DECISION DOCUMENT

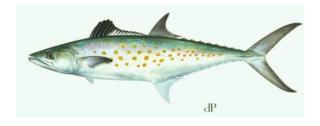
for AMENDMENT 19

to the joint Fishery Management Plan for Coastal Migratory Pelagic Resources of the

Gulf of Mexico and South Atlantic (CMP Sale and Permit Provisions)







Mackerel Committee Meeting Stuart, FL June 2013

Actions in Amendment 19

- 1. Sale of King and Spanish Mackerel
- 2. Elimination of Inactive King Mackerel Permits
- 3. Modify or Eliminate Income Requirements for Gulf and South Atlantic Commercial Coastal Migratory Pelagic Permits

Expected Schedule

June 2013- Gulf Council and South Atlantic Council approve for public hearings

July/August 2013- Public hearings

September 2013- South Atlantic Council final approval

October 2013- Gulf Council final approval

Spring 2014- Implementation

The current management objectives in the joint mackerel FMP as amended are:

- 1. The primary objective of this FMP is to stabilize yield at MSY, allow recovery of overfished populations, and maintain population levels sufficient to ensure adequate recruitment.
- 2. to provide a flexible management system for the resource which minimizes regulatory delay while retaining substantial Council and public input in management decisions and which can rapidly adapt to changes in resource abundance, new scientific information, and changes in fishing patterns among user groups or by areas.
- 3. to provide necessary information for effective management and establish a mandatory reporting system for monitoring catch.
- 4. to minimize gear and user group conflicts.
- 5. to distribute the TAC of Atlantic migratory group Spanish mackerel between recreational and commercial user groups based on the catches that occurred during the early to mid-1970s, which is prior to the development of the deep water run-around gillnet fishery and when the resource was not overfished.
- 6. to minimize waste and bycatch in the fishery.
- 7. to provide appropriate management to address specific migratory groups of king mackerel.

Action 1. Sale of King and Spanish Mackerel

Alternative 1: No Action - No federal permit requirement to sell king and Spanish mackerel. Sale of king and Spanish mackerel harvested under the bag limit in or from the EEZ of the Gulf of Mexico or Atlantic is allowed for persons that possess the necessary state permits. However, if a commercial closure has been implemented, the sale or purchase of king or Spanish mackerel of the closed species, migratory group, subzone, or gear type, is prohibited, including any king or Spanish mackerel taken under the bag limits. (**SA Mackerel AP Preferred**)

Alternative 2: Prohibit sale of king mackerel caught under the bag limit in or from the EEZ of the Gulf of Mexico or Atlantic, with the exception of for-hire trips in which the vessel also holds a federal king mackerel commercial permit. Prohibit sale of Spanish mackerel caught under the bag limit in or from the EEZ of the Gulf of Mexico or Atlantic, with the exception of for-hire trips in which the vessel also holds a federal Spanish mackerel commercial permit. All sales of king and Spanish mackerel during a commercial closure are prohibited.

Option a. The South Atlantic Council's jurisdiction

Option b. The Gulf Council's jurisdiction

Alternative 3: Prohibit sale of king and Spanish mackerel caught under the bag limit. For a person to sell king or Spanish mackerel in or from the EEZ of the Gulf of Mexico or Atlantic, those fish must have been harvested on a commercial trip aboard a vessel with a commercial vessel permit/endorsement. A king mackerel permit is required to sell king mackerel and a Spanish mackerel permit is required to sell Spanish mackerel.

Option a. The South Atlantic Council's jurisdiction

Gulf Preferred Option b. The Gulf Council's jurisdiction (Gulf Mackerel AP Preferred)

South Atlantic Preferred Alternative 4: Prohibit sale of king and Spanish mackerel caught under the bag limit with the exception of state-permitted or licensed tournaments. For a person to sell king or Spanish mackerel in or from the EEZ of the Gulf of Mexico or Atlantic, those fish must have been harvested on a commercial trip aboard a vessel with a commercial vessel permit/endorsement. A king mackerel permit is required to sell king mackerel and a Spanish mackerel permit is required to sell Spanish mackerel. King or Spanish mackerel caught during a tournament may be donated to a dealer in exchange for a charitable donation if the tournament organizers have a permit from a state to conduct that tournament, and transfer and reporting requirements are followed.

Gulf Preferred Option a. The South Atlantic Council's jurisdiction Option b. The Gulf Council's jurisdiction

Transfer and reporting requirements: A licensed wholesale dealer that is not part of the tournament must be present to accept the donated fish directly from the anglers. If any value is exchanged for a fish, both parties must be properly licensed. The wholesale dealer sells the fish and donates the money to charity. Tournaments should arrange for the donation of funds from the sale of fish directly to the charity. If any money comes back to the tournament, the exchange would constitute a sale. The wholesale dealer instructs the tournament what records participating anglers must provide (according to their trip ticket or other reporting requirements) and how fish must be handled and iced. The fish are reported through normal reporting procedures by the wholesale dealer and must be identified as tournament catch.

Gulf Council Actions

In April 2013, the Gulf selected Alternative 3, Option B and Alternative 4, Option A as the Preferreds.

South Atlantic Mackerel AP Recommendations (April 2013)

At the April 2013 meeting, the Mackerel AP recommended Alternative 1 (No Action) as the Preferred Alternative.

South Atlantic Mackerel AP Recommendations (April 2012)

- A motion was made to recommend Alternative 1 (No Action) as the Preferred, but the motion was tabled for later discussion. The AP did not return to the action to make a recommendation, but members raised the following concerns about CMP bag limit sales:
 - a primary concern is counting bag limit sales towards the commercial quota
 - a small portion of the rec allocation moved to commercial allocation to cover bag limit sales (note: this was for Gulf Group king mackerel in Amendment 9, in which it does affect the allocation to the Gulf Eastern Zone/ Florida East Coast Sub-zone but not any Atlantic group king or Spanish.)
 - bag limit sales after the commercial season is closed are unfair
 - only commercial vessels with commercial permits should be allowed to sale fish
 - in some areas, bag limit sales are tradition and part of the for-hire crew's income. In other areas, bag limit sales are minimal.
 - it is a waste of fish if the customer (typically a tourist) cannot or does not want to take the catch, and the crew cannot sell the fish
 - the stocks are not overfished, there is no reason to deny the market

Gulf Mackerel AP Recommendations (May 2013)

In May 2013, the Gulf AP recommended Alternative 3, Option B as the Preferred Alternative.

South Atlantic Law Enforcement AP Recommendations (February 2013)

Overall, members of the LEAP emphasized the importance of consistency and simplicity whenever possible. CMP management is complicated and the least complex options are best for enforcement officers and the public.

- The LEAP expressed the desire to maintain consistent regulations between the South Atlantic and the Gulf of Mexico to facilitate enforcement efforts.
- Quality control of fish caught during tournaments would be challenging to monitor and enforce if the Council were to consider issuing a permit to allow tournament sales of king mackerel.

SSC Recommendations (October 2012)

Action 1: The SSC recommends that the Council continue allowing bag limit sales of recreationally-caught fish. From a socio-economic perspective it is better to utilize other methods to mitigate negative effects of bag limit recreational sales on the commercial sector.

<u>Summary of King Mackerel Harvest/Sales with a Federal KM Commercial Permit-Preliminary Analysis</u>

Table 1. West Coast FL and Keys:

	2007	2008	2009	2010	2011	Average
% Total Lbs	76%	77%	87%	78%	64%	77%
% Total Value	71%	71%	91%	82%	66%	76%
% Total Trips	67%	70%	82%	86%	73%	76%
%Total Vessels	71%	77%	78%	83%	77%	77%

^{*} West Coast FL and Keys includes tournament sales.

Table 2. East Coast FL and GA:

	2007	2008	2009	2010	2011	Average
% Total Lbs	90%	91%	90%	100%	85%	91%
% Total Value	89%	90%	93%	100%	85%	91%
% Total Trips	83%	86%	91%	99%	83%	88%
%Total Vessels	67%	72%	73%	83%	75%	74%

Table 3. South Carolina:

	2007	2008	2009	2010	2011	Average
% Total Lbs	89%	84%	75%	63%	867%	76%
% Total Value	86%	82%	75%	58%	64%	73%
% Total Trips	64%	55%	59%	64%	64%	61%
%Total Vessels	58%	60%	55%	71%	48%	58%

 Table 4. North Carolina:

	2007	2008	2009	2010	2011	Average
% Total Lbs	85%	88%	89%	87%	94%	89%
% Total Value	86%	88%	89%	87%	94%	89%
% Total Trips	69%	76%	76%	73%	83%	75%
%Total Vessels	44%	52%	52%	55%	65%	54%

⁻ From 2007-2011, all the vessels combined that did not have a federal king mackerel permit would have lost an average of \$507,005 dollars annually in East Florida and Georgia.

⁻ In North Carolina, if a king mackerel permit been required to sell any king mackerel, including bag limits, the all the vessels combined that did not have a federal king mackerel permit would have lost an average of \$150,177 dollars annually.

- In South Carolina, if a king mackerel permit been required to sell any king mackerel, including bag limits, the all the vessels combined that did not have a federal king mackerel permit would have lost an average of \$7,270 dollars annually in South Carolina.

<u>Summary of Spanish Mackerel Harvest/Sales with a Federal SM Commercial Permit-Preliminary Analysis</u>

Table 5. West Coast FL and Keys:

	2007	2008	2009	2010	2011	Average
% Total Lbs	75%			87%	68%	77%
% Total Value	67%			83%	74%	75%
% Total Trips	27%	35%	42%	42%	50%	39%
%Total Vessels	30%	32%	38%	41%	50%	38%

^{*} West Coast FL and Keys includes tournament sales.

Table 6. East Coast FL and GA:

	2007	2008	2009	2010	2011	Average
% Total Lbs	69%	67%	71%	71%	61%	68%
% Total Value	69%	70%	74%	72%	64%	70%
% Total Trips	60%	60%	63%	66%	58%	62%
%Total Vessels	50%	53%	57%	61%	57%	55%

^{*}South Carolina reported less than 100 lbs total from 2007-2011.

Table 7. North Carolina:

	2007	2008	2009	2010	2011	Average
% Total Lbs	57%	51%	39%	36%	42%	45%
% Total Value	38%	53%	43%	38%	43%	43%
% Total Trips	34%	30%	23%	25%	28%	28%
%Total Vessels	19%	18%	15%	16%	16%	17%

If a Spanish mackerel permit been required to sell any Spanish mackerel, including bag limits, the all the vessels combined that did not have a federal Spanish mackerel permit would have lost an average of \$693,304 dollars annually in East Florida and Georgia. Therefore, if all the vessels did purchase a Spanish mackerel permit in future years, \$687,854 (99%) of the \$693,304 landed by previously unpermitted East Florida and Georgia vessels could be recovered.

If a Spanish mackerel permit been required to sell any Spanish mackerel, including bag limits, the all the vessels combined that did not have a federal Spanish mackerel permit would have lost an average of \$511,159 dollars annually in North Carolina. Therefore, if all the vessels did purchase a Spanish mackerel permit in future years, \$501,209 (98%) of the \$511,159 landed by previously unpermitted North Carolina vessels could be recovered.

Committee Actions

- 1) Does the committee want to add, remove, or modify any alternatives?
- 2) Does the committee want to change the Preferred Alternative?

Action 2. Elimination of Inactive King Mackerel Permits

Alternative 1: No Action – Do not eliminate any commercial king mackerel permits. (**SA and Gulf Mackerel AP Preferred**)

Alternative 2: Renew commercial king mackerel permits if average landings meet the qualifications of an active permit (defined below). Permits that do not qualify will be invalid, non-renewable, and non-transferable:

Option a. The permit has an annual average of at least 500 lbs of king mackerel from 2002-

Option b. The permit has an annual average of at least 1,000 lbs of king mackerel from 2002-2011.

Option c. The permit has at least 500 lbs of king mackerel in at least one year between 2002-2011.

Option d. The permit has at least 1,000 lbs of king mackerel in at least one year between 2002-2011.

Alternative 3: Allow transfer of inactive commercial king mackerel permits only to immediate family members and allow transfer to another vessel owned by the same entity. Permits will be considered inactive if average landings did not meet the qualifications (defined below):

Option a. The permit has an annual average of at least 500 lbs of king mackerel from 2002-2011.

Option b. The permit has an annual average of at least 1,000 lbs of king mackerel from 2002-2011.

Option c. The permit has at least 500 lbs of king mackerel in at least one year between 2002-2011.

Option d. The permit has at least 1,000 lbs of king mackerel in at least one year between 2002-2011.

Alternative 4: Allow two-for-one permit reduction in the king mackerel commercial fishery similar to the system for Snapper Grouper Unlimited Permits.

Table 8. Number of permits qualifying and not qualifying under Options a-d from Alternatives 2 and 3. Permits are those that are valid or renewable as of June 19, 2012. The actual number and percentage of permits that would be affected would depend on the number of valid and renewable permits on the effective date of the rule.

	Qualifying	Not Qualifying	% Permits Eliminated/Restricted
Option A	937	558	37%
Option B	733	762	51%
Option C	1,216	279	19%
Option D	1,107	388	26%

Source: SEFSC logbooks and SERO Permits database.

State-level estimates:

Table 9. Estimated number of permits qualifying in each state or region under Options a-d from Alternatives 2 and 3.

	# of	# of	Number	Number of Permits Expected to Qualify as Active:				
State ¹	Current Permits	Permits w/ landings 2011	Option a Avg≥500 lb	Option b Avg ≥1,000 lb	Option c At least 1 yr ≥500 lb	Option d At least 1 yr ≥1,000 lb		
NC	241	130	153	114	207	186		
SC/GA	35	14	8	4	23	16		
FL- East	601	430	471	394	553	520		
FL- Keys	200	112	129	96	157	145		
FL- West	257	91	103	65	173	146		
AL	28	13	12	11	21	17		
MS	11	3	3	3	6	4		
LA	52	20	33	27	39	39		
TX	37	10	15	10	24	21		
Other	33	8	10	9	13	13		
TOTAL	1,495	831	937	733	1,216	1,107		

¹ Based on homeport of vessel associated with the permit.

Source: SEFSC logbooks and SERO Permits database.

Analysis (preliminary estimates) at the county level is available in Appendix A.

Gulf Council Actions

In April 2013, the Gulf Council approved additions/deletions of options under Alternatives 2 and 3, and added Alternative 4.

South Atlantic Mackerel AP Recommendations (April 2013)

The AP recommended Alternative 1 (No Action) as the Preferred Alternative.

South Atlantic Mackerel AP Recommendations (April 2012)

Add a new alternative and select as the Preferred:

Alternative 4: Do not allow sale (allow transfer to family members) of latent permits but do not eliminate them.

Also a motion to recommend to the GMFMC to use the two-for-one passive reduction of KM permits.

The AP also passed a motion to ask the Council to address latent permits since they can potentially be a problem and that the Council should define what a full-time commercial fisherman is, and use this definition to give preference in addressing latent permits.

Gulf Mackerel AP Recommendations (May 2013)

In May 2013, the Gulf AP recommended Alternative 1 (No Action) as the Preferred Alternative.

SSC Recommendations (October 2012)

The SSC does not recommend eliminating latent permits, even if there is a biological need (i.e., stock is overfished and/or overfishing is occurring).

The SEP does not recommend eliminating latent mackerel permits. Without SEDAR-documented evidence of a biological decline in the stock of king mackerel, recent low catches in the commercial sector (as low as a third of the commercial ACL) do not justify the economic loss that would be incurred by fishermen who lose their limited-access permits. If the stock is biologically troubled, it should be addressed through biological measures (i.e., adjusting the ABC). Removing latent permits in any fishery may provoke unintended consequences for management including lessening trust in Council actions and providing an incentive to fish simply to keep permits active.

Committee Actions

1) The IPT revised how the options under Alternatives 2 and 3 are written. Please approve.

In March, the approved options were written as:

Option a. Ten years (2002-2011)

Suboption i. Average of all years

Suboption ii. At least one of the ten years

Option b. The threshold for average reported landings would be:

Suboption i. 500 lbs

Suboption ii. 1,000 lbs.

Proposed language changes:

Option a. The permit has an annual average of at least 500 lbs of king mackerel from 2002-2011

Option b. The permit has an annual average of at least 1,000 lbs of king mackerel from 2002-2011.

Option c. The permit has at least 500 lbs of king mackerel in at least one year between 2002-2011.

Option d. The permit has at least 1,000 lbs of king mackerel in at least one year between 2002-2011.

- 2) Does the committee want to add, remove, or modify any alternatives?
- 3) Does the committee want to select a Preferred Alternative?

Action 3. Modify or Eliminate Income Requirements for Gulf and South Atlantic Commercial Coastal Migratory Pelagic Permits

Alternative 1: No Action – Maintain existing income requirements for Gulf and South Atlantic commercial king and Spanish mackerel permits. To obtain or renew a commercial vessel permit for king or Spanish mackerel, at least 25% of the applicant's earned income, or at least \$10,000, must have been derived from commercial fishing or from charter fishing during one of the three calendar years preceding the application.

Gulf Preferred Alternative 2: Eliminate income requirements for commercial king and Spanish mackerel permits. (SA and Gulf Mackerel AP Preferred)

Alternative 3: Modify the current income requirements to allow the Gulf or South Atlantic Council to recommend suspension of the renewal requirements by passage of a motion specifying: (a) the event or condition triggering the suspension; (b) the duration of the suspension; and (c) the criteria establishing who is eligible for the suspension. The affected Council would then request that the Regional Administrator suspend income requirements according to the terms outlined in the motion.

Alternative 4: To obtain or renew a commercial permit for king or Spanish mackerel, at least a percentage (defined below) of the applicant's earned income must have been derived from commercial fishing or from for-hire fishing during one of the three calendar years preceding the application.

Option a: 75 percent Option b: 50 percent

Gulf Council Actions

No change.

South Atlantic Mackerel AP Recommendations (April 2013)

The AP recommended Alternative 2 as the Preferred Alternative.

South Atlantic Mackerel AP Recommendations (April 2012)

In 2012, the AP recommended Alternative 1 as the Preferred.

Gulf Mackerel AP Recommendations (May 2013)

In May 2013, the Gulf AP recommended Alternative 2 as the Preferred Alternative.

Committee Actions

- 1) Does the committee want to add, remove, or modify any alternatives?
- 2) Does the committee want to select a Preferred Alternative?

Appendix A. Action 2, Community-level analysis

1) Community-level analysis- South Atlantic

A) North Carolina

Alternatives 2 and 3

County ¹	# of Current Permits	# of Permits w/ landings 2011	Number of Option a Avg ≥500 lb	of Permits Expect Option b Avg ≥1,000 lb	Option c At least 1 yr ≥500 lb	y as Active: Option d At least 1 yr ≥1,000 lb
Brunswick	60	35	35	23	55	47
Carteret	33	15	12	5	27	22
Dare	84	45	65	58	70	68
New Hanover	37	24	29	19	32	30
Beaufort/Hyde/ Onslow/Pender/ Wake ²	27	11	12	9	23	19
TOTAL	241	130	153	114	207	186

Based on homeport of vessel associated with the permit.

Primary communities that could be affected:

Brunswick County- Southport

Carteret County- Atlantic Beach and Morehead City

Dare County- Hatteras and Wanchese

New Hanover County- Carolina Beach and Wilmington

Pender County- Hampstead

B) South Carolina and Georgia

To maintain confidentiality, data cannot be displayed at the community level for South Carolina and Georgia.

The primary communities that could be affected are Little River (Horry County SC), Georgetown (Georgetown County SC), and Townsend (McIntosh GA).

² Counties combined to maintain confidentiality.

C) Florida- East Coast

Alternatives 2 and 3

County ¹	# of Current Permits	# of Permits w/ landings 2011	Number of Option a Avg ≥500 lb	option b Avg ≥1,000 lb	Option c At least 1 yr ≥500 lb	y as Active: Option d At least 1 yr ≥1,000 lb
Brevard	79	65	70	62	76	74
Broward	44	27	25	16	37	32
Duval/ Nassau ²	30	15	17	13	23	22
Indian River	57	51	53	47	56	56
Martin	63	29	54	45	58	57
Miami-Dade	73	42	46	34	62	54
Palm Beach	167	131	136	119	157	150
St. Johns	8	6	4	3	7	5
St Lucie	63	56	56	48	62	58
Volusia	17	8	10	7	15	12
TOTAL	601	430	471	394	553	520

¹Based on homeport of vessel associated with the permit. ² Counties combined to maintain confidentiality.

Primary communities that could be affected:

Brevard County- Port Canaveral

Broward County- Ft Lauderdale and Pompano Beach

Duval County- Jacksonville

Indian River County- Sebastian

Martin County- Port Salerno and Stuart

Miami-Dade County- Miami

Palm Beach County- Jupiter, Palm Beach and West Palm Beach

St Lucie County-Fort Pierce

D) Florida Keys

Alternatives 2 and 3

	# of	# of Permits	Number o	f Permits Expec	eted to Qualif	y as Active:
	Current Permits	w/ landings 2011	Option a Avg≥500 lb	Option b Avg ≥1,000 lb	Option c At least 1 yr ≥500 lb	Option d At least 1 yr ≥1,000 lb
Monroe County	200	112	129	96	157	145

Primary communities that could be affected:

Mostly Key West

To a much lesser degree, Marathon, Big Pine Key and Islamorada.