June 13, 2012

Dear SAFMC Council Members:

As historic Golden Crab fishermen and AP members, we are writing this letter to solidify some facts for the Council with regard to the Golden Crab fishery and provide our position on moving forward in a timely manner.

1. **The derby fishery that Amendment 6 was designed to avoid has begun.** This year, we predict that *at a minimum*, 1.5 million pounds will be harvested. We predicted four years ago that this would happen with an achievable ACL, which we now have. Lack of an ITQ program promotes the derby that will now result in fishing in even more dangerous conditions, lower ex-vessel prices and decreased quality. All of our buyers insist that in order to keep the market stable and the price high, they need a consistent, steady, year-round supply of crab.
2. As continuous participants who have developed this fishery, **the proponents of Amendment 6 have harvested over 80% of the golden crab harvest** on average since 1990.
3. Throughout formation of Golden Crab Amendment 6, the AP has consisted of:
   1. Three to four active commercial golden fishermen (3 permit owners and one captain)
   2. The brother of the fisherman that started the golden crab fishery and who continues to be interested in making sure that future entrants, like his nephews, can participate in the fishery; and
   3. A former SC DNR biologist that has studied golden crab and cares about the resource and its future.

**The Golden Crab AP is well-rounded and diverse.** It was asked by the Council to develop a design for catch share program that would work for the fishery and they have.

Three of the four opponents of Amendment 6 have attended at least one meeting over the past three years when Amendment 6 was under discussion and the main focal point of the meetings. Some opponents were invited by the Council staff to attend the meetings. Their concerns were incorporated into the discussion and the document.

**Over the past year, The Golden Crab AP reached unanimous approval on all actions of Amendment 6**. It has taken a tremendous amount of work over the past four years, much of completed it by the late Bill Whipple, to craft the actions and alternatives so that they appealed to all AP members.

We understand that there are three of four permit holders that have recently entered or re-entered the fishery after some years of non-participation. For this reason, a **25% equal allocation** (45,000 pounds each) to be shared by all permit holders regardless of landings, was incorporated into the allocation formula. This is unusual compared to almost all other catch share programs since other programs (except wreckfish) have not used equal allocation or provided quota share to those without historic landings.

It is also unusual to have a single entity harvest over 50% of the recorded landings (except in very low participation fisheries like this one). While this has been going on under current management for some time with no cap, this understandably makes some Council members uncomfortable. For this reason, a 49% cap was agreed to. **The 49% cap has been a preferred alternative of the Council’s for over a year and has been discussed but not disputed.**

A 49% cap has been used in the Mid-Atlantic Golden Tilefish fishery and was deemed by the South Atlantic Golden Crab AP as the highest percentage that had precedent and still allowed a relatively fair allocation to the highest producer. It also allows for historical participants some room to grow, whereas the 25% cap alternative does not. A 25% cap would limit the highliners to their historical catch whereas others would be allowed to grow. Also, under a 25% cap, any decrease in the ACL would hurt highliners most. This is not fair.

It is important to note the Council has:

* Implemented and maintained the Wreckfish ITQ with no cap on quota share ownership for nearly 20 years (until recent amendments);
* Approved Snapper Grouper Amendment 17B (Black Sea Bass endorsement) which eliminates black sea bass pot fishing for 50% of active participants (2012 landings); and
* Is considering approval of Snapper Grouper Amendment 17A (Golden Tilefish endorsement) which eliminates approximately 50% of active participants (2012 landings).

Golden Crab Amendment 6 was a) requested by fishermen; b) incorporates all participants, eliminating *no* permit holders and providing allocations of 45,000 pounds to permit holders, even those with no historic landings; c) incorporates a cap significantly below what the largest producer harvests under current regulations; d) will avoid a derby fishery that has already begun; and e) has been approved unanimously by the Golden Crab AP appointed by the Council.

Given these facts, we see no reason not to move forward and approve of Amendment 6 at this meeting. It was already delayed in March 2012 to send a letter of interest, which revealed that the majority of eligible respondents want a catch share.

**The Council has the opportunity to save this one fishery from the fate of so many other fisheries that consist of fisherman just barely scraping by.** We trust in the Council to act in good faith and approve of Amendment 6 at the June 2012 meeting before the race to fish gets worse and profits and quality of life degrade for all permit holders.

Sincerely,

Howard Rau

Chip Bethell

Brad Whipple