can be changed.

MR. R. PALMA: I guess my point is we don't want to get anything allocated to us other than to be able to do what we're doing now. I don't want to agree on a number, 200,000 or 300,000 or half a million pounds versus what we're doing now, open, free for any one of us to be able to catch and sell more.

DR. CHEUVRONT: That sounds like more of a philosophical difference, then, as opposed to a pounds difference.

MR. CUPKA: Yes, you made a statement earlier, I believe.

DR. CHEUVRONT: David, can you come up so we can get you recorded.

MR. CUPKA: Yes, I want to make sure I understand about a statement you made. Did you say that under any of the scenarios proposed that it wouldn't give you the amount that you currently harvest?

MR. R. PALMA: Yes, correct. No matter which way you put it, it is way underneath what we are producing right now.

MR. CUPKA: Individually?

MR. R. PALMA: No, this is talking for me, and I'm sure it's the same situation for him, but in my case and maybe in his case and I think all of us in these paper proposals feel the same way. We are producing and we have the potential to produce more than what we would get allocated any which way you look at it.

MR. CUPKA: That's different having your potential reduced from what you're currently producing.

MR. WHIPPLE: I think that is the fear, David, in terms of organizing this amendment. Everyone at this table knows what the potential is and what we're capable of. The force behind this amendment was to avoid or to try to avoid an ugly situation that would end up with people being constrained and put out of business, but it's already too late because we all know what we can do here and what we're talking about.

MR. RAU: Listening to the conversation; there is nothing we can do.

DR. CHEUVRONT: Let's talk hypothetically for a moment. Let's say if the ACL was 4 million pounds.

MS. COPPA: That would be double; we're just doubling the number.

DR. CHEUVRONT: No, not necessarily.

MS. COPPA: What I think you're saying is take the number that we're given, double it because you are raising the ACL?

DR. CHEUVRONT: No, I'm not saying that at all. I'm saying if the ACL was 4 million pounds and everyone was able to say this is how much I need to make myself profitable; would that make a difference to anybody?

MS. COPPA: Yes, probably.

DR. CHEUVRONT: It would maybe for you?

MS. COPPA: Well, you might be able to fish. I don't know, but not under the shares; I mean maybe.

MR. R. PALMA: You're still going to get allocated what you are going to get allocated no matter what the number is. It could be 5 million pounds and she's still going to get allocated what she's got coming. To that point, if she wants to grow any bit, she's done. She's going to have to buy, lease or do whatever.

MR. RAU: Yes, but it would be a different allocation. If you had 4 million pounds, it would be a different allocation.

DR. CHEUVRONT: It would be a different allocation.

MR. R. PALMA: But back again, we're getting allocated something –

MS. COPPA: I'm going to go on. What is the purpose of forcing this down our throat when there are only three IFQs in this whole South Atlantic Fishery, so why are we trying to push this through when the majority of the fishermen don't want it?

DR. CHEUVRONT: The point I was trying to get at – and I think it's clarified for some folks – it doesn't matter the number of pounds. I was trying to clarify the philosophical versus pounds point. From at least some people, they're saying it doesn't matter how many pounds it is, it really is a philosophical issue that they do not want any kind of limitation whatsoever. Regardless of how many pounds they were allocated, there is the potential that it might not be the right amount. Is that a fair discussion?

MR. R. PALMA: That's correct.

MR. ALMEIDA: Brian, the 4 million is how?

DR. CHEUVRONT: I just said hypothetical; it was just pretend.

MR. ALMEIDA: Let's say 4 million and split it equally?

DR. CHEUVRONT: No, let's say you were able to figure out how many pounds you think that your business would need to grow and you're able to say – I am just saying let's say we were able to under a catch share give you that amount, which would be assigned to you – I'm trying to discern is it a pounds issue or is it just the idea that there is some kind of a limitation.

MR. ALMEIDA: No, I think it all comes down to pounds, absolutely. 400,000, if it was to be split evenly, just under 400,000 per permit or vessel; 4 million.

MS. COPPA: Are there any equitable distribution rules under any of these?

DR. CHEUVRONT: Well, right now the way it is, it is the one that we have there. We have a limit; there is 25 percent, 35 percent.

MS. COPPA: No, that's the alternatives. I'm saying is there any rules regarding the distribution of this?

DR. CHEUVRONT: No, it can all be done –

MS. COPPA: It's just that we've had an advisory panel that most of us haven't had the opportunity to take part in, but maybe by our own fault to being hard workers. My question is, is there a way of proposing some type of something else?

DR. CHEUVRONT: Well, yes, there is, you could.

MS. COPPA: These are hard. There is not – and the other thing was how do you come up with equitable distribution under the current laws? Isn't there a governing rule? You're telling us you want an IFQ. What does the law say for distribution in this?

DR. CHEUVRONT: Well, right now I'm not saying that we're pushing for an IFQ. What I'm trying to get us to discuss is the fact that the council has this on the table. We need to then give the council advice as to why you either do or do not want the different actions. We're going to go on to other management things possibly later. But, for example, the council could say that they wanted to take the entire ACL and split it equally among all of the permits. That is in their purview to do.

MS. COPPA: There was an alternative way-way back for that, wasn't there, originally?

DR. CHEUVRONT: There may have been.

DR. WHIPPLE: I think it was the original alternative.

MR. R. PALMA: That wouldn't be supported by me either.

MS. COPPA: No, I'm just saying –

DR. CHEUVRONT: See, that might not be.

MR. R. PALMA: Of course not.

MS. COPPA: I'm just saying whatever happened to this one?

MR. RAU: Nuno, I'm willing to support that.

MR. ALMEIDA: What is that?

MR. RAU: Equal allocation for 2 million pounds.

MR. MANCHESTER: Not 2 million, I mean –

MR. R. PALMA: Nobody would.

MR. RAU: AT 2 million we're all cut down, we're out of – well, I'm out of business.

DR. CHEUVRONT: We're kind of actually jumping ahead a little bit, because there is actually an action I'd like for us to have discussed if there was any way that an action could be modified. Like the equal distribution action; could that have been modified. It sounds like the equal distribution action; there isn't any way that that could –

MS. COPPA: Then it hurts somebody else.

DR. CHEUVRONT: Right.

MR. ALMEIDA: Now, Brian, this is something that we have to think about. If let's say we did distribute it equally and we said we're going to distribute it to the seven, not eleven. then as the boat comes into the fleet then it would be eight instead of eleven. I don't know; we end up with 300 maybe, close to 300 instead of the down 2s. I don't know if that would work for some of us.

MR. R. PALMA: I don't care; I don't want to get allocated nothing; just give them to me. That's my support on it.

MR. ALMEIDA: We have permits that are not being used.

DR. CHEUVRONT: Okay, so we need to make sure that we've captured that there are entities in the fishery that there is no way that a catch share – and under any format. There are other people who would say a catch share might work I get enough pounds allocated to me. Then there are still other people that it sounds like that there are alternatives that are currently in the amendment that they would be happy with. Is there anybody who feels like they don't fall into one of those three camps?

MS. COPPA: I think you summarized me as getting more pounds. Yes, I asked those questions, but I'm opposed to it.

DR. CHEUVRONT: That's okay, that's one of the alternatives that I just said is that there are some people who just don't want a catch share altogether. That's one of the opinions.

MS. COPPA: I don't want to see anybody at the table lose what they've got right now. I don't think there has been enough input on that to table this thing for a reasonable amount of time to

give – well, we're getting together – to table it long enough for the group to get together and maybe work on this as a group, maybe another meeting. I don't know that you have to sponsor it or whatever. I don't know what the rules are on that. But to try to jump ahead and try to force the shares in at this point in time, the catch shares, I don't understand the deadline or whatever.

DR. CHEUVRONT: Well, the council has been working on this amendment for a number of years.

MS. COPPA: And the status of the fishery has changed. The crab has been removed from overfished; it has been removed from everything else.

DR. CHEUVRONT: I don't think it's ever been overfished.

MR. R. PALMA: Never, it never even got close to it.

MS. COPPA: It's not on any of these reports for congress. My question is why do we need it?

DR. CHEUVRONT: That's fine, and I understand this is kind of a sticking point for some folks, but this is what's in front of the council right now. For those folks who are opposed to the catch share, that's fine. That is duly recorded. But you also have to understand that the council is not required to abide by the decisions that you all make.

MS. COPPA: We understand that.

DR. CHEUVRONT: What I'm trying to get at is additional information to help the council make the decisions they need to make. Now I know that Robert is going to tell me every time we get a catch share, no catch share. That is fine; that is perfectly fine, but what we're trying to figure out then is there some way that the council might look at some of these actions and be willing to modify them that might make it agreeable to the council.

MR. R. PALMA: Any of the actions that have to do anything with the catch shares don't coincide for one reason or another; it gives it to you in one action and takes it from you in another.

DR. CHEUVRONT: That's part of the issue that's complicated.

MR. R. PALMA: So anything that has to do with the catch share program and implementation of it, it is no support for it because of various different reasons.

DR. CHEUVRONT: Okay. Well, I am going to go through each of the actions that are here. You guys who are against the catch shares, this is what I was talking about earlier, we'll just go through each action. You need to let us know what your position is to get this on the record. For those who are still in favor of the catch share program or some format, we're going to ask them what they approve.

We're also going to see is there some way that an action – and it may be one of these tangential things that's related to the catch shares like maybe some of the VMS stuff. You might have

some advice on, well, we're against catch shares, but we might be okay with VMS under this circumstance. That's the kind of thing I'm trying to draw out of you all right now.

DR. R. PALMA: Then we're on Action 3 then.

DR. CHEUVRONT: We are up to Action 3 now, so let's move on. For Action 3, it's Establish Criteria and Structure of an Appeals Process; the council's preferred is basically on the initial allocation, if they go ahead with it, 2 percent will be set aside to resolve any appeals that come up.

If that 2 percent is not used in appeals, it would go back and get redistributed to everybody else. For those who are in favor of that, is that still your preferred? Okay. I know Robert is going with Alternative 1. Does anybody have any other opinions that they would like to voice on Action 3?

MS. COPPA: On Action 3, basically I support Alternative 1 with no action and do not specify provisions for any appeals process. Anybody else?

DR. CHEUVRONT: Okay, Action 4, Establish Criteria for Transferability; this has nothing to do with permits. This is allocation of shares. Now, the folks who are not in favor of the catch share, as I am just looking at your document here, it shows here that you are in favor of Alternative 1, no action.

MR. R. PALMA: No action, correct.

DR. CHEUVRONT: Those who are in favor of the catch share; the council's current preferred is shares or annual pounds can be transferred to a valid golden crab permit holder; does that remain the same?

MR. WHIPPLE: Yes.

DR. CHEUVRONT: Yes, it does. Does anybody have any other opinions that have not been expressed by support for Alternatives 1 or 2? Action 5, this is the Define Quota of Share Ownership Caps; for those who are not in favor, from their document shows that Alternative 1, no action is their preferred; that they don't want to have any constraint.

But the council's current preferred is Alternative 4, that nobody can have more than 35 – hold shares in excess of 35 percent. That was changed at the last council meeting from 49 percent. Are you okay with the 35 percent? Okay, they're nodding their heads yes. Is there any other opinions? Randy, you haven't' said much; do you have any other opinions on the other stuff yet?

MR. MANCHESTER: When you get to where I want to get to, I'll start talking.

DR. CHEUVRONT: Okay, that's fine. I just don't want you to feel left out, and Tony you're okay and stuff, too.

MR. T. PALMA: I'm okay.

MS. COPPA: On Action 5, I support Alternative 1, no action, and there should be no catch limits placed on fishermen other than the ACL for the fishery as a whole. Basically we've fulfilled the Magnuson-Stevens Act with the ACL.

DR. CHEUVRONT: Action 6 is the use-it or lose-it policy. Basically the council's current preferred is that if shares aren't used within three consecutive years, that they will then go back into the pool to be redistributed to the other participants in the catch share. That is the council's current preferred. For those who are in favor of the catch share program, do you have any changes or any other comments that you'd like to make about that? Okay, no.

The folks who are opposed, would somebody like to address – because you don't actually support one of the alternatives directly, so if you would like to get your comment onto the record on that one.

MS. COPPA: Okay, in Action 6, use-it or lose-it policy, we do not support any of the proposed alternatives. With regard to the use-it or lose-it policy, issues may arise in which a permit holder is not able to fish such as a medical emergency, loss of vessel, decreasing market demand, biological or environmental issues affecting the stock or other extenuating circumstances. In that regard, permit holders should have an option to temporarily suspend the use of their permit.

Anyone applying for a suspension of their fishing privileges would be required to state the reason for the request of the temporary suspension for a period of which they are requesting the suspension, maintaining the eligibility of the license by paying its annual renewal fees, and having maximum term of suspension not to exceed three years. This would allow for anyone to not lose their permit for a health issue or a heart attack or something, but they'd still have to pay and keep their permits.

DR. CHEUVRONT: Well, I think right now there is no limit. Nobody is going to take your permit away. Under the status quo, you don't have to fish your permit. There are permits that haven't been fished ever, and nobody has taken them away and nobody is proposing to take them away.

MS. COPPA: But under this new share –

DR. CHEUVRONT: Under the catch shares –

MS. COPPA: But under this new catch shares there's a use it or lose it.

DR. CHEUVRONT: The shares, not your permit. Nobody is going to take your permit away for not using it.

MS. COPPA: Now, you can say I can go ahead and pay for a permit and not have any catch shares on it whatsoever, because I've transferred them, but I would still have to – so I transfer to Randy all my shares. I would have to maintain that permit or I could let it go so that there would only be less than 11 or less than 7 in the fishery?

DR. CHEUVRONT: You could; but if you didn't renew it, it would expire.

MS. COPPA: I transferred them; I transferred the shares.

DR. CHEUVRONT: You transferred the shares; You own the permit.

MR. RAU: You own the permit.

DR. CHEUVRONT: You still have to renew the permit.

MS. COPPA: But that person could lose their shares.

MR. STRELCHECK: Well, they wouldn't have any shares if they transferred them away.

MS. COPPA: Basically you lose the permit.

DR. CHEUVRONT: You could still hold the permit and then later you could buy shares back if you wanted to. That's not necessarily a good business decision.

MR. R. PALMA: Permits and shares are two different things.

MS. COPPA: Basically under this proposed catch share, it sounds very confusing, you have a permit; you would have permit shares.

DR. CHEUVRONT: Well, allocation shares.

MS. COPPA: So you could end up paying allocations for these shares. You're saying that these shares, you have to pay for the permit and designate these shares. Who would hold the physical permit? Like right now we had a lease permit. My permit that I am renewing would be a lease permit? Somebody is shaking their head. Here we go; it can't be recorded.

DR. CHEUVRONT: I'm going to let Andy answer some of the permit stuff, because that happens through those guys and not mine.

MR. STRELCHECK: The permit is in your name or your husband's name currently, correct?

MS. COPPA: Yes.

MR. STRELCHECK: You would have a permit associated with that vessel, and then as part of the catch share program, if one was implemented, you would have a percentage of the quota that was assigned to you, the shareholder, that is linked to that permit. The pounds that are associated with those shares could then be fished using that particular fishing permit and vessel.

MR. MANCHESTER: Or leased or sold.

DR. CHEUVRONT: Or leased or sold, right.

MR. WHIPPLE: To another permit holder.

MR. MANCHESTER: To another permit holder.

MR. WHIPPLE: Can I respond on the record to that, Brian? I think the use-it or lose-it policy is very important in order to – the purpose of this document is to maximize the harvest of the golden crab, and being able to suspend use of shares inactively doesn't seem to me to fit that need.

The requirements for use it or lose it are very modest. Even if you could not fish your own vessel for three years, you could lend, loan or lease your shares to another fisherman in order to keep them in your own possession, technically. The use it or lose it as it stands I think is a key element to this proposal.

MS. COPPA: How does this change what is currently in effect?

DR. CHEUVRONT: Well, currently in effect it doesn't matter whether you land golden crab or not. You've got a permit; you don't have to land anything.

MS. COPPA: Okay, what happens if my husband gets sick? What was going to happen with these shares that you are going to allow me? If we go through with the share thing, what happens to them if he gets sick? I will have to, what, try to find somebody who might not like him anymore and distribute these shares to somebody? They'll get them for nothing if he loses it; do you know what I'm saying. Basically it goes to them for nothing.

MR. WHIPPLE: That's why you would lend them to them for the periods when you could get them back.

MS. COPPA: The scenario right now is he's not favored in the industry, let's assume. He's had some kind of health issue and how am I going to keep these shares in my possession without losing them for distribution?

MR. WHIPPLE: You're going to have to find someone else to run the boat or get someone else to use them or something. But the requirements –

MS. COPPA: There is no suspension qualification or anything like that, right?

MR. WHIPPLE: There is no suspension clause right now. It's, what is it, 20 percent –

DR. CHEUVRONT: Twenty percent.

MR. WHIPPLE: – of a three-year aggregate.

MR. STRELCHECK: Essentially you sound like you want is no actions, which means there would not be a use or lose policy, so you could retain these shares without having to fish them.

MS. COPPA: It would probably be, yes, the no action so that I could keep them without having to –

DR. CHEUVRONT: In other words, if you're allocated shares, they never ever can be taken from you unless you are willing to sell them or find a buyer or something like that.

MS. COPPA: Sell them or lease them.

MR. MANCHESTER: I want to respond. I think the real reason for this is if somebody gets allocated more than a portion of the shares that they can't use and they fail to use them and they fail to do anything with them, they will be reallocated back into the pie and all of us that don't have enough shares will be able to get them.

DR. CHEUVRONT: For free.

MR. MANCHESTER: For free. It might be a slow process if it happens that way, but basically that's what would happen. If someone got way more than they needed and they just couldn't catch it, couldn't catch it, couldn't catch it, it would all come back to us who have minimal shares.

DR. CHEUVRONT: It is a way of redistributing without using the market to get shares to people who would actually be willing to use them and able to use them. Terri, thank you for the comments and stuff, because I think some of your reasons needed to get in there for why you are opposed to the idea.

But it really is sounding to me now like there is either no action, meaning you can't take away – if shares happen, you can't take away shares for any reason versus other people who still prefer Alternative 4, Subalternative 4A, which is the 20 percent provision.

MR. R. PALMA: Correct.

DR. CHEUVRONT: Thanks for the clarification. The cost recovery plan I'm quite sure is probably not popular with anybody, but this actually is part of what is required under the Magnuson Act for a catch share program. Currently the council has – this is primarily administrative, and, Andy, if I'm not mistaken, this is basically – the three preferred alternatives and subalternatives are basically the administrative ways that you all handle cost share recovery.

MR. STRELCHECK: Correct.

DR. CHEUVRONT: Okay, so we have support for do not implement the cost recovery plan; is that correct?

MR. R. PALMA: Correct.

DR. CHEUVRONT: Then are the other folks okay with the ones that are in there?

MR. WHIPPLE: Preferred, yes.

MR. RAU: Sure.

DR. CHEUVRONT: Okay, the preferreds that are currently in there for Action 7. Action Number 8, Revise the Boat Length Limit rule; we had some discussion about this earlier today. Andy, were you able to get anymore clarification from your folks?

MR. STRELCHECK: I was not. The permits head is out of the office today. I did look at the regulations and they are unclear as to whether you can increase your boat length and then with the next vessel increase the boat length again. I'm not sure if permits is handling the regulations differently at this point, and if there is a fixed boat length that they're basing that initial permit off of. We'll have to seek some clarification on that.

DR. CHEUVRONT: In thinking about this, because I know there was some discussion earlier, there are a couple of ways – this is what I'm hearing other people say – that they could set potentially a maximum boat length and then even consider the number of times that permit could be transferred, either frequency or how often, how many years or whatever goes in between, or how many times that permit could be transferred.

I thought you might want to talk about that, because I think Terri brought up a good point earlier of what would stop somebody from increasing it by 20 percent one year and then a week later assigning to a boat that's another 20 percent and another 20 percent and continuing doing that, sort of leapfrogging it up to larger and larger vessels.

MR. WHIPPLE: They'd have to own three boats.

MR. MANCHESTER: Yes.

DR. CHEUVRONT: Do they really have to; can't you assign it to somebody else's boat?

MR. WHIPPLE: Yes, but that boat has to – and then what? That boat has to fish if you want to land anything and then you want to go to a bigger boat.

DR. CHEUVRONT: Let me give you a hypothetical situation. Let's say Terri and Tony have a 65-foot boat and it's set at 20 percent limit and we figured that was 13 feet.

MS. COPPA: Thirteen feet.

DR. CHEUVRONT: Let's say they just bought a new boat that's 90 feet. They cannot transfer that permit to the 90-foot vessel, because it is more than the 20 percent. But let's say they've got a friend who's got a vessel that's 78 feet long and they transfer it to the friend's vessel, and then they get the friend to transfer it back to them. That's now within that 20 percent. You leapfrogged your way up.

DR. WHIPPLE: That's why the one-time 20 percent is in there, one time.

DR. CHEUVRONT: That's what I'm trying to get at is let's figure out is there a way that we can agree to some parameters we could put on this to keep the potential of somebody doing like Terri was talking about.

MR. MANCHESTER: I've got a hypothetical question and it's for everybody here. Between the drafts of a huge boat, the maintenance of a huge boat, all the things that goes wrong with the big boats, steel boats, I don't think there is one person in this room that wants a big boat, because we all know that they just cost too much money to operate.

There's not enough – 2 million pounds is just not enough crabs. One of those boats in Alaska that's 120 feet long catches a million and a half, 2 million pounds by itself every year. It is not going to be profitable. The boats will not get that big and that person will go out of business. It would be a failed business.

DR. CHEUVRONT: Are you all saying then this is – it's a non-issue is what you're saying.

MR. MANCHESTER: It's not going to be profitable, 65, 75 feet would be tops.

MR. STRELCHECK: The reason I asked the question earlier about who has the maximum length boat seems common sense to me that, well, maybe you specify the maximum length that you want as a little bit higher than that. That way it prevents or caps any boat from ever getting in the fishery. You don't have that risk anymore or that potential for someone to come in. Maybe it's not an issue.

MR. MANCHESTER: 80 foot would be it.

MR. R. PALMA: The length of the boat doesn't really doesn't matter, the way I look at it, because no matter how big the boat is, again it is the capability of what you can sell, what you can haul. You could have a hundred foot boat and catch 50,000 pounds or hold it, be able to hold it and not be able to sell it. It's like having a 50-foot boat with 5,000 pounds. The size of the boat to me really doesn't – it's a non-issue. Safety at sea is what it really comes down to.

MR. MANCHESTER: That's true.

DR. CHEUVRONT: So in regards to this action; the council's current preferred is to allow somebody to increase the size by up to 35 percent; so going from whatever size vessel they have now, chances are probably somebody is not really going to go up above 65 foot anyway. You all don't mind Randy being able to get a bigger boat at some point later on?

MR. R. PALMA: Absolutely not.

DR. CHEUVRONT: But anybody wanting to go bigger than about 65 feet is probably wasting their money; is that what you're saying?

MR. MANCHESTER: True.

MR. WHIPPLE: I'm not saying nothing.

MR. RAU: I wouldn't say that either. If the situation was right, a big vessel could do it, could come in here and do a job.

MR. WHIPPLE: Part of the problem with a lot of the actions is they are kind of comingled, and what the purpose of the actions are trying to prevent, they're kind of interrelated, so if you could – it's conceivable now – for example, one of the supposed disadvantages of a catch share program is consolidation. Well, it's worse now than it would be under this proposed catch share program. One entity could buy every permit right now if they wanted to, if they were for sale.

Well, same thing in a catch share program, if they're all for sale you could have three at the most. Anyway, I'm just saying if the circumstances were right, you could see – and it paid to have a big boat. Like Randy said, the boats in Alaska catch a million pounds in one season. If the conditions were right, there would be nothing to prevent them from doing that. Just anticipating potential future scenarios, I think it's important. Without further management under the ACL, it is important to keep the length limit rule right now.

MR. RAU: And you say a season; how long does it take them to catch a million pounds?

MR. MANCHESTER: Three months, two months.

MR. RAU: Two months. All right, so you come in here and you catch a million pounds in two months if you've got the big boat. You sell frozen product now and you're going to make money because of the quantity; in two months, those two million pounds?

MR. ALMEIDA: Who's going to process them?

MR. RAU: I think Gary would jump at the idea of processing that crab.

MR. WHIPPLE: The same outfits that do it in Oregon and Washington and Alaska.

MR. ALMEIDA: It has never stuck.

MR. R. PALMA: Have you guys ever shipped stuff like that way?

MR. RAU: Quantity, quantity, yes, but we never had the quantity to do it. This way you have the quantity to do it. You could sell containers overseas. It's just the point that it could happen.

MR. ALMEIDA: Yes, I believe it could but I don't think it would stick. I hear stories where the stuff gets stuck in inventory and they can't sell it because they're up against the red crab market and the Dungeness, and they are competing against a better product. Because let's face it, these crabs are a pain in the butt.

MR. R. PALMA: The frozen market, you know they've got a –

MR. ALMEIDA: They are, and only the Chinese have the patience or what have you to pick at them.

MR. RAU: Yes, but if the price is right, what's it take? A million pounds to a big boat is still making money because he can come down here and do it for two months and then leave and go back to Alaska or something.

MR. R. PALMA: Ever since 10 years ago we've been fighting cheap prices and not being affordable to do it. This whole thing about the fishery is why the interest in the –

MR. RAU: Because we don't produce enough.

MR. R. PALMA: Right, so what would make you think that –

MR. RAU: But big boats comes in, let's say a red crab boat comes down here, buys the permits up and be able to hit all the zones; he could produce.

MR. R. PALMA: They've tried that.

MR. ALMEIDA: The Alaska boats.

MR. WHIPPLE: But they tried it at ninety cents; now you're at $3.50.

MR. RAU: No, no, it would be cheaper because it would be processed.

MR. WHIPPLE: Well, all right.

MR. R. PALMA: You would have to fight a Russian price for the crab, frozen crab at ninety-five cents delivered FOB Miami.

MR. WHIPPLE: Everyone here knows that there have been species – or we can go throughout history. When I was dragging in New England, these monkfish, we just tossed them back in the water. Now we're getting $15.00 a pound for monkfish tails. There are any amounts of stories that you can come up with to justify or reason for the perspective that you have. In an overall sense of protecting the future and the potential of what could go wrong from stuff that I've seen before, I understand you disagree with me, and that's fine. I think this action is important.

MR. ALMEIDA: Nobody is disagreeing with you at all. If we put the cap on the length, problem solved. No boat is going to come in here and catch a million pounds in a month.

MR. MANCHESTER: What size boat?

MR. ALMEIDA: 70, 75.

MR. MANCHESTER: 75, okay, why don't we do that.

MR. RAU: What about they don't want to keep it 35 percent?

MS. COPPA: No, absolutely not, 35 percent? Well, right now it's 20 percent.

MR. RAU: Right now it's 20 percent, but that would impact Randy if we kept it at 20 percent.

MS. COPPA: How big a boat are you getting?

MR. MANCHESTER: 62, 61.

MR. R. PALMA: Let's put a cap on a certain size, 35 feet, 80 feet, 65, pick a number.

MR. MANCHESTER: The money that I'm dreaming about, catching $5.00 a pound crab.

MS. COPPA: Money you didn't get from the catch shares. One of your permits ends up being no good; isn't that correct?

MR. MANCHESTER: It gets whatever the minimum is, 2.1275 percent or whatever.

DR. CHEUVRONT: Okay, let's go back. We've got some folks who are supporting Alternative 3, but it also sounds like there are some other folks who are saying let's just set a maximum size of the vessel that could be in the fishery. Am I correct in saying that? Okay, for those of you who think that there ought to be a maximum size of the vessel in the fishery; can you all agree on what you think that maximum size ought to be?

MR. WHIPPLE: I don't agree that there should be a maximum length.

DR. CHEUVRONT: That's okay, that's a different opinion. If they come up with a size limit and you guys can say we don't agree with that, that's okay too. But I want to get the opinion from the guys who are thinking that, no, the percentage is not the right way to go, it is the maximum size, so let's get that into the record and then we'll allow you guys to respond to say why you agree or disagree with that. Is that fair?

MR. WHIPPLE: Fair.

DR. CHEUVRONT: Those of you who think that there should be a maximum size, roughly what do you think the maximum size ought to be or can you do that right now?

MR. R. PALMA: I think that 75 feet would be a good number for me.

DR. CHEUVRONT: For those of you who are in favor of a maximum size, is 75 feet about – Nuno.

MR. ALMEIDA: I'm in favor.

DR. CHEUVRONT: The rest of you; I'm not seeing any opposition from anybody who believes in setting a maximum size. Now, you guys can respond to the idea of having a maximum size.

MR. WHIPPLE: Yes, I just disagree with that as a regulatory measure in general. I don't think that vessel size should be the primary function for management.

MR. R. PALMA: It can be used as an accountability measure.

MR. RAU: If you guys think about it, you could also take a 75 footer and that thing could be tonnage, monster; draw like 16 feet or whatever.

MR. ALMEIDA: Use 75 by 75.

MR. WHIPPLE: I've seen identical hulls with different documented lengths. I've seen boats that are overall the documented length is, whatever, 20 percent less than the overall length. There are all kinds of whatever ways around that.

DR. CHEUVRONT: There's maybe some difficulty with verification of vessels sizes and things?

MR. RAU: No question about that.

MR. ALMEIDA: Is there a max now in the middle?

MR. RAU: There's a percentage you can go.

DR. CHEUVRONT: It's a 20 percent increase.

MR. ALMEIDA: Whatever the permits have now.

MS. COPPA: That's each occurrence or once?

MR. RAU: Once.

MR. ALMEIDA: What would that be after that 20 percent? Let's say the largest boat, if it went out 20 percent.

MS. COPPA: You're asking now to have that increased to 35 percent once; one time under an owner, a company?

MR. WHIPPLE: Permit.

MR. RAU: Under the permit.

MS. COPPA: Then that falls back with the scenario that we were talking about.

MR. RAU: My understanding is that we can't get clarification on that, but it's only one time that you can increase the vessel length.

MS. COPPA: The problem is with not a cap of, what is it, 75 feet. This guy over here gets his one-time 35 feet, and I think you've got one of the smallest –

MR. ALMEIDA: 35 percent.

MR. MANCHESTER: Yes, smallest.

MS. COPPA: You get one time 35 percent, which would bring you up to approximately?

MR. MANCHESTER: It depends what permit? One is 33 and one is 46, so maybe it will get you up to 61 feet something; get you up to a decent sized boat that you can stay out there and fish and not sink.

MS. COPPA: I don't think it's that big.

MR. MANCHESTER: What's 35 percent of 46?

DR. CHEUVRONT: 62 feet.

MR. MANCHESTER: 62 feet, so gets you up to a Nuno size boat or a Howard sized boat, something you can make some money with.

MR. ALMEIDA: And be safe.

MR. MANCHESTER: And be safe; really it is safety.

DR. CHEUVRONT: It's a one-time deal. You could not then go 35 percent bigger than that one on that permit.

MS. COPPA: Now, take it to the largest boat in the fleet right now, which I believe is 67 feet, at 35 percent – just see if everybody is agreement, that's all.

DR. CHEUVRONT: Okay, that's fine.

MS. GORE: About 90, 91.

MS. COPPA: Now we're up to a hundred foot boat.

MR. ALMEIDA: Right, that's why I'm suggesting maybe the max size, maximum length, so that you can't go 35 on a 67 and come in with a 90 whatever footer.

MR. R. PALMA: To me it don't matter the boat size.

DR. CHEUVRONT: It doesn't matter to you one way or the other?

MR. R. PALMA: No, don't matter. If you have a hundred foot boat, you still can't sell.

DR. CHEUVRONT: We actually have – I'm trying to recap and make sure that we've got all the different opinions that are out here. There are folks who are definitely in favor of a one-time 35 percent increase should be allowed on the permit. There are other folks who think that a maximum size – I think we kind of agreed on a 75-foot vessel.

MR. R. PALMA: Or 80, it is really the guys with the bigger permits that foresee forward for the number. They need a bigger vessel so put the number down.

DR. CHEUVRONT: Sure, and I think that's kind of what Howard and Brad are saying is that if they can do that, why not, okay, and you're agreeing with that, Robert and Nuno?

MR. ALMEIDA: I was just talking to Brad and he didn't quite finish what I was saying – what he was responding was if they're allowed right now 20 percent of whatever boat is in the middle zone, what would that number be? Let's find that maximum length that could potentially be in the middle zone and make it so that it's uniform throughout.

MR. WHIPPLE: Yes, I don't know what it is. I'm not sure of all the lengths that are associated with the permits, but it is probably somewhere around – it is probably no more than 75.

MR. RAU: It's 78, 63 or 78.

MR. ALMEIDA: Would you guys be agreeing if we put like a number on there at 78 to keep the crabbers from coming down here or whatever?

MS. COPPA: Were we referring to the Erin Renee Permit; is that the one we're referring to?

MR. WHIPPLE: No, we're talking about the middle zone right now.

MS. COPPA: Was that the middle or southern zone?

MR. WHIPPLE: That's the southern zone.

MS. COPPA: Okay, which one are we talking about that we don't know the length on?

MR. WHIPPLE: We're talking about there are four middle zone permits. I might have to think about that one.

MR. ALMEIDA: I'm just looking at protection for what like Howard was saying. You've got a seasonal fishery up north with the red crabbers with 100 plus.

MR. MANCHESTER: They're all 100 foot, aren't they?

MR. R. PALMA: Eighty-five feet. No, I'm saying so we could put a number of 85. An 85 foot boat anywhere; at least down in the southern zone, they ain't even going to hit the beach.

MR. MANCHESTER: Then they've got to get to the dock.

MR. R. PALMA: They ain't going to get to the dock.

MR. ALMEIDA: It ain't even going to be efficient, but let's just be realistic here.

MR. WHIPPLE: Come up with a number.

MR. ALMEIDA: I don't think we have to do it right now, but something to think about and take into consideration.

DR. CHEUVRONT: Well, actually one of the things right now is that the idea of establishing a maximum vessel size is not even in the document, and I'm not even sure we could even put it in the document at this time. This might be something that's an issue that the AP ought to take up at some point in a future meeting if you all want to talk about a maximum vessel size.

But right now what we have got in the alternatives that are in front of us is the status quo, which is a 20 percent increase over the current vessel size. Most people are operating under the notion that it's a one-time increase. You can't just keep doing it over and over. That's the part that needs to be verified. But then the alternatives now that the council's current preferred is instead of 20 percent make it 35 percent.

That's the only difference between the status quo and what the council's current preferred is, is changing that percentage. We've got folks who still prefer the Preferred Alternative 3, which is increase to 35 percent. It sounds to me like Robert is saying it doesn't matter, because you are going to fish what's profitable for you and that should be okay based on whatever is profitable for you, and you're not going to make that decision for somebody else. Am I characterizing correctly what you're saying?

MR. R. PALMA: Right, the boat length to me is safety at sea and it has nothing to do with anything else.

DR. CHEUVRONT: Okay, and then how much you can actually take on your vessel safely, okay. Terri, you wanted to add something else to that now?

MS. COPPA: Yes, it was just that if they have to go into any of them, I would prefer the 20 percent.

DR. CHEUVRONT: Okay, so we have support for Alternative 1 and Alternative 3, and we have some people who really don't care if we have a size limit or not. It should be based on what you can do that you think is profitable.

MR. R. PALMA: Correct.

MS. GORE: Most people support for Alternative 3; is that what I'm hearing?

MR. ALMEIDA: I'd kind of like to know where we stand with the middle zone.

DR. CHEUVRONT: I think it's kind of hard at this point to get that specific, Karla, because I think there are quite a few details that aren't worked out in that. I think when I write up the report, I'm going to leave this part that there are still some questions on this action, because people aren't quite sure. It's not clear whether it's a one-time increase or what a maximum size ought to be or should we just leave that 35 percent.

MR. ALMEIDA: In case you guys are wondering why I asked this number is because in the future if we do stack permits from different zones here and you want to go from the north to the middle and what have you, you don't want to be too big now to go to the middle zone.

DR. CHEUVRONT: Let's move on to Action 9. I think there are still some questions on Action 8, and that's okay; the report will reflect that. It is hard for you guys to make a final decision or come to consensus or even really total disagreement on it. Okay, Action 9 is Modify Regulations on Golden Crab Fishing Zones. This would be the one that would allow if you have a permit from more than one zone, it doesn't matter which zone you fish the pounds for any given permit as long as your permitted to fish in that zone.

Alternative 1 is that you've got to fish the pounds that you would have assigned to that permit. Right now this is a catch share kind of related issue, right, because if there is no catch share there is no problem; you could fish however many pounds you can catch in your zone. Those of you who are not in favor of catch share, my guess is probably Alternative 1 is going to be your preferred alternative, correct?

MR. R. PALMA: No action.

DR. CHEUVRONT: Okay. The current preferred alternative for the council, if they were to go ahead with the catch share program, is to allow people to fish whatever pounds they've been assigned to whatever permit regardless of which zone it's in. We know that there are some people who don't agree with that, but then there are people who do agree with the current preferred Alternative 2, correct?

MR. RAU: Yes.

DR. CHEUVRONT: Okay, is there anybody who thinks that if there was to be a catch share program, that we should just get rid of the zones altogether and let people fish anywhere they want to, because that's what Alternative 3 basically says. Alternative 3 basically gets rid of the zones. All right, so there is no support for Alternative 3 on Action 9.

I think Action 10 was the one that we decided pretty much early on everybody is in favor of Preferred Alternative 2, which is to modify the small vessel subzone restriction, which is basically get rid of it. Is everybody still in agreement that we don't need that restriction any longer?

MR. WHIPPLE: This is another action that hinges on the alternatives of other actions.

DR. CHEUVRONT: Like vessel size.

MR. WHIPPLE: Like vessel size, like permit stacking, the one vessel one permit rule. That is part of the complication of this document. Assuming the preferreds on the other actions, then, yes, this is the preferred. But if it is just standing alone by itself, Action 10, nothing else, then personally I favor Alternative 1.

MR. RAU: I'd go along with that prefer Alternative 1 myself.

MR. WHIPPLE: This would retain the subzone.

DR. CHEUVRONT: We don't have total agreement on this one, okay fine. Did we get that Karla? Action 11, which is to Modify the One Vessel One Permit Policy for golden crab; that is the one that we talked about before where if you've got one permit on the vessel but you happen to own multiple permits for different zones, that you have to come in and offload, transfer the permit and go back out to the other.

The council's current preferred is to go ahead and allow the vessel to have multiple permits put on the vessel at one time so they can fish in the multiple zones as long as they're permitted for that. Right now the council says if somebody was to own a permit for each of the three vessels, they could do any of the three zones they wanted to on a single trip. Are you guys still in favor of that regardless of whether there is a catch share?

MR. WHIPPLE: I'm in favor of the preferred, yes.

MR. R. PALMA: We have Alternative Number 1, no action.

DR. CHEUVRONT: You want no action for that. Okay, so if you have a permit in for more than one zone, that you should be required to come in and –

MR. R. PALMA: Correct.

DR. CHEUVRONT: Okay. Does anybody else have another opinion?

MS. COPPA: Basically allowing these permit holders to stack the permits will create user or gear conflicts within these three fishing zones and may contribute to being what they call the derby fishing within that particular zone. We had some issues earlier today about everybody here has been in the fishery; they've been in a long time.

They should let each other know where their gear is. Randy, you had an issue, didn't you, in the last few years where you asked someone to let you know where they were fishing when you were nearby. Basically the answer was I'm not telling you where my gear is. We don't have to bring up names or anything other than we know that it is not as gentleman like as we would like it to be.

MR. WHIPPLE: Can I respond to that for the record, Brian? That would be a good reason if this action prohibited that, but as it stands you can still fish multiple zones with the same vessel. You just have to go through the administrative process of switching over the permit. The issue that Theresa is mentioning still fundamentally exists.

DR. CHEUVRONT: Are there any other opinions on this? It does sound like there is some support for Preferred Alternative 2, Subalternative 2B; but then there are some people who said it doesn't matter, you should still have to come in and transfer that permit on the vessels.

MR. CUPKA: Can I ask Robert why you think you could do that? I don't think the reason Terri gave is valid, because that can happen anyway under existing conditions, but did you have a specific reason for why you didn't want to do that?

MR. R. PALMA: Well, to allow one boat to be able to let's say go to the northern zone and fish there, let's say it's a big boat, he'll go in there and fish here and then go to the southern zone, fish there and wherever he's permitted for. It will create more stress on my zone because of the one trip fishing, other than to have to go out, catch what you can catch, come in. It's getting more time in the area.

MR. CUPKA: He is off the water.

MR. R. PALMA: Right, it's not just that you want to call it a derby going over here and catching more in his area because he's not out; you know, that conflict of catching or being able to try to fish the same zone as someone else and giving your zone that has your permitted for, that others don't have time to recuperate or have your trap for more time. It will create something that it ain't there right now.

DR. CHEUVRONT: Action 12 is the VMS action. This is one that could go in place with or without a catch share program. Currently the council's preferred is to implement a VMS program, that the National Marine Fisheries Service would buy the hardware, but it's up to the

fishermen to get it installed and then to run the maintenance and the monthly cost of this. That's the council's current preferred. Are there folks who are in favor of that?

MR. RAU: I'm in favor of that.

MR. R. PALMA: No action for us. We already have the VMS on our boat. Our concern with that, at least mine is that if we were to have it, that the issues of drifting that we talked about earlier and the closed zones, there are so many gray areas that we don't want to have something put in effect that we don't have the correct answers to. That's why there is a no action for that.

MR. RAU: They take a lot of monitoring as for the landings, though, more so than the – but this would give them a chance to learn more and more about how to read those in the allowable areas.

MR. R. PALMA: Like I said, I have no problems with the monitoring part of it.

MR. RAU: I think the first part would be for landings, to where we're going to land our crabs.

MR. R. PALMA: But we have to get those issues and very important issues of drifting over closed areas or zones or whatnot clarified, because that will create a mess.

MR. MANCHESTER: If you get rid of that little box, you are going to be wide open. There is not going to be hardly any area unless you go to the EEZ on that edge or way in the Portales Tower, whatever that place is; it's giving you so much area. You can go 50 miles this way and 50 miles that way.

MR. T. PALMA: The only problem I've got with this VMS, I'm going to tell you what happened to me. We have them on our boats. When the winter comes, we run about 180 miles offshore all the way close to Tampa. We leave, we send a signal; we go to the Gulf of Mexico, spiny lobster. We come back, the signal good.

We get out there. I got boarded by the cutter, Barracuda. He gets on board, goes and checks my VMS machines. For some reason it stopped working. I had to turn right back. He couldn't let me finish my trip, I had to turn right back. The guy from Key West came and the satellite, the part got burnt. We're not fish trapping; we're spiny lobster. It's 180 miles to come right back.

DR. CHEUVRONT: That's a legitimate concern.

MR. R. PALMA: Technical problems.

MR. T. PALMA: That's the only issue. Well, Robert and me, we're talking. We go out there, we pull traps, we turn on the radar, and we put one guy to take turns to get a nap or two. How good can they read us when we're drifting? There is a 4 or 5 knot tide out there. I can tell you because of the experience, we do have them on our boat.

MR. R. PALMA: We could do something like our other fishery in the kingfish where we go out and catch them. When we landed to the dock, we reported, they come and check. There are other ways of managing the landing situation other than having to put a monitoring system that

will create additional costs, additional situations where other fisheries are managed without it. You land at the dock about 4:00, you come to meet the guy there, he checks your catch, checks where you land, the dealer and all that stuff.

DR. CHEUVRONT: There was I believe an earlier alternative that had a hail-out and hail-in provision, that you called before you go out and call when you're coming back in. Maybe you guys would be okay with something like that.

MR. ALMEIDA: That does exist already, Brian, up north as well. You call as soon as you get signal and you're not allowed to touch the product or take out within 30 minutes just in case they do want to come down and inspect before you open your hatches or start taking out. But that does exist already and I'd second that if that was an option.

DR. CHEUVRONT: Okay, because I believe we have that in our considered but rejected, but now that can easily be brought back into the amendment if we need it to do that. David, did you want to say something?

MR. CUPKA: Yes, it seems to me maybe Andy could help some with this, but the hail-in and hail- out situation is only during a certain period of time. It's not like a 24-hour service.

DR. CHEUVRONT: Yes, right, you have to do it within certain hours.

MR. STRELCHECK: Hail out obviously is before the trip is made and you declare the fishery and the gear; this is with VMS. Hail in in the Gulf of Mexico for the reef fish fishery or the IFQ programs is 3 to 12 hours in advance of landing. You're hailing in where you're landing, who you're selling to and the estimated pounds that you have on board that you're bringing in.

MR. CUPKA: I know there was some discussion. I think one of the reasons it got put in the considered but rejected is because there was some concern about the fact that you are now dealing with a live product and you can't afford to be held up waiting for somebody to come check it or something. It's a different fishery than it was before now that you've got the recirculating seawater systems. They can't afford – and when they hit the dock, my understanding is they've got to move that product. They can't sit around.

MR. STRELCHECK: That certainly can be dealt with on a fishery basis if that was an issue with the timeframe in which you would need to hail in. The reason for the VMS is that obviously people are trying to be honest in most cases, but there are going to be vessels that are not going to report a hail in. The VMS is essentially our eyes in the sky that tells us that boat came into port but didn't hail in.

They can be either investigated or obviously law enforcement can show up at the dock because they didn't make a hail in and follow up on whatever case they might make at that point. The hail in is good if everyone abides by it, and obviously the hail out tells us you're leaving and get information on how long you're going to be at sea.

MR. R. PALMA: We just need instruction where we don't have to sit at the dock and wait for someone to come look for it. It has to be something where –

MR. STRELCHECK: The way the Gulf programs work is that you have to hail in 3 to 12 hours in advance of landing. You can't come in 2 hours and 59 minutes; you have to come in at three hours or longer; but once you hit the dock, after three hours you don't have to wait for law enforcement. You can unload your product; you can move your product. If law enforcement is there, they can inspect your product, but you're not waiting for anyone to show up at the dock.

MR. R. PALMA: Exactly how kingfish works. You hit the dock, if they're there, they're there. If not, you proceed with your catch.

MR. MANCHESTER: If it's two hours, two and a half hours and then you get to the dock and you just wait the half hour on the boat?

MR. R. PALMA: Pretty much.

MR. MANCHESTER: Pretty much, okay.

MS. COPPA: How does this process work, because it used to be done by like an e-mail? We used to have to log in on the computer for this process. Is this something that's done telephone now?

MR. STRELCHECK: We have three mechanisms. One is you can do it through your vessel monitoring system. For those vessels that can get satellite or cell phone service, they can call it in or they can call someone onshore to enter it electronically through the computer system.

MS. COPPA: Basically the boat – the way it looks to me, my boat would have to do it through the computer system or somebody on the boat would have to be computer literate to do that. I have the Skymate System.

MR. STRELCHECK: We would set it up to where you would have a way of entering it on a Skymate and sending it to us.

MS. COPPA: Yes, but you've got no signal offshore. It's got to be three hours before you land at minimal.

MR. STRELCHECK: Well, that's what the Gulf programs have in place; it doesn't mean that it would have to be three hour for golden crab if there were reasons.

MS. COPPA: Ours could be different hours.

MR. MANCHESTER: Two hours.

MR. STRELCHECK: That would be a discussion with law enforcement at that point.

MS. COPPA: Okay, and then there is a delay too sometimes, isn't there, for signing out to get out?

MR. R. PALMA: No.

MS. COPPA: How about weekends and stuff, because we can only land our product right now for shipment four days a week and two of them are on the weekend; Friday, Saturdays, Sundays.

MR. R. PALMA: There shouldn't be any restrictions with any dates.

MS. COPPA: But there is somebody there monitoring?

MR. STRELCHECK: You can land 24 hours a day, 7 days a week. We do have restrictions on offloading products, which is an issue for golden crab obviously because you only have a certain shelf life for the crab. For Gulf reef fish we limit offloading to 6:00 a.m. to 6:00 p.m. If you come in after those hours, you can pull up to the dock, land and those fish stay on the boat on ice and can't be offloaded until the next day.

MR. R. PALMA: See, we can't deal with that.

MR. STRELCHECK: Obviously, that's something that would work for golden crab and we've talked about alternatives to that. Our wreckfish has something similar in the South Atlantic; I think the hours are a little bit different.

DR. CHEUVRONT: Let's back up now and recap on some of the stuff we know on Action 12. There are some folks who – it sounds like most folks, if we could come up with the details that would work, that hail out and hail in would be okay. There are also those that also are fine with the VMS largely because of the additional information it would give about the fishery.

There is the current preferred of Alternative 2, Subalternative 2C, and there is still some support for that. However, it sounds to me more like more folks might be willing to support a hail out and hail in if it could be worked out so the details would work for the way your fishery operates; is that correct?

MR. R. PALMA: Correct.

DR. CHEUVRONT: Do you think that's a good characterization? I don't' see anybody disagreeing with that, okay. Action 13; this is another catch shares related issue, so my guess is that the folks who are not in favor of catch shares don't like any version of this.

MR. R. PALMA: Correct.

DR. CHEUVRONT: The other folks who are still in favor of catch shares; you basically are okay with setting the annual pound cap equal to the corresponding share cap defined in Action 5. Is there any other opinion that people want to have on that?

MS. COPPA: We do not support any of these alternatives offered in this amendment. We suggest capping the fishery in existing of 11 permits as a limited entry. New entries would buy permits from existing permit holders if it's on the market rate.

DR. CHEUVRONT: That's an old version. That was an old Action 13, which no longer exists. They pulled that completely out of the amendment.

MS. COPPA: They're allowed to do that?

DR. CHEUVRONT: Do what?

MS. COPPA: Pull something out totally?

DR. CHEUVRONT: The council can do that, sure. That is not part of the amendment anymore.

MS. COPPA: Then we're just doing the annual pound overage?

DR. CHEUVRONT: Well, we've just had the other action. What we're talking about Action 13 was the annual pounds ownership cap, which we were just discussing that it's either the folks who are in favor of the catch share are in favor of setting it at whatever is set in Action 5 if they go with the catch share versus no cap at all. Action 14 is the annual pounds overage. This becomes totally irrelevant if there is no catch share; but for those who are still in favor of catch share, you still prefer Alternative 3, correct?

MR. WHIPPLE: Yes.

DR. CHEUVRONT: Okay, any other opinions on that one? Then Action 15, and this would be even if you go with the hail out and hail in or VMS, Action 15 could still be included one way or the other, because the law enforcement guys need to know where all the possible places are that you might want to land. It doesn't mean that you have to say I'm going to land in this place and this is the only place I'm going to land.

They just want to know all the potential places where you could land so they could check them out ahead of time to make sure that they could get there to check your catch. All you would need to do is, if the current preferred was put into place, is that you would need to supply a list of all the possible places where you ever think that you might potentially want to land your golden crab.

MR. R. PALMA: Any licensed dealer will be able to –

DR. CHEUVRONT: Exactly, and it needs to be some place that law enforcement could have access to. You know, if you're doing it in your back yard, you've got a dock in your back yard and you've got a big fence up around it, it's going to be hard for law enforcement to do that and they might not approve that, but that's the kind of thing they're trying to avoid happening.

The preferred alternative right now is to establish a list of those approved landings sites and then the preferred subalternative is that list will be provided by the fishermen to be approved by the NMFS Office of Law Enforcement.

MR. ALMEIDA: Brian, say we're docked and we have a certain slip as of now or for a lease period of a year or six months term, what have you, and we're going to move to the next dock over or change our place of dockage; do we still have to go to where it's designated?

DR. CHEUVRONT: Probably what you could do is modify it. You could probably put in a request, right, to NMFS, and they would go check out the site where you now want to go if it's

not already on the list and they'll check it out and let you know its okay, you just move. But you can't do it until it's been approved, so you need to plan ahead.

MR. STRELCHECK: For the grouper tilefish IFQ programs, I think we started the program back in January 2010 with a little over 200 approved landing locations and we're now over 300 approved landings locations. There has been a lot added as the program has gone on, as new vessels come into the fishery or people designate new sites and landings. It's just a simple you request a new landing location at that point or modify your existing ones

MR. ALMEIDA: It's basically more for accessibility if they have to get a vehicle to the vessel.

DR. CHEUVRONT: Whatever they need to do to be able to get there.

MR. STRELCHECK: As Brian described it earlier; they don't want to drive up to a dealer that has a ten-foot fence with dogs and razor wire that they can't access to get in to the boat.

MR. RAU: Or emergencies and you had to go to another.

MR. STRELCHECK: That's something that we kind of handle on a case-by-case basis with the IFQ program, but we'd probably need to write something into the regulations that allow that. Certainly safety at sea is first and foremost and if there is an emergency. I've handled phone calls in the middle of the night where boats caught fire and a fisherman has gotten injured. I just tell them come on into the dock I'll call law enforcement for you and deal with it that way.

DR. CHEUVRONT: The current preferred is that Alternative 2, Subalternative 2A, create the list generated by the fishermen. Does anybody have any disagreement with that. Consensus, nice, okay. All right, we've still got a ways to go on some things. I think what we're going to do is I'm going to go very quickly over a couple of management stuff.

There are a couple of other catch share approaches that we haven't even talked about. I'm going to mention them. Then I'm going to talk very quickly about some of the other types of management that we might want to look at for this fishery. Then we're going to take a break. You can all talk about whether you want to support any of the other forms of management or not. Then we're going to come back and generate our list; what the recommendation are, we've got a lot. Karla has been copying a lot down.

I think what we're going to do is we're going to hook up her laptop there and she is going to be able to project the list through and you're going to check and see do you agree with the way she has things written or not and we're going to go from there. We've got a little over an hour so it may be kind of a short break, but we're going to try to get through as much of this as possible.

I appreciate your patience because this is a lot of stuff to go through. But the thing is that we've got to remember that no matter what you guys recommend in terms of management or changes to management, we've got to do it within the guidelines set up by the federal law, which is fairly broad. There are mandates in the Magnuson-Stevens Act that we have to end overfishing.

Not a problem here, overfishing, as far as we're concerned or as far as we know has never occurred in this fishery. That's not an issue. We have to establish annual catch limits and have

accountability measures. We've got an annual catch limit; that is 2 million pounds right now. That could go up or down, different reasons later on. You know, we don't know, but right now it's 2 million pounds. I don't see that changing anytime soon.

Accountability measures, if the council goes with a catch share program, the catch share program itself can become the accountability measure; because if somebody goes over, it has projections of this is what happens if somebody goes over on their allocation, paybacks and all that, so that is sort of built in.

If we decide that you all want to recommend some other forms of management, if you think that something might be better, the council is going to have to maybe reconsider this accountability measure thing saying what are we going to do if we ever exceed that 2 million pounds? The current ACL is 2 million pounds. We've never even gotten half of it yet.

It sounds like the way things are going that we may in a few years get close to that if it continues to grow. There are some ACL considerations. If we did the catch share and the ACL goes up, everybody gets more pounds, keep the same percent shared allocation. If the ACL goes down, everybody's allocation share goes down by the same percent.

You're in it together. For good or bad, you're all in it. Once the program would be set up, you would benefit or you would be impacted negatively to the same percentage degree. There would be no changes to how that would happen to you if there was a change. What can change the ACL; a stock assessment if we can ever get one. I don't know the probability of that occurring. My guess is right now is not real high in the near future. If something was to happen and the ACL was modified by the SSC, well, what could cause that to happen?

MR. CUPKA: By the council.

DR. CHEUVRONT: By the councils. Thank you, you caught me there, David. This was edited by how many people? Okay, let's say though that the ABC was changed by the SSC; that was reduced for some reason. Why would they do that? I don't know that they would increase it. They maybe could do that, but it could be reduced.

Let's say they see the amount of effort that's going on in the fishery and suddenly the catch per unit of effort, which is the way they measure productivity, starts dropping; and then we starts asking questions, what caused that? Could they come up with environmental factors maybe that could have caused it? The number of trips taken don't matter so much in that case, because it is for those trips that went out and fished how much crab were they bringing in?

MR. MANCHESTER: BP stopped us.

MR. CHEUVRONT: What's that?

MR. MANCHESTER: BP finally hit us five years later.

MR. CHEUVRONT: Well, yes, and that's the kind of thing that could happen. There may be some things that could cause the SSC to reduce the ABC and then the council to reduce the ACL. We have 2 million pounds, I guess my point I am trying to make is this is not set in stone.

Things could happen. We don't see anything on the horizon that is going to change it, but don't think that this can't ever change, because it can.

I want to talk about some other management schemes that are related to catch shares. There are two that I want to mention. One is the idea, whether they call it regional or community fishing associations, co-ops; however you want to do it, it is the idea of multiple permit holders can get together and they can combine all their allocation altogether.

And it doesn't matter, whoever is in that group can fish as much as they want as long as they don't exceed the total combined amount. For example,, let's say – because Nuno has said this, and I hope you don't mind me using this as an example. He's got one vessel that's got a lot of allocation on it and one that doesn't have much. What Nuno could do, if he wanted to, is he could catch it all on one vessel if he was his own group.

But like you guys, Robert and Tony, you guys basically fish out of the same place. You could just combine it all together, and it doesn't matter whose vessel, it all goes together and you can fish it all. It is all yours together as a group and it doesn't matter which vessel you've got or which permit is doing it. Either vessel, either permit could catch it all. That's another way to look at a catch share. You don't have to keep allocation tied to a single vessel if you want to do them together. That's possible.

MR. STRELCHECK: The other is usually managed from the standpoint of the government, and the problem that you guys have been wrestling with in terms of initial allocation is we don't specifically designate how much each individual fisherman is going to get. You guys decide amongst yourselves at that point if you're going to operate in a co-op; one person is going to get this amount, the other person get this amount. We don't care how it's divvied up. You guys come up with that and then you fish it.

DR. CHEUVRONT: That's an option that certainly could be done under a catch share. Another one is what they call a Turf. It's an idea of a certain amount of the allocation is assigned to specific areas. That could work in golden crab. For example, let's say a certain amount gets allocated to the southern zone, a certain amount gets allocated to the middle zone and a certain amount gets allocated to the northern zone, but that would require everybody who has a permit within the same zone to agree how that's going to be fished.

That may or may not work, but that's a possibility. I've looked at some of the other versions of catch shares that are kind of out there and that is really the only ones I've seen that would work potentially for this fishery. You all still may not want to consider something like that, and that's okay, but if you would consider a co-op or whatever, great.

We're going to take a break here in a minute, and you all are going to say, no, we don't want it, it's still a catch share and we don't want any part of that; or you know what, a co-op would work very well for us, because that now doesn't limit how we can fish all those pounds that we're going to get from multiple vessels, if we work together. But you all can decide and let me know about that in a minute.

MR. R. PALMA: You know our answer.

DR. CHEUVRONT: I kind of had a feeling you were going to say something like that.

MR. R. PALMA: Okay I'm just checking.

DR. CHEUVRONT: But that's okay. We're going to take a break here in a minute and you can look at all of the different things. Now there is something we could go to open access. If you guys really want to do that, get rid of all the permits, have at it. Everybody do it, traditional derby fishery, catch it all up, do it as quickly as you can or as you want to, catch 2 million pounds, everybody goes home and sits on the Hill.

MR. R. PALMA: Take a margarita.

DR. CHEUVRONT: You could do that if that's what you really wanted to do. You could make that recommendation. There is limited access like what we have similar now with permits but you could recommend modifying that. Is there some way that you can start adding permits to this fishery if you feel that was something you wanted to do?

MR. R. PALMA: I don't think that's a good idea.

DR. CHEUVRONT: Or, do you want to come up with a method for removing permits from the fishery?

MR. R. PALMA: That neither is a good idea.

MR. ALMEIDA: This is like – it takes a lot of guts to say this, but if we could, again, come together, I'm willing to get rid of a permit. I would do that if there were others.

DR. CHEUVRONT: What would be the benefit to you if you give up a permit?

MR. ALMEIDA: Well, here's why. I'm already only going to be able to use one vessel and I'm not interested in buying shares to be capable to provide enough to support another crew on another vessel, but me saying that –

DR. CHEUVRONT: That might not work for somebody else.

MR. ALMEIDA: Right, but I'm just putting it out there. There are others that have a second permit with no landings. We know who they are, but if they said you know what, I'm willing to do the same. Now we would regroup, obviously. I mean, if we're willing to toss a permit in there, I think we're entitled to a little more landings on that one that we keep; not double it, but something.

DR. CHEUVRONT: Well, right now the way it would work, you could in effect do that. You could just leave that one permit dormant, never use it. But you would have the possibility, because you are a business entity that has two permits, and your second permit that even has very low landings on it, you could still catch that on the other vessel. Depending on how it works out, you could assign that other permit to your vessel so you can fish that one, too. You could still have one vessel and still have two permits and you'd keep the allocation that goes to both permits.

MR. ALMEIDA: Right, and that is exactly what I'm trying to say. Rather than stocking it and getting the extra 45,000, we'll obviously put the 45,000 already on that vessel. What I'm trying to say is I need enough for meat on one vessel in order for me to want to give up a permit.

MR. WHIPPLE: I think the real incentive with the scenario that he's describing is the elimination of another permit that would conflict with his interest.

MR. ALMEIDA: Take from everybody.

DR. CHEUVRONT: So the idea is that as you get –

MR. WHIPPLE: He's saying I'll give up one if you give up one. It's not about the pounds on that one permit.

MR. CUPKA: I was going to ask Andy if they gave up a permit, that permit wouldn't go away, would it?

MR. ALMEIDA: You don't renew it.

MR. CUPKA: I think what Brian is getting at, you'd be better off holding it and just not fishing it because if you turn loose of it, somebody could get it and start fishing.

MR. ALMEIDA: I wouldn't do it alone.

MS. COPPA: There's no allocation on it if there's a catch share.

DR. CHEUVRONT: Also, remember that permit is worth money, too. Let's say you don't want to fish that permit. That's fine, you can still keep the pounds and you don't want to fish that permit, but at some point you're going to get too old to fish it. You may not have somebody in your family that you want to give that business to and you may want to sell out. Having two permits, that permit is worth a dollar amount and you can sell it perhaps to somebody else who might want to – so you would be literally giving up something with a tangible dollar value if you gave up the permit even if you kept the pounds.

MR. ALMEIDA: Again, Brian, I'm putting all the meat on that one that I need it on. I wouldn't do this alone and I'm not asking anybody to do it, but I'm just putting it out there where these guys have two permits. They may say, you know what, maybe we can do with just one boat and fish the other boat in something else. He's got two permits and each one of these guys has two permits. We eliminate out of the 11, we bring it to 7. Now we regroup and say, okay, let's see what the outcome would be and what the landings would be within those 7 permits.

DR. CHEUVRONT: That can still be done hypothetically without anyone giving up a permit at this point.

DR. CHEUVRONT: Okay, but you're right, that might be something that is worth at least looking at and seeing would there be any change in how the pounds would be allocated. Robert is not going to go along with it no matter what, but that's okay, we already know that.

MR. R. PALMA: It is allocating something to me again. No matter which way you look at it, because if he has two permits and he gives up one, he's got to put those allocations back on the table to be split amongst all of us. It's not fair just for him to get it in the meat in the other permit and him give up one. He's still getting allocated what he was originally getting allocated in the beginning. It's just now he's dealing with one set of paperwork and not two.

MR. ALMEIDA: Like I said, it would be up to the group, but there would be a lot less gear conflicts and what have you. Like I said, this is just something that came to mind when you mentioned it.

DR. CHEUVRONT: Karla, were you able to capture some of what he was saying?

MS. GORE: Yes, kind of.

DR. CHEUVRONT: Well, I think when we get to this ideas and suggestions part, that's on the list and we'll make sure that is correct and that may be something that the council may want to talk about in the future, okay.

MR. STRELCHECK: A couple things, in the Gulf I believe we did it for the reef fish; and it may be bad terminology, but we have a permit-stacking provision different from what you guys are talking about in that you can actually eliminate reef fish permits, but aggregate them together so that you maintain the landings history.

For golden crab it wouldn't be necessarily an issue here to maintain the landings history if you didn't have landings history associated with that permit. But the other part is that under a catch share and the reason you got the one sheet of paper in the mail from us was, you get all those shares aggregated across however many permits you have.

Then your account allows for one or more vessels to be associated with those shares; so even though one vessel might not have landed much in the past, it doesn't mean you can't assign more pounds to that vessel to continue fishing in the fishery in the future. You're not locked in or obligated to just fish your history, but you'd be able to spread it out amongst your vessels depending on what's best for you.

DR. CHEUVRONT: Or put it all on one vessel.

MR. STRELCHECK: Or put it all on one vessel, that's right.

DR. CHEUVRONT: You could still do that.

MS. COPPA: The requirement for putting it all in one vessel, both permits have to be the same zone.

MR. STRELCHECK: Well, they couldn't fish the other zone then if they didn't have any.

MR. ALMEIDA: One or the other.

MS. COPPA: So what you're saying is you're going to stack them – for a scenario – a northern zone, a middle zone, you can take both allocations stack them on the northern zone and go fishing with one boat in the northern zone? Now what will that do to the biomass; wouldn't that be a concern?

MR. WHIPPLE: Yes, you're talking about like spot depletion, target depletion?

MS. COPPA: Middle zone, you take the middle zone and two guys have permits there and two guys have the southern permits, they just formed a co-op. These guys here form a co-op. Now we've got two middle zone permits and two southern zone permits. They all decide to go in this other zone, and we just eliminated –

MR. WHIPPLE: No, no, no, no that's not what it means. You can only fish in the zone for which you're permitted.

MS. COPPA: They went co-op; they're in a co-op or something, okay. They can do this without us actually making it a co-op. They can get together and say, hey, you know what, Randy, swap me a permit for the middle zone and I'll give you one of those southern zones, and we swap permits. Now they've agreed and no money exchanged, maybe nothing.

Now each of them has one middle and one southern. What keeps them from depleting the southern zone around the Keys or from Miami down or wherever the line is? I'm not quite sure how they're fishing the northern permits. What is this so-called stacking or letting these boats go from any zone with this quota?

MR. WHIPPLE: Fishing viability, economics; I mean, I don't know why you would want to do that.

MS. COPPA: But when you get down to three people owning 35 percent or 30 percent of each of these zones, what's this doing to the fishery, the one that you're trying to protect? Now I've got – I sold my permit, because maybe I don't have enough to keep going or maybe I have to go bankrupt or something. Now you've got a northern zone up for sale.

Somebody else, oh, he's got an extra permit in the south, he don't need it. We've got a boat now with a middle zone, a northern zone and a southern zone. The way you're saying right now is you can stack these permits and go take your quota and fish it in any one of those three zones you so declare.

MR. STRELCHECK: Well, they can do that now.

MR. WHIPPLE: Yes, they can do that right now.

MR. R. PALMA: They can do that right now.

MR. STRELCHECK: They just have to have a vessel to go fishing.

MS. COPPA: Okay, but they can't cross those zones without changing permits.

MR. STRELCHECK: Not on one trip.

MS. COPPA: What you're saying, because right now it is a little harder to do, because we don't have to switch the permits, and send it off to the permit office and go through that aggravation.

MR. WHIPPLE: From what I understand, it's one day.

MR. STRELCHECK: I look at it a little different. If you had a permit for each zone, you could actually be fishing three vessels all at the same time versus if you stacked them all on one boat you are only fishing that one boat. Yes, he can fish across the zones, but fishing effort could be far greater if you had one permit per boat and all three of those boats were fishing.

MS. COPPA: I think what I thought I heard you guys say is that basically you can take all that quota under this catch share program on whatever permits you have and fish, since they are stackable now, in any particular area that you so designate after you come up with this catch share program.

DR. CHEUVRONT: Only if you're permitted in that zone.

MS. COPPA: Okay, but what I'm saying is the quota can be fished out in any one of those that you own and are put on your boat.

MR. WHIPPLE: You're right; technically speaking that can happen. The question is why would someone do that to themselves?

MS. COPPA: Because the crabs are heavy in that area.

MR. WHIPPLE: Then they're not depleted.

MS. COPPA: Well, they will be if you go catching a million pounds in an area.

MR. WHIPPLE: Then you don't do that.

MS. COPPA: Okay, what keeps you from doing that?

MR. WHIPPLE: Because you want to stay in business. It's not profitable; it wouldn't make any sense.

MR. STRELCHECK: If the annual catch limit is exact and specified correctly, it's not going to result in overfishing. It might result in localized depletion in certain areas but at the benefit of other areas not being depleted as heavily because effort hasn't shifted. The question is that you might have regional impacts on the stock or localized impacts on the stock because of effort shift, but I don't view that as anything different from what you could currently do now based on the vessels that are permitted because they have the potential to go out and fish those zones today.

They are just not choosing to fish them. If there is incentive to fish those zones in the future maybe because effort is ramping up, they want to catch the ACL, yes, there is potential there, but

you could do that today under the current system and don't need the catch share system to do that.

MS. COPPA: I guess this catch share system that you are trying to convince us that we need –

MR. STRELCHECK: No, we're not trying to convince you of anything.

DR. CHEUVRONT: No, we're not.

MR. WHIPPLE: I am.

DR. CHEUVRONT: Yes, Brad is, but the three of us; you know.

MR. MANCHESTER: I've got a question for Brad. I think your Dad would say that the crabs don't actually have a territory. They don't know the southern zone, middle zone and northern zone.

MR. WHIPPLE: Crabs don't care, right.

MR. MANCHESTER: He said they used to walk up and down the slope and so far north, but we don't catch them. They walked over and then all of a sudden three months later they walk right back. We don't know enough about these crabs. We just don't know enough about them.

MR. ALMEIDA: Correct.

MR. WHIPPLE: Yes, that's fair to say.

DR. CHEUVRONT: There are other traditional management measures and things that people have talked about before. We already have some no fishing areas in place, but there could be other limits that could be put on when the fishery could occur if you think that there needs to be any other kind of limitations.

It could be done seasonally, additional areas that you think that people shouldn't be allowed to fish. Those are all part of the traditional management measures. We may not need them here, but they're out there. Then there are some stock characteristic limitations, like crabs have to be a certain size or you have to throw them back.

You can have a trip limit, the maximum amount that you could catch on a trip. You could consider – and the idea is if you're thinking about that this could go to a derby, you might want to consider some things in the future like a trip limit, because that would extend the season out.

MR. R. PALMA: Close one month.

MR. CHEUVRONT: Well, there are other things that could be done. You could have like slot limits like you can only land crabs between certain sizes; throw the big ones back and the little ones. I don't know enough about the characteristics of crabs, but maybe you can just limit the only male crabs are all that you could harvest. Is it easy enough to tell?

MR. ALMEIDA: That exists already.

MR. CUPKA: That's what it is now.

MR. R. PALMA: We have an excellent management plan in this fishery. We can't catch females; we have to only harvest males, escape gaps, not overfished.

DR. CHEUVRONT: But I'm saying is there may be additional things that you might want to consider that is traditional management if you think that there is an issue that needs to be addressed. I was trying to point out all of these things I think that you can consider. What we're going to do is we're going to take a break right now and you all can talk about it.

We're going to come back and see if there is anything else that you think that needs to be done management-wise to this fishery; different catch share schemes that people might agree to or not or other management things like the kinds that I talked about. If you all think that needs to be done, we're going to take a break and come back and do that.

Then we're going to come up with all the list of recommendations. I think that's it. I'm going to leave this list up for the traditional things. Let's go ahead and take a break.

(Whereupon, a recess was taken.)

DR. CHEUVRONT: Okay, we're all back. We've got just about a half an hour really that we need to finish this stuff up. I did want to check in with anybody that said we talked about some other management things. Is there any of that stuff that anybody wants to discuss at this point; the other management that you think that maybe we ought to consider; looking at some other management things, whether it's a catch shares, ideas like co-ops or turfs or any of the traditional management measures that you think that the council ought to consider and implementing in here that they're not currently doing. Are there any other suggestions that anybody wants to make at this time. I just wanted to see if there was anything else out there?

MS. COPPA: Would this be in an alternative?

DR. CHEUVRONT: Well, what would happen is in this case is that let's say this group decided we need to investigate the idea of if there is a derby that develops, that we would recommend that the council consider doing things like time area closures or something of that nature. Now you can make that recommendation if you wish. It's not going to get in this amendment.

It is not something that has been considered in this amendment. It might be something that the council might want to take up in the future, but they've gotten a recommendation. This is something that the people who participate in the fishery would like to have the council consider for the future. This is a very rare thing that has happened here, to get all seven of you in the same room. We don't get this opportunity, and we'd like to find out what you think should be considered for the management of this fishery if things need to be changed for the future.

MR. WHIPPLE: I think the one consensus that we probably have right now is that we want a stock assessment. Before anyone could make any new suggestions or different suggestions or

argue about this or argue about that, I think we'd all like to know more about a stock assessment, the procedure, how it happens, how can we facilitate it happening.

MR. R. PALMA: We need better science.

DR. CHEUVRONT: Well, that's what the stock assessment would do, have science.

MR. WHIPPLE: I don't know if there is anything to talk about in terms of management other than what we've already talked about here.

DR. CHEUVRONT: That's fine, and that's okay. I just wanted to give everybody the opportunity to talk about that. If I am characterizing, Brad, what you're saying correctly is that you think it's probably not helpful to talk about other potential management if catch shares don't go through until you know something more about what is the status of the stock.

And perhaps if the AP meets some time, that somehow you guys would like to know what could be done to help make a stock assessment occur and make it more successful? Because, sometimes stock assessments aren't as successful as others based on the kind of information that is available and not available. Does that kind of make sense?

MR. WHIPPLE: Yes.

MR. MANCHESTER: I don't know if it's appropriate, but on a stock assessment, the procedure of how they did the last stock assessment when they got 12 million pounds, I was just wondering how they came to that conclusion. Did that include the Gulf of Mexico; did that include the Bahamas or did that just include this little thin area? I think there are crabs everywhere. They are out there.

MS. COPPA: Do you happen to know what year that stock assessment was done, the last one, anybody?

MR. CUPKA: That wasn't really a stock assessment that was done; that was an estimation on how many crabs might be there based on some samplings work that was done in South Carolina and some other places. Then they tried to expand that and estimate, but it wasn't a stock assessment, per se. It was more of a guestimate on what might be out there based on limited sites.

MR. MANCHESTER: Do you think we had a functioning boat out there off of South Carolina and did a little bit of fishing and found out that we catch 50 percent more crabs farther south, that there are even more crabs out there.

MR. CUPKA: Yes, we had a project that was funded by the – I think it was Coastal Plains Regional Commission; one of those group to go out and do some exploratory work off South Carolina. Glen Ulrich and Betty Winner did some of that. Based on that, they tried to say there was so much habitat out there that would be suitable and this is what we found in this one area, to expand that to the whole area what kind of a number would you come up with. It wasn't a stock assessment in a traditional sense; it was an estimation of possible biomass.

MR. RAU: There was a stock assessment I believe though that came in low; I'm not sure. Then council went with the 12 and then it was knocked down.

MR. CUPKA: Yes, because NMFS didn't accept the methodology that was used. Again, that was guestimation.

MR. RAU: Right, but wasn't there a lower stock assessment, too?

DR. CHEUVRONT: That was before my time, which wasn't that long ago.

MR. STRELCHECK: It's something we will have to follow up with.

DR. CHEUVRONT: It does sound like you all are saying that there is some interest in following up on what should happen with a stock assessment.

MR. WHIPPLE: Exactly. I'd also like to float the idea of a voluntary ITQ as a tool and experiment. I don't know about experimental, but a tool to see if maybe there are some more margins to negotiate. Could it work for people? The ACL; is it enough; is it not enough? How are the next two years really going to trend? We've got a lot of different ideas or expectations of what the next couple of years are going to bring, maybe with some voluntary, temporary efforts in place; I don't know.

DR. CHEUVRONT: Yes, I know that has been suggested in other fisheries. I think that the devil is in the details of how that would be worked out, but that certainly could go down as a suggestion that the council might want to consider to see if there is a way. Maybe if there are some people who want to participate in an IFQ, that they could set aside part of it for an IFQ, leave the rest of it as open access. I just don't know how they would work out those kinds of details. I'm not done researching to how that would play out, but maybe there is something out there.

MR. WHIPPLE: Nor have I; I think the science is probably the more crucial.

MR. R. PALMA: That's the foundation. Without that, there is really speculative talk from there on.

MR. ALMEIDA: Now, how is that done now; is it a series of fishing gear or catch and release?

MR. R. PALMA: Biological.

DR. CHEUVRONT: Are you talking about the stock assessment?

MR. ALMEIDA: Right.

DR. CHEUVRONT: There are lots of different ways. They are going to look for – part of it will be landings, the dependent data, the guys who go out and are actually fishing and see how they're doing.

MR. R. PALMA: Life cycle.

DR. CHEUVRONT: Life cycle. There is independent data. If they're being caught – I don't know if there is even any independent data collection catching.

MR. RAU: I don't think there is.

DR. CHEUVRONT: Okay, so they wouldn't have independent data.

MR. STRELCHECK: My guess is it would be a production model to look at fishing effort and landings and how landings change with different levels of fishing effort as well as looking at the catch-per-unit effort that you would submit through your logbook data to see if there are trends and if there are increases, decreases, got it all planned. They wouldn't have enough information to do an age-based assessment to determine how old are the crabs that you're catching and how long lived are they.

MR. CUPKA: We talked to Bonnie about that at the Science Center and she said what they would probably do would be to go to some of these other areas where they have crabs and look at the methods they use in assessments and see if they could do something similar, because they don't have any experience with that.

MR. RAU: Would we be allowed to hire somebody to do our own stock assessment; is that possible anymore?

MR. STRELCHECK: That was partly what I was going to suggest that you would need to talk to the Science Center and whether that could be done maybe through the Southeast Data Assessment Review Process or in conjunction with them. I think you would need to have a partnership with the federal government in conducting that assessment. It couldn't just be done behind closed doors, but that is certainly an option they can pursue.

MR. RAU: What do they usually cost, like a stock assessment?

MR. STRELCHECK: It really depends on the complexity of the assessment and how much time and effort has to be spent on it. These assessments involve oftentimes 10, 20, 30 people at a workshop just because of all the data and information that's going into it. For golden crab, I think it would be much simpler.

DR. CHEVRAUNT: More concentrated; multiple states and things that are involved.

MR. STRELCHECK: The state of Florida might be a good option, since this is a Florida fishery, for you to talk with the state of Florida scientists. They might be willing to do a stock assessment on golden crab. You'd want to talk with the Fish and Wildlife Marine Research Institute in St. Petersburg. I can put you in touch with the head of their stock assessment program, but they might have an opportunity to where they can do the assessment. They've been involved with other assessments at the federal level such as yellowtail snapper and mutton snapper.

MR. CUPKA: It might be. We have explored that. They've done some for SEDAR in the past, some of the different stocks. They indicated that they probably wouldn't be able to do as much

as they had before because of cuts in the funding and staff and things like that, but it's worth pursuing and exploring, though.

MR. STRELCHECK: The good thing with Florida is they do have experience doing stone crab and blue crab and stuff, so they have dealt with invertebrate species in working on assessments.

MR. WHIPPLE: Do the fishermen think those assessments were accurate? I'm just joking.

MR. STRELCHEK: Well, that's the whole double-edged sword about asking. Be careful what you ask for, I guess, because expectations sometimes are not the reality.

MR. WHIPPLE: Well, the consensus on that, I also would like to suggest – and I think I speak for everybody – it doesn't change anyone's current position on Amendment 6.

DR. CHEUVRONT: That's probably true.

MR. R. PALMA: Well, there are parts of it that we could have the council – you know, they have been working on it for a while so we could pass – put the catch share part of this away, review it, look at monitoring trends and fishing efforts, schedule a stock assessment. There are additional amendments for the golden crab fishery. One could be Amendment 7, 8, 9; it could go on and on and on. This is not the end of it. And examine the purpose and need of a catch share; examine it to the point of to this particular crab.

MS. GORE: Are these all things we want to make recommendations to the council, all these things?

MS. COPPA: Yes.

DR. CHEUVRONT: Karla has captured – we had problems. For some reason we couldn't get the projection to work with her computer, but what we did do is we recorded them as we were going through each of those actions, all the different positions that people – you'll notice I said some people in favor of Alternative 1, some people are in favor of Alternative 3.

That was all captured in there. What I'll be doing is getting up a report in the next week or so, getting it out to all of you guys. We'll get it as good as we can get it and get it into the briefing book, which are the materials that we sent out to all the council member prior to the council meeting, but you will be able to comment on that report up until the time of the council meeting.

If you think that something needs to be changed or modified or explained better, you can still get your comments to me up until that point, and I'll make sure that they get in there. Then we will let the council know that what they're receiving is the preliminary report. We're going to send out the final report once people have had a chance to look at it. We'll get the transcripts out to everybody as soon as they're available. You can comment on those as well if you think that something was transcribed incorrectly.

MR. R. PALMA: On that, would you read what I've presented so you can have full understanding on some of the actions.

DR. CHEUVRONT: You're talking about the document /

MR. R. PALMA: Right, my proposal.

DR. CHEUVRONT: Yes, I've got copies of that and I was telling Terri that some of that I'll just lift word for word and put it into the report saying that there is some people who feel this way. Hold on to all that stuff and use that as a reference when you are looking at the report.

MR. R. PALMA: Right, I just don't want to waste the time in having to read it and put it on the record.

DR. CHEUVRONT: No, you don't need to because it's already been read. Terri read most of the whole thing already. I think we're in good shape on that.

MS. COPPA: Question, because I'm kind of new at this; has there been a social impact – this is not to be for the council – but social impact study done?

DR. CHEUVRONT: Yes, it's in part of the amendment that is already in the full amendment that is available when we have all the briefing –

MS. COPPA: What year was that done?

DR. CHEUVRONT: It was done; it was updated I know within the last six, eight months. What will happen is prior to the council meeting, on the council's website they will put all the documents that the council is going to consider will be up on the council's website. You can download it; you can download the entire copy of the plan. If you have any questions about how to do that or whatever, I can help you get it.

MS. COPPA: I pretty much thought I could get most of the stuff. Some of the minutes aren't there. There is stuff missing; I was there Tuesday pretty much all day.

DR. CHEUVRONT: Okay, let me know what you're not able to get and I'll help you find it. Nobody is trying to withhold anything from anybody. Something just didn't make it up on the website. I'll figure out what happened and I'll make sure you get what you need. Give me a call. I'm not going to be in the office Monday, but you can give me a call.

MR. ALMEIDA: On these recommendations to the council; is it just what pertains to the Amendment 6?

DR. CHEUVRONT: It's all the stuff that we talked about today; anything that came up that was a recommendation.

MR. ALMEIDA: I strongly feel we need to do something with the 29 line.

DR. CHEUVRONT: Right, and I mentioned that earlier. That will be in the report. It's not going to happen in this amendment. We already know that because there is nothing that is addressing that issue, and at this point I doubt that the council is going to want to start adding any new actions of things that haven't been considered already.

Basically what would happen is they'd have to start the whole process all over again. It will have to go out for scoping, they are going to have to go out for public hearings again, and will bring it back. It would be January before it could even –

MR. R. PALMA: Amendment 7.

DR. CHEUVRONT: It could be Amendment 7. Okay, that's the kind of thing we're talking about, but it's in there, it's a recommendation, and tat will be held on to. I am the council's representative for this fishery as a staff member, and its' kind of my job to keep track of all the things that you guys are saying that you want to have considered in this fishery.

When they start talking about it again, I can bring it up to the council to remind them, oh, well, remember they said that they want to consider these other things. Then they can decide what to do at that point. I can't tell the council what to do, they're my boss. They will then say, okay, we want to look at the possibility of changing that line if that's the issue. They may choose not to do that. I'll remind them that just came up as an issue. Does anybody else have anything?

MR. WHIPPLE: What do you imagine the council is likely to do at the September meeting? Could you imagine there being like a final vote on this or with all this new information can you imagine it being continued, Amendment 6 being continued?

DR. CHEUVRONT: You're asking me to predict the future?

MR. WHIPPLE: Yes, as best as you can.

DR. CHEUVRONT: As a former council member. I really don't want to do that. I think there is a lot of stuff for them to discuss. I think there are several options that they could consider. One is they could look at the amendment and say we could go ahead with these actions that we feel comfortable with doing right now, and all the other actions get pulled out and go into the considered but rejected appendix, but that doesn't mean they can't be considered later.

That could be done. They could go ahead and say we feel like we know enough to know what we want to do. This is the way it's going to be and they can make that decision. They could decide to shelve the whole thing, if they wanted to, so there is the whole gamut. If you want me to predict which one, that's a sucker bet.

MR. WHIPPLE: You're not biting.

DR. CHEUVRONT: I'm not biting on that one, because I have absolutely no idea how that's going to play out. I don't know if David or Ben would like to comment on that, but I don't think they would take – I think they're probably feeling just as uncertain as I am right now.

MR. CUPKA: I will say that we aren't under any real time constraints like some of the other things we handle, like the ACL Amendment or anything, and we're not in a situation where there is a really pressing need; or not need but problem to deal with.

MR. WHIPPLE: Not imminent, yes.

DR. CHEUVRONT: There is no overfishing occurring.

MR. WHIPPLE: I understand.

MR. CUPKA: We're under less pressure if the council decided we wanted to wait or to get some more information or whatever. Like Brian says, it's hard to predict. Ben and I are just members of the council. I don't want to speak for the other members or how they might vote.

MR. HARTIG: Yes, but to add to that, I think the discussion today that we've had is seminal to the decision the council is going to make. You guys have addressed each option and put your objections up. We have an idea of how many are in favor of which option. I think if the rest of the council members have time to listen to your audio files from this meeting, and I think they will, and read Brian's report, I think they could come to some kind of conclusion based on really what happened today.

I mean this is the first time all of you have been – I don't know if you know what we did at the last meeting, but all of you are now on the AP. I don't know if you're aware of that. You all from here on have the ability to meet totally just like today for an AP meeting, so we don't get into the situation that we did in the past.

MS. COPPA: You asked on recommendations to the council; I would think maybe one of my recommendations would be to maybe put it back to the advisory panel for a little bit more review on some of the issues that we didn't come to terms with; that maybe on a second meeting after everybody has a little time to digest it and stuff, that maybe there would be a little bit more further communications between it and everybody is willing to show up. Now that we've got a unit, it would be nice if we could kind of self-regulate this thing with the help of the council.

MR. RAU: I'd like to recommend that the council go ahead and pass Amendment 6.

DR. CHEUVRONT: Are any specific terms that you would like?

MR. RAU: As it is.

MR. R. PALMA: I, too, would recommend that the council pass Amendment 6 without the catch share program.

DR. CHEUVRONT: Okay, that's fair.

MS. COPPA: Can we have a preferred?

DR. CHEUVRONT: No, we're avoiding preferreds. It's like seven minutes to five. I just want to thank you all for coming and talking. Considering where we were two months ago, we had folks that weren't even willing to talk about all these issues. We don't have consensus on a lot of important things at this point, but you all came and talked about it.

There may be things that maybe have to be discussed in the future. Certainly, there are things that are likely to be discussed in the future. There were ideas that were put out that have never been considered before. Hopefully, we can figure out a way to make the fishery run for

everybody. I don't know if that's possible, but we need to keep working at it. The last comment I'm going to make is the final word goes with those guys. They've heard what you said.

You heard what Ben said, but they are the ones who are going to make the final decision. Thank you for your input, thank you for coming. I know it was an effort, especially some of the guys who are starting up in the lobster fishery right now. You missed a day of participating in that fishery to be here – I appreciate that – and the rest of you guys who gave up your work from other stuff that you do. This was really important and I want to just thank you all for being here. I guess we're done.

MR. ALMEIDA: Thank you, Brian, for making this happen.

DR. CHEUVRONT: I'll defend the plug. It wasn't me, it was Karla, Andy, me, we all worked together and a couple of other people who spent a lot of time working on this.

MR. ALMEIDA: We thank you guys, we really do. This was big for us.

DR. CHEUVRONT: Okay, thank you.

(Whereupon, the meeting was adjourned at 4:55 o'clock p.m. August 10, 2012.)

Signed By:_____ Date:_____

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