



THE SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL

**For-Hire Limited Access for the Snapper Grouper,  
Dolphin Wahoo, and Coastal Migratory Pelagics  
Fisheries in the Atlantic**

**June 2024**



# Overview



- Background
  - Why the Council is considering limited access in the for-hire fisheries
  - Recent AP feedback
- Introduce some of the decision points and considerations
  - Consider items from Snapper Grouper AM 47
    - Moratorium
    - Limited Access Program
- Next steps: requesting guidance from the Council
  - Moratorium and limited access or go straight to limited access program?
  - Consider geographically-specific limited access?
  - Other guidance?

# Why is the Council considering action?



- Based on previous discussions the Council is considering whether a limited access program would improve management of the for-hire components of the Snapper Grouper (SG), Coastal Migratory Pelagic (CMP), and Dolphin Wahoo (DW) fisheries.
- Responding to feedback from the Fall 2023 meetings of the SG and Mackerel Cobia (MC) Advisory Panels (APs) recommending that the Council consider limited access into the for-hire fisheries.



# Snapper Grouper AP Feedback

- AP members from the FL Keys and SC noted a large growth in population and increases in the number of for-hire operators.
- Illegal charters (i.e. unlicensed) are becoming more prevalent through social media advertising.
- Many SG species are becoming a very limited resource.
- Revisit the June 15, 2016 control date. Consider:
  - Setting control date to align with the beginning of electronic for-hire reporting.
  - Regional variations and differences between part-time and full-time participants. Possibly consider defining “professional” charter captains.
- Look at Gulf for-hire management.

# Snapper Grouper AP Feedback (continued)



- Consider an exemption from limiting access for headboats:
  - Headboats have limited methods and target species compared to “6-pack” vessels.
  - Headboats have additional regulatory requirements.
  - Private vessels can be insured to serve as charter vessels as well, easing entry into the for-hire fishery.



# Mackerel Cobia AP Feedback

- Limited entry would control the expansion of recreational harvest and professionalize the for-hire fleet.
- Explore new and unique structures for a limited entry program (ex. limited leasing, a greenhorn pool, etc.)
- Recommendation to form a workgroup to discuss limited-entry for for-hire fleets.
  - Workgroup should include fishermen who are for and against limited entry, staff with permit experience, and fishermen with experience operating under a for-hire limited entry system (ex. Gulf CMP for-hire fishermen).
  - The Council should not set or change the control date until this group has produced a report for review by the Council.

# Addressing guidance from the March 2024 Council meeting



- ✓ Summary of public comments on revised control dates: Information provided as Attachment 3a in the Council's Full Council Session 1 briefing materials.
- ✓ Acknowledgement of AP recommendations: The Council has acknowledged, on the meeting record, the SG and MC APs' request to consider limited entry in the for-hire fisheries.
- ✓ Previous Purpose and Need Statements: Not developed for SG AM 47 as the amendment only made it through scoping and then work on the amendment was stopped by the Council.
- Hold off on scoping until recent permit information is available: The SERO permitting system is continuing to undergo updates. Timeline for consideration of scoping is fluid and to be determined.
- Further discussion by APs: The APs did not have time on the agenda or did not meeting this spring.
  - Tentative plan is to hold further discussion of for-hire limited access at the next AP meetings which would be Fall 2024 for the SG and MC APs and Spring 2025 for the DW AP.
  - For-hire limited entry has also been discussed during mackerel port meetings and summary feedback will be provided to the Council when the port meetings are completed.
- Other requested items will be addressed in subsequent discussion.

# Consideration of a permit moratorium



- The presumed purpose of considering a moratorium and limiting access would be:
  - Limit expansion of the number of operators in the three recreational for-hire fisheries.
  - Improve compliance with existing reporting requirements while the Council monitors the impact of the moratorium and considers the need for a limited access program.
- Considerations for implementing a moratorium may include:
  - Start date and duration of the moratorium.
  - Permit speculation.
  - Permit eligibility and transfer requirements under the moratorium.
  - Appeals process under the moratorium.
  - Target number of permits.



# Start date and duration of a moratorium

- The start date is important for determining which permit holders that would retain access once the moratorium becomes effective.
- The date could be an already established control date or another date of the Council's choosing.
  - At the December 2023 meeting, the Council establish a new control date of December 8, 2023.
  - Additionally, federal for-hire permit holders that have not reported catches from the Atlantic to the SEFHIER program on or prior to December 5, 2023, will not be assured of future access.
- The Council could establish a time limit for the moratorium that includes a sunset provision.
  - Would allow evaluation of the current for-hire sector conditions without a fluctuation in the number of permits.
  - At the end of the moratorium, an amendment could be implemented to establish a permanent limited access system.
- During the moratorium, it would be expected that baseline datasets would be developed that includes permits that did and did not meet the moratorium criteria.



# Permit eligibility and transfer requirements under a moratorium

- The Council may want to consider transferability provisions.
- Could consider exceptions such as:
  - Vessels under construction as of the effective date.
  - Individuals who worked on vessels under the permit of another person or entity (“historic captains”).
    - Example from the Gulf of Mexico.
  - Commercial permit holders who intend to diversify their income with for-hire fishing.

# Permit speculation, target number of permits, and appeals process



- May need to consider “permit speculation” after the announcement of the control date where some permit may have been purchased in hopes of benefitting from the sale of the permit in the future.
  - Could examine in relation to new as well as old control dates.
- Could consider a general target for the number of permits that should be allowed in each fishery.
  - Set the number of permits at their current numbers? Increase the number of permits? Or decrease the number of permits?
- May wish to specifying a process to resolve disputes over the records used to establish eligibility.

# Possible design elements of a limited access program



- If the Council pursues a limited access program, it may want to consider ways to allow new entrants into the fisheries or to recoup the use of permits that are retired over time.
- There are several options that could involve:
  - Specifying transferability requirements,
  - Establishing a permits pool for new entrants,
  - Establishing a “new entrants” permit (i.e., a “greenhorn” permit),
  - Different types of permits.

# Transferability requirements under a limited access program



- Would the for-hire permit be transferable? What would be the stipulations? The permit could be:
  - Fully transferable and able to be sold.
    - Would monetize the for-hire permit.
  - Transferable to immediate family members.
  - Transferable between vessels with the same owner.
  - Non-transferable
    - For a certain number of years and then allow transfers.
    - Non-transferable but added to a new entrants pool when retired.
- Could also consider establishing different types of permits based on those who did or did not possess a permit on or before the control date or the effective date of a moratorium.
  - These permits could have different transferability provisions.

# Permits pool under a limited access program



- Depending on the permit transferability, the Council could consider ways to allow new entrants.
- Could establish a permits pool made up of permits:
  - That become available if participation drops below a certain level.
  - As permits are retired.
- Would need to consider when permits would be available.
  - As soon as they are retired? On a specific date each year? Etc.
- Would also need to consider how permits would be distributed.
  - A lottery system? Wait list? Etc.



# **“New entrants” permit**

- Could consider a “new entrants” (or “greenhorn”) permit.
- This permit could be renewed for a limited number of years, after which time the “new entrants” permit holder would be eligible to receive a limited access permit if documentation of for-hire fishing activity was provided.
  - Documentation could include items such as proof of fishing activity submitted via SEFHIER or a percentage of income derived from for-hire fishing activity.
- Other provisions that could be considered for a “new entrants” permit include:
  - Establishing a probationary period.
  - Requiring an annual USCG safety inspection and placement of a safety decal for uninspected passenger vessels through the USCG voluntary inspection program.
  - Only allowing harvest of certain species for the “new entrants” permit.
  - Requiring logbook training.

# Temporary vs permanent and geographically specific measures



- Could establish a sunset provision so a moratorium expires on a specific date or under specific conditions.
  - After which, a limited access program could be implemented.
- The Council may have the ability to examine options that would limit access in one region while allowing open access in other regions.
  - Address movements of fish stocks due to climate change as they are more available to new fishery participants.
  - Especially applicable to the CMP and DW fisheries.
  - If the Council does want to limit access to for-hire permits that are applicable in the Mid-Atlantic or New England Regions, should engage the affected stakeholders, fishery management councils, and state agencies in those regions.

# Geographically specific measures (continued)



- The ability of the Council to implement regional limited access would likely depend on the scenario that the Council is envisioning.
  - Need the rationale for limiting entry in one geographic region while another region is open access.
  - May need to split the for-hire permit into two permits that are geographically specific or create an endorsement.
  - Further information can be gathered to provide a definitive statement the Council's authority to limiting entry geographically, but helpful for the Council to provide information on rationale and what's envisioned.



# MSA and National Standard Guidelines

- The MSA and National Standard Guidelines 4 (Allocations) and 5 (Efficiency) provide guidance on what considerations when implementing limited access.
  - Includes participation in the fishery, historical practices and dependance, the economics of the fishery, capability of vessels to engage in other fisheries, cultural and social aspects of the fishery, fair and equitable distribution of access, permit transferability and qualifying criteria, and other considerations.
- The Council has already started to address some of these considerations.
  - Will work through the considerations in subsequent meetings and as the amendment is developed.



# Initial Equity and Environmental Justice Considerations

- Limiting access may disproportionately affect some communities.
  - Additional information can be provided as the amendment is developed.
- Climate change induced shifts in stocks will require flexibility. Limiting access can reduce flexibility, depending on how the program is designed.
- There are EEJ considerations for headboats, as these vessels offer a relatively low-cost way to recreationally access fishery resources that are otherwise unavailable.
  - Consider whether headboats would be part of limited access permitting.



# Next steps for the Council

- 1) To help staff further develop the amendment, is it the intent of the Council to initially consider both a moratorium on for-hire permits followed by a limited access program or does the Council prefer to not initially implement a moratorium?
- 2) Does the Council want to consider geographically specific limited access for the Coastal Migratory Pelagic and Dolphin Wahoo FMPs?
  - If yes, what is the rationale?
  - What does the Council initially envision for this process (two for-hire permits within the FMP? An endorsement added to the existing permit? The South Atlantic region would be limited access while regions further north would be open access? Etc.)
- 3) Are there additional topics that the Council would like further information on at the next Council meeting where this amendment is discussed?