

**FINAL SUMMARY REPORT  
FROM THE ALLOCATION COMMITTEE MEETING  
North Charleston, South Carolina  
April 8-9, 2008**

The Allocation Committee met on April 8<sup>th</sup> and 9<sup>th</sup>, 2008 in North Charleston, South Carolina. The committee received a report from Gregg Swanson, Graduate Student Intern, summarizing the public scoping comments. The committee requested clarification of some of the numbers (see list of recommendations below).

Gregg Waugh, SAFMC Staff, then reviewed the list of items requested from the February and March committee meetings; progress is being made and it is expected that all items will be completed by the June meeting. The committee provided guidance to get information from the states that have made allocation decisions (e.g., FL, TX, GA, and AL). Background papers are to include salmon (but make sure relevant to the allocation issue), federal management of terrestrial and avian species (i.e., all living public resources), and marine examples with a recreational & commercial component. The committee also added two items shown in the list below.

Dr. Jim Waters, NMFS SEFSC, then gave a presentation on the allocation work done in the Gulf of Mexico on red grouper. Model issues and conclusions were as follows:

**MODEL ISSUES**

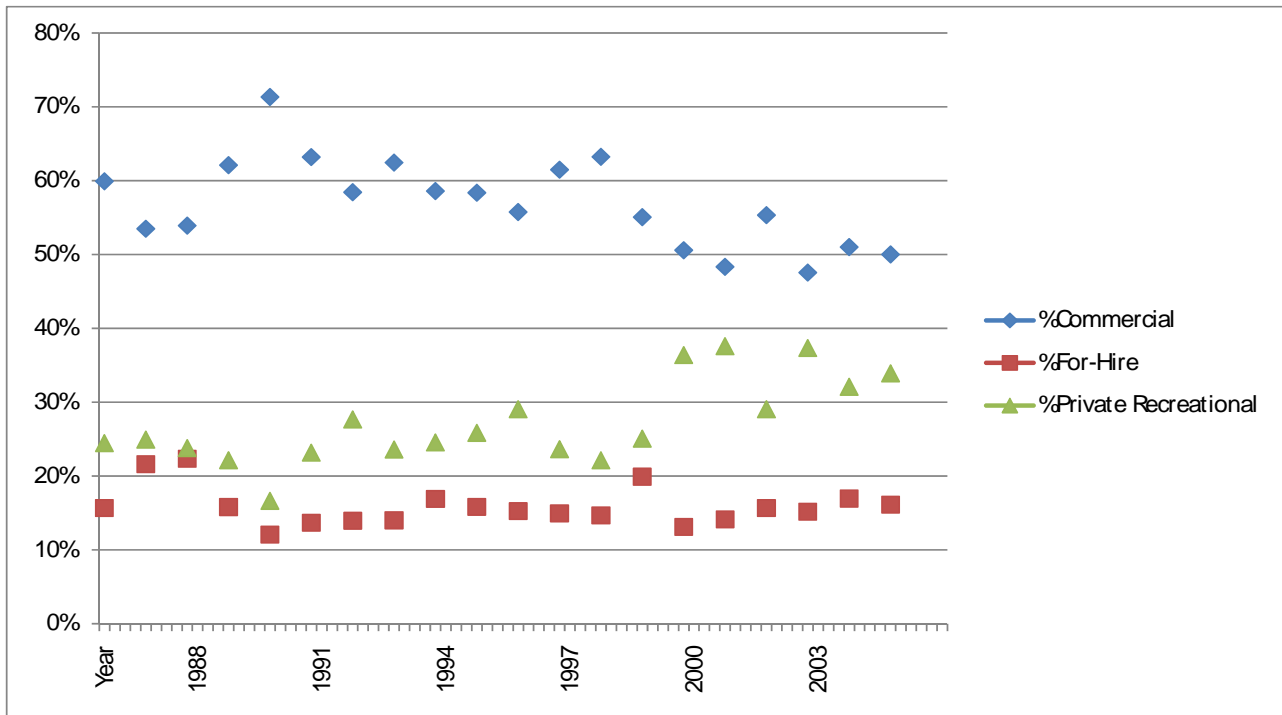
- Recreational
  - Not species-specific
  - Only charter sector point estimate
  - Static - No trip or participation behavior
- Commercial
  - Results are specific to red grouper
  - Parameter uncertainty
  - No retail sector or other market levels
  - Static

**CONCLUSIONS**

- Models well-developed from theoretical perspective
- Results better than expected, and appropriate for small reallocations
- Recreational results might be applicable to other species, especially in Gulf of Mexico
- Commercial results specific to red grouper fishery in Gulf of Mexico

The committee discussed the attached list of data needs for net benefit analyses (see last two pages). The committee is recommending that these data be collected. They also reached the following conclusion: “Net Benefit Analyses – The theoretical model used for red grouper in the Gulf of Mexico has application for use in the South Atlantic, however, data are not available to complete the necessary analyses for the 10 species in Snapper Grouper Amendment 17. This type of approach could be utilized in the future as the data become available and the net benefit analyses are completed. These analyses should be completed as soon as practicable after the data are collected.”

Gregg Waugh, SAFMC Staff, reviewed the SEDAR data analyses completed by Andi Stephens (SAFMC Staff) and the analyses of landings data from 1986-2005. The landings data will be updated through 2006 and possibly 2007 by the June meeting. The committee approved a motion (see below) establishing four sectors for allocations: commercial, for-hire, private recreational and conservation. Historical catches (percentages; 1986-2005) for the three fishery sectors (for all snapper grouper species combined) is shown below:



The committee then reviewed the list of alternatives and combined old Alternatives 3 (Council’s Judgment) and 4 (Detailed Economic and Social Models – when available) and moved immediate consideration of old Alternative 4 (Detailed Economic and Social Models) to Appendix A (Alternatives considered but eliminated from detailed study.). The revised list of alternatives is as follows:

**Alternative 1.** No Action.

**Alternative 2.** Landings Data from NMFS or ACCSP (Atlantic Coast Cooperative Statistics Program; [www.accsp.org](http://www.accsp.org)) Databases.

**Alternative 3.** Catch Data from Assessments (including discard mortality).

**Alternative 4 (Preferred).** Council’s judgment based on fairness and equity – this approach would consider any number of factors including but not limited to social and economic values (including demographic shifts) and models, when available; landings data; and the Council’s view of what fisheries should look like into the future.

**The following motions were made:**

**MOTION #1:** RECOMMEND THAT THE COUNCIL, IN THEIR DELIBERATIONS, ALLOCATE AMONG FOUR SECTORS: (1) COMMERCIAL, (2) RECREATIONAL, (3) FOR-HIRE, AND (4) CONSERVATION.

APPROVED BY COMMITTEE (4 in favor, 3 opposed with concern about adding item 4. conservation)

**MOTION#2:** FOR THE PURPOSES OF ALLOCATION, RECOMMEND THE COUNCIL ESTABLISH A CONTROL DATE OF 4/8/08 FOR ALL FOR-HIRE FISHERIES FOR WHICH A CONTROL DATE IS NOT ALREADY IN PLACE. MOTION WITHDRAWN (At the June 2007 meeting, the Council approved a control date of 3/9/07 for all for-hire fisheries under Council fishery management plans.)

**MOTION #3:** MOVE ALTERNATIVE 2 (CATCH DATA FROM ASSESSMENTS) TO APPENDIX A (ALTERNATIVES CONSIDERED BUT ELIMINATED FROM DETAILED CONSIDERATION).

DISAPPROVED BY COMMITTEE

**MOTION #4:** AMEND ALTERNATIVE 3 TO READ: COUNCIL'S JUDGMENT BASED ON FAIRNESS AND EQUITY – THIS APPROACH WOULD CONSIDER ANY NUMBER OF FACTORS INCLUDING BUT NOT LIMITED TO SOCIAL AND ECONOMIC VALUES (INCLUDING DEMOGRAPHIC SHIFTS) AND MODELS, WHEN AVAILABLE; LANDINGS DATA; AND THE COUNCIL'S VIEW OF WHAT FISHERIES SHOULD LOOK LIKE INTO THE FUTURE. ALSO, MOVE ALTERNATIVE 4 TO APPENDIX A.

APPROVED BY COMMITTEE

**MOTION #5:** RECOMMEND TO THE COUNCIL THAT ALTERNATIVE 3 (COUNCIL'S JUDGMENT BASED ON FAIRNESS AND EQUITY) BE OUR PREFERRED.

APPROVED BY COMMITTEE

**The committee provided the following guidance and/or made the following requests:**

1. Staff was requested to clarify some of the numbers of attendees listed in the summary of scoping comments.
2. Staff was requested to work with Dr. Jim Waters, NMS SEFSC, to compile a list of data needs for net benefit models.
3. Send the final list of data needs for net benefit analyses to the MRIP program.
4. Staff was requested to compile a list of socially relevant data, what's been done, what's helpful for net benefit analyses and allocations.
5. The committee provided guidance to get information from the states that have made allocation decisions (e.g., FL, TX, GA, and AL). Background papers are to include salmon (but make sure relevant to the allocation issue), federal management of terrestrial and avian species (i.e., all living public resources), and marine examples with a recreational & commercial component.

6. Staff was requested to provide the Landings and SEDAR analyses by the three fishery sectors (commercial, for-hire, and private recreational).
7. Schedule another committee meeting in North Charleston beginning at 8:30 am on July 8<sup>th</sup> through noon on July 9<sup>th</sup>, 2008.
8. John Wallace was appointed vice-chair of the Allocation Committee.
9. For the list of 10 species currently undergoing overfishing and included in Amendment 17, staff was requested to develop a list of whether the species is overfished, vulnerability of the species, depth caught, and other factors that the Allocation Committee could be used to determine allocations. These species are:
  - (1) Black grouper (undergoing overfishing)
  - (2) Black sea bass (overfishing expected to end in 2009)
  - (3) Gag (undergoing overfishing)
  - (4) Golden tilefish (overfishing expected to have ended in 2007)
  - (5) Red grouper (undergoing overfishing)
  - (6) Red snapper (assessment results to be presented to Council in June 2008)
  - (7) Snowy grouper (overfishing expected to end in 2009)
  - (8) Speckled hind (undergoing overfishing)
  - (9) Vermilion snapper (undergoing overfishing)
  - (10) Warsaw grouper (undergoing overfishing)

## **LIST OF DATA NECESSARY FOR NET BENEFIT ANALYSIS**

### **I. COMMERCIAL**

- a. LANDINGS BY SPECIES BY TRIP, PRICES, CREW SIZE, AREA FISHED, COUNTY LANDED, AND GEAR-SPECIFIC FISHING EFFORT. NUMBER OF VESSELS.
- b. TRIP-LEVEL COSTS – GAS, BAIT (POUNDS & \$), ICE, CREW PAYMENTS, FOOD AND MISCELLANESOU SUPPLIES. TRANSPORTATION COST PER TRIP FOR FISHERMEN TO GET THEIR FISH TO THE FISHHOUSE.
- c. DISPOSITION OF CATCH

### **II. CONSUMER – NEEDED FOR COMMERCIAL ANALYSIS**

- a. DISPOSABLE INCOME, POPULATION SIZE, AND CONSUMER PRICE INDEX.
- b. WHOLESALE PRICE, DOCKSIDE PRICE, AND PRICE OF SUBSTITUTES AND COMPLEMENTS.
- c. AMOUNT AND VALUE OF FRESH AND FROZEN IMPORTS.
- d. QUANTITY OF DOMESTIC PRODUCT, BY SPECIES, CONSUMED DOMESTICALLY.

### III. CHARTER, GUIDEBOATS AND HEADBOAT

- a. CHARTER/HEADBOAT FEE, TRIP COST, AND OTHER TRIP CHARACTERISTICS (TRIP LOCATION & LENGTH; NUMBER PASSENGERS)
- b. NUMBER FISH BY SPECIES KEPT PER UNIT EFFORT, NUMBER FISH DISCARDED BY SPECIES PER UNIT EFFORT, LENGTH AND WEIGHT PER FISH
- c. NUMBER TRIPS BY COUNTY
- d. NUMBER OF BOATS
- e. SPECIES OR SPECIES GROUP TARGETED
- f. PURPOSE OF TRIP (ALL FISHING OR FISHING A PART OF OVERALL TRIP)
- g. COST OF PERMIT/LICENSE
- h. DISPOSITION OF CATCH

### IV. PRIVATE RECREATIONAL

- a. TRIP COST (FUEL, BAIT, HOTEL, FOOD) AND OTHER TRIP CHARACTERISTICS (TRIP LOCATION, NUMBER PEOPLE/NUMBER FISHERS & TRIP LENGTH; RAMP FEE).
- b. NUMBER FISH BY SPECIES KEPT PER UNIT EFFORT, NUMBER FISH DISCARDED BY SPECIES PER UNIT EFFORT, LENGTH AND WEIGHT PER FISH
- c. NUMBER TRIPS BY COUNTY
- d. MODE OF FISHING; NUMBER OF BOATS; AREA FISHED (STATE, EEZ, INTERNAL WATERS, ETC.)
- e. SPECIES OR SPECIES GROUP TARGETED
- f. PURPOSE OF TRIP (ALL FISHING OR FISHING A PART OF OVERALL TRIP) AND TRAVEL COST.
- g. COST OF PERMIT/LICENSE
- h. DISPOSITION OF CATCH

### V. RESEARCH NEEDS TO HELP WITH NET BENEFIT ANALYSES

- a. HOW NUMBER OF TRIPS CHANGE BY LEVEL OF RECREATIONAL QUOTA
- b. HOW VALUE OF TRIP CHANGES BY LEVEL OF RECREATIONAL QUOTA
- c. HOW WILL FUTURE CHANGES IN RECREATIONAL QUOTA BE ACCOMPLISHED (E.G., BAG LIMIT, BOAT LIMIT, CLOSED SEASON, CLOSED AREAS, MINIMUM SIZE LIMIT)
- d. IF EVERY RECREATIONAL FISHERMEN HAD TO PURCHASE A SALTWATER LICENCE TO FISH ON FOR-HIRE VESSELS, WOULD THIS AFFECT NUMBER OF TRIPS