SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL SOCIO-ECONOMIC PANEL

Crowne Plaza Hotel North Charleston, South Carolina

April 28, 2015

SUMMARY MINUTES

Socio-Economic Panel Members:

Dr. John Whitehead, Chair Dr. Scott Crosson Dr. Sherry Larkin Kurt Schnier

Council Members:

Ben Hartig Zack Bowen

Council Staff:

Gregg Waugh Dr. Mike Errigo Chip Collier Julie O'Dell

Observers/Participants:

Rusty Hudson Lora Clark Dr. Ben Blount John Hadley Dr. Jason Murray Dr. Tracy Yandle

Anna Beckwith Mark Brown

Amber Von Harten Dr. Kari MacLauchlin Dr. Brian Cheuvront

Dr. Peter Barile Dr. John Boreman

Additional Observers Attached

The Socio-Economic Panel of the Scientific and Statistical Committee of the South Atlantic Fishery Management Council convened in the Crowne Plaza Hotel, North Charleston, South Carolina, April 28, 2015, and was called to order by Chairman John Whitehead.

DR. WHITEHEAD: Good morning. My name is John Whitehead and this is the Socio-Economic Panel of the SSC. We will start with introductions. Again, I'm John Whitehead; Department of Economics at Appalachian State University.

DR. MURRAY: I'm Jason Murray. I'm with NOAA's Office of Restoration and Response. I'm an economist.

DR. YANDLE: Tracy Yandle; Emory University, Department of Environmental Sciences.

MR. HADLEY: John Hadley; economist for the North Carolina Division of Marine Fisheries.

DR. LARKIN: Sherry Larkin; University of Florida, Food and Resource Economics Department.

DR. BLOUNT: Ben Blount; retired anthropologist, University of Georgia.

DR. CROSSON: Scott Crosson; economist at the Southeast Fisheries Science Center.

DR. CHEUVRONT: Brian Cheuvront; South Atlantic Council staff, economist.

DR. MacLAUCHLIN: Kari MacLauchlin; South Atlantic Council staff, fishery social sciences.

DR. SCHNIER: Kurt Schnier; University of California-Merced. I'm an economist.

DR. WHITEHEAD: Kurt is participating by webinar. The only one of us who is not here is Chris Dumas, and we hope that he joins us via webinar. Is there a motion to approve the agenda?

JOHN HADLEY: So moved.

DR. WHITEHEAD: John Hadley seconds. All those in favor raise your hand. The agenda is approved. I trust everyone had time to read through the minutes. Is there a motion to approve the minutes? There is one thing. I looked on the final sheet here, and it claims that I said, "Is there a motion to adjourn? Is there a second?" Then I said, "Yes, thank you all."

I'm pretty sure I didn't say, "Thank you, all." It was more like y'all. They cleaned that up for some reason; I'm not sure why. Anyway, motion to approve the minutes. Jason moved; second, Tracy. All those in favor show hands, so the minutes are approved, and now we can move to an open comment period.

MR. HUDSON: Rusty Hudson; representing the Southeastern Fisheries Association, East Coast Fisheries Section. We produced a written comment that was submitted to the SSC and the SEP. There were two items in this document that we wanted to bring to your attention. The first started on Page 1. That has to deal with North Atlantic right whale critical habitat.

Recently the South Atlantic Council made some choices with regards to an Alternative 9A as far as timing and region. It seems like the coordinates for that match up pretty good on the southern end. On the northern end we felt like it matched up good for what we chose and they chose in North Carolina; but the critical habitat being pushed forward by NMFS is a little bit different on the north end.

We're supporting the South Atlantic Council's choice, and we hope that Protected Resources will recognize that and readjust their coordinates based on the comment that we submitted to them recently. The last thing on the last page is the fact that we're dealing with golden tilefish and there is a discussion document for the SEP.

We have been wanting a stock assessment update for that particular fish for a while, but our projections ended for 2015. We've already used up our longline allocation. We've been doing an experiment the last couple of years with the hand gear, and we have been able and very fortunate to catch that. Thank you, Ben, for helping to do that experiment.

It goes back to our old days, back 30, 40 years ago. With that said; there was some discussion of this at the Snapper Grouper Advisory Panel recently with regards to the golden tilefish on the longline and trying to do stuff to stretch that out. The best thing we could do is do a stock assessment update, if not even a full stock assessment, because I believe we've got a little bit of recruitment that needs to be brought in and some other discussions that can be done.

But again, I think it is up to the Science Center to prioritize through the SEDAR Steering Committee the timing of that. Right now it is 2017 and by the time you finish all that we're 2018. We're going to be three years of holding at this 2015 terminal year of projection. With all that said, we would like to reiterate what was said at the Snapper Grouper AP that we would like to see a status quo with the longline, the 23 endorsement holders, the half a dozen dealers.

If I can give one example out of Port Orange; that dealer had wound up catching or landing and selling over a quarter, maybe closer to a third of the entire allocation that was caught, and we only caught 95 percent of it because it got closed early. They had no problem at all selling every bit of it, had nothing on consignment, and none of it was frozen. It all went fresh, and that was really strong, a lot of it just in the state of Florida, so that was a good thing.

The prices have been really strong and now that the bandit guys just have it to themselves, the prices get even stronger. These are some of the best prices I've ever seen. It is a good white meat, as one fellow liked to say, to put onto the market when we don't have the other stuff that won't be opening like shallow water grouper, red porgy and stuff come May 1st. But at least we have that opening up soon. Thank you very much. If we can be of any help, we're right over here.

DR. WHITEHEAD: Does anyone have any questions, comments? Seeing none; we'll move on to the third item of the agenda; Snapper Grouper Regulatory Amendment 16. Brian has a presentation.

DR. CHEUVRONT: Included in your briefing book was a document that is a summary document of the entire amendment. Also, you should have received the entire amendment. This

regulatory amendment only has two actions in it, but the first one is extremely complicated. What I did is I had prepared the summary document, but then I also did a PowerPoint that I did specifically for the SEP to highlight the aspects of the regulatory amendments that are most directly relevant to the SEP, because it is pretty easy to get lost in the weeds on this amendment.

I first want to go through the purpose and the need of the amendment, and you are going to see why this is so important to the SEP to weigh in on this. For the purpose of the amendment, it is to reconsider the annual November 1 through April 30th prohibition on the use of black sea bass pot gear - I will get into the explanation and the background on why and how we got to this point - also to restore the black sea bass commercial sector fishery closer to the balance between pot and other gear components that existed prior to changes in management caused by early season closures due to the commercial ACL being met.

The amendment also – and this is in the second action – will enhance buoy line and weak link gear requirements and buoy rope line marking for black sea bass pots that are required by the Atlantic Large Whale Take Reduction Plan and to help identify black sea bass pot gear used in the South Atlantic.

This fishery has potential interactions with North Atlantic right whales. The need for the amendment is to reverse the adverse socio-economic impacts to black sea bass pot endorsement holders created by the existing closure that was implemented through Regulatory Amendment 19. The reason why that closure went into place was that a stock assessment was done on black sea bass, and it turned out that the stock was not overfished nor was overfishing occurring.

They were able to increase the ACL about twofold. What the council wanted to do was to get this increase in ACL to the fishermen as quickly as possible; but because of the increase in the ACL, it was likely that the fishery was going to last longer into the season; and it was going to trigger Protected Resources Biological Opinion for the snapper grouper complex if they allowed that black sea bass pot fishery to remain open during the time that the North Atlantic right whales are off the South Atlantic coast, primarily off of Georgia and North Florida.

As a way to get that ACL to the fishermen more quickly without triggering that biological opinion, the council closed the black sea bass pot fishery from November 1 through April 30 each year with the understanding that they would take up this issue later and then it would trigger the biological opinion and all that.

If the biological opinion had been triggered at the time that the ACL was increased or was trying to be increased, the fishermen could not get that increase until the biological opinion had been completed. The idea was to try to get the ACL to the fishermen sooner. Part of the other need is they want to encourage the use of pot gear, which is more selective for legal-sized black sea bass and results in fewer dead discards of black sea bass. It is a low bycatch fishery, and there are escape panels in the pots that allow the undersized fish basically to get out, things like that.

It is a pretty clean fishery. The other part of the need is that while they want to encourage the use of black sea bass pots, they are trying to keep in mind that there is protection needed for ESA- listed whales in the South Atlantic region. Now, first off, I want to say there has never been a documented interaction between black sea bass pot gear and North Atlantic right whales.

However, that does mean that it has never occurred. It simply means that there has never been an entanglement that has been able to be linked back to black sea bass pot gear, but it is potential that that could have happened and we just don't know. We have two actions. The first action is to modify the annual November 1 through April 30 prohibition on the use of black sea bass pot gear. Now, there are actually 14 separate alternatives for this.

They are all variations, theme and variations on either no action, which is to keep the closure in place completely, and then there are 13 modifications of the closure based on temporal variances, different depths of where the closures would occur, and the areas encompassed by the closures. There is no alternative that simply removes the closure.

The council has decided that they do not want to consider a complete removal of that closure. Just to give you an idea, this just happens to be Alternative 10. There are in the documents – that summary document and all has every single one of those alternatives listed with maps and lat/long designations, and waypoints and all this. There are like 12 or 13 of them in there.

You can see they get complicated. You can see we have some depth contour lines. This is 25 meters, this is 30 meter depth, that is 20 meter depth, and that is generally how they are listed off the Carolinas. Then there is area designations off of Georgia and North Florida largely based on the current northern right whale critical habitat. Here are some of the issues.

The data that were used in the economic analysis that is presented in that summary went through the 2012/2013 season. The fishery closed early each season from the 2008/2009 season through 2012/2013, because the ACL had been reached. In one season the ACL actually lasted 47 days. That was the shortest it lasted, but it was about 309,000 pounds commercial, and it was a derby fishery that was going on; but now with the larger ACL we are not experiencing that derby.

Part of the problem is that modeling what we think would happen in the future has been rather difficult, because we never have had the conditions that we have now. We don't have a clear picture of what is going to happen in the future based on what has happened in the past. There has had to be a lot of suppositions and sort of best guesses. When I did the economic analysis on the effects of this, I had to look at lots of different potential combinations of how this could play out. I'm going to go through that some and we can explain it.

DR. CROSSON: I'm sorry, just a quick question; and if this is later in your presentation, then that's fine. But looking at something that John Carmichael sent out to the SSC yesterday; I am just trying to make sense of all the regulations in my head. For the 2013/2014 commercial landings, it has it that they met 99 percent of the ACL. Now that is with the larger ACL, right, the new one that got bumped up, and with the right whale closure was in place for that?

DR. CHEUVRONT: Yes, it was.

DR. CROSSON: And the endorsements and all of the other new restrictions; they have been able to meet it at least one year with all these restrictions in place.

DR. CHEUVRONT: Well, this is the one year that they've had the increased ACL, so, yes, they caught nearly all of the ACL. The actual hypothesized ACL was that they would get about 97

percent of it based on what we had known in the past before this last season occurred, so they came pretty close.

If we want to get into the weeds of it, and I think we will more when we get to the SSC later in the week, but I will show you there is really not a whole lot of difference in terms of how much of the ACL is going to get caught. There are some monthly price variations expected and so when the fish are caught seems to matter as well in terms of the economic value.

Anyway, as we were just alluding to, there have been some huge management changes in the pot fishery that go back even before the start of the closures occurred. We now have endorsements. There are only 32 endorsements in the black sea bass pot fishery. I think it may have been 2013/2014 season I think only 28 of them were actually fished.

There are pot limits; you can only fish 35 pots. A lot of the fishermen don't fish that many pots. There are a number of them that only fish up to maybe 20 pots. But prior to the pot limits, there were people who were fishing as many as 150 pots. They can't leave their gear out any longer. If you take it out, you have to at least be around your gear and you must bring it back at the end of the trip.

Folks used to leave the pots out all the time and would just go out and fish the pot and re-bait it and just drop it back down again. They can't do those sorts of things anymore. These are all things that now exist in the fishery that did not exist when the fishery was opened all the time before they had the ACL.

As I said earlier, the stock was declared to be recovered as a result of a SEDAR assessment and the ACL has increased about twofold. With the current November to April pot prohibition, the fishery is expected to stay open basically all year. As Scott just pointed out, about 99 percent of the ACL was caught in the last season.

What we've got is a situation where it is very difficult to model what is going to happen in the future, because the future is now so different from what was in the past. What I did was the economic analysis plan used four different hypothesized catch rate scenarios, and these were provided by the Southeast Regional Office.

They had catch rate scenarios, there were three pot placement scenarios, and then there were three different scenarios for either warm conditions, cool conditions or average conditions. As you can see when you start doing all this analysis, you get all these different permutations and you get lots and lots of different numbers that you can calculate.

But what I'm going to show you is that the analysis wasn't necessarily so complex; it just had a lot of moving parts to it. As you are going to see, it didn't really matter a whole lot how those parts moved, there wasn't a huge amount of difference in terms of the expected economic values of the fishery. We're going to get to that. I looked at the variations and price per pound.

DR. WHITEHEAD: Brian, where is this analysis; do we have that?

DR. CHEUVRONT: That analysis is in that summary document under the economic analysis, and it is also in the full document, so it is all in there. I actually have it; so if we need to look at

some more levels of detail, I can bring it up and we can look at the specific things. I looked at the variations and price per pound for black sea bass from month to month over different time series.

We looked at the daily fishing rate expected for black sea bass for the four different catch rate scenarios. Then based on that, we were able to calculate what the date was that we expected the commercial ACL for black sea bass to be reached, if at all. Then there is some analysis on trip cost associated with black sea bass pot trips; to look at not just ex-vessel value but expected profits.

Then there was other fishing activity that black sea bass pot vessels traditionally participated in if not fishing black sea bass pots. We did that analysis only for those endorsement holders, because it made sense, because they are going to be the only ones who are going to be affected by whatever happens in this amendment. This is a summary of all of the results of that section.

The economic effects' section in the document is roughly 20 pages long. There were just a lot of numbers and tables and stuff that went into this. This is simply a summary of all those things that were found in there. Regardless of the combination of the criteria used, the expected catch rate between the alternative with the lowest expected ex-vessel value and any of the other alternatives was never more than about 5 or 6 percent.

No matter how you looked at it in terms of the value of the black sea bass landings, we couldn't seem to be able to come up with a combination that made those differences more than 5 or 6 percent. It didn't matter which closure, modifications you made to the closure, when you encouraged black sea bass pot fishing, whether it was opened or closed, where it was allowed; we couldn't really seem to manipulate it to any predicted value that would be a difference of more than 5 or 6 percent between the highest and the lowest value amongst all those alternatives.

But one of the things is that as you would probably expect, trip costs are lower in the winter when the pot fishery occurs closer to shore. What happens is in the wintertime the fish tend to become more concentrated and come closer to shore. They are literally easier to catch in traps. The large part of this fishery occurs off of North Carolina. In the wintertime they are dealing with some weather issues, so they can't always go out and fish all the time in the winter.

This table appears in the document, but here it just sort of shows you using two different time scenarios for calculating price per pound, so the one that I used here is 2000 to 2013 versus 2011 to 2013. The maximum value of the fishery expected ex-vessel value felt under Alternative 2, and it was like \$1.6 million versus when you used the shorter time series, it comes out to just under \$2 million, and then you look here. The minimum, when you use the longer time series to calculate price per pound, it is about \$1.5 million and then \$1.8 or \$1.9 million.

Really you're talking about a difference of \$84,000 under the long time series, \$110,000 under the shorter time series and you see the difference is 5 to 6 percent. This is only an ex-vessel value that we're talking about. That is the only difference in expected ex-vessel value amongst all those alternatives. You can see it is not a huge difference. Now one of the things that could occur is we could try other manipulations that weren't done. We can look at different time series for price per pound. There is a graphic in the document that shows price per pound by month over those two different time series. You look at the shorter time series, it is more volatile. Part of the problem was in that shorter time series we had very little data during the winter months when the price per pound seemed to be the highest. Looking at using that shorter time series; that is probably an overestimation of the actual true value of the fishery. That is my guess, but again I have no way of truly knowing.

Interestingly, one of the things I wanted to look at is since the closures went into place, these 32 guys who have endorsements obviously have been in the fishery for a long time because the way they got the endorsements was they were the highliners who have been participating in it the longest and have the most number of landings.

What we did is we pulled out all the data for those 32 endorsement holders, and we went back to about 2000 and got all of their landings of everything that they participated in and looked at how has their fishing changed as a result of the closures that occurred because of the ACL being reached.

Prior to the closures in place, about 55 percent of their total fishing revenue came from black sea bass. After the closures, it dropped to 44 percent of their total fishing revenue. However, overall their fishing revenue increased because the way that they adapted was they were participating in other fisheries where they were making more money.

Now also realize this is still a little artificial here, because there was the derby that was going on generally in June, July, and August. They were making all their black sea bass money in those months. When we looked at their fishing behavior in the wintertime, in the later time period, they were making a lot less money in the winter than they had in the years prior to the closures being in place. However, they seemed to be able to make it up at other times of the year.

But the problem here, of course, is there was that derby was in place during those years that I was looking at the later years and now we don't think that derby is going to be there, it didn't seem to exist in this past season; so we really can't say exactly what is going to happen in the future there.

Yes, that is what this table here actually shows is what I was just talking about. You can see here is from 2000 to 2009, and you look at their winter months, the black sea bass revenue was doing pretty well for these 32 guys and their total revenue overall. Then you start looking over here in 2010 to 2013, they were not fishing for black sea bass at all, basically the first four or five months of the year.

Their overall revenue was down; but when you start looking, now it is happening in June, July, August and September, their overall revenue is much higher because that is when they were getting black sea bass. When you look down here, you can see that the revenue from black sea bass in the later years dropped to 44 percent. The earlier years it was a higher percentage; but when you look at their total revenue, their total revenue went from \$1.3 million for these guys to about \$1.4 million.

These are all adjusted to 2013 dollars, so a dollar is a dollar here. You can see their overall black sea bass revenue has dropped from what it was in earlier years, but they have compensated.

There is a table in the document that shows for all the other things that they are now fishing for and when they are fishing for them.

That is the economic effects for this action in a nutshell. If we have any specific questions, I would be glad to answer them now, because like I said there are a lot of moving parts here. A big part of this amendment hangs on the social and economic aspects of this fishery; that is the way the purpose and need is set up. Whatever the council ends up doing – and they did choose a preferred alternative. Rusty mentioned it; it is Subalternative 9A.

It allows a partial opening during the winter off the Carolinas during the periods when the whales are not particularly migrating through at that time. Then it keeps the closure in place off of Florida, which really doesn't affect the black sea bass pot fishery too much off of Florida, because they tend to fish out beyond that closure. I was wondering if you had any questions. I did that pretty quickly when you start looking at all the details that are in there. If I can help you figure out anything, I would be glad to.

DR. CROSSON: The Mid-Atlantic black sea bass fishery is managed in conjunction with ASMFC; do I have that correct? I am trying to remember how that works. Is there any information? I know that black sea bass; the markets for that are pretty much coastwide. Is there any information about how the Mid-Atlantic sales are interacting with this?

DR. CHEUVRONT: Yes; that is one of the things that happens is that when that Mid-Atlantic Fishery is open, if the South Atlantic Fishery is open at the same time, the prices tend to be a little bit depressed, which is why the South Atlantic Fishery is so much more valuable in the wintertime because that Mid-Atlantic Fishery is closed.

Now, when you talk with the fishermen especially out of North Carolina, they're going to tell you they want to fish in the wintertime, because that is when they are going to get the most value for the fish. The fishermen report that the fish are higher quality. They tend to be a little bit bigger. They are blacker looking, and so they tend to bring a higher value at market in the winter.

DR. BLOUNT: Could you go back to the previous slide, the one that had the 45 and 55 percent calculations on it? I was just trying to get a ballpark figure here of if in fact Option 9, I think it is 9A were accepted and the change were to be made to closure the 15th of April rather than the 30th of April, so you would have a half of a month there.

This may not be legitimate; but if you look at April for the earlier time season – I know the fishery is different. You've talked about it a good deal. We're talking about half of April, which is about, say, \$50,000, more or less, total. Does that sound like a reasonable estimate as to what might be gained by opening or are there too many assumptions in there?

DR. CHEUVRONT: Yes, I think there might be too many assumptions there. Part of it really depends on – so what is going to happen is that 9A allows some fishing to occur in the middle of that November to April time period, so they are going to fish then as well, but they have to fish not necessarily in their most preferred areas. They have to fish a little further offshore than what they would prefer. There are still some fish there but not in the abundance that they are a little closer in.

DR. LARKIN: Can you talk a little bit about the catch rate estimates that were generated? I mean they have a daily cap. I don't know if we got that underlying document that talked about how the catch rates were generated or I don't know if we could.

DR. CHEUVRONT: The catch rates were done through an analysis at SERO, and it was based on different types of scenarios where it had to do with different time periods primarily that were used to estimate what the catch rate would be on any given day. What they did is they looked at it month by month.

What the catch rates were for each month based on whether it was from the time period, the last three seasons, for example, when the fishery was open all year long versus just the last season; and then they estimated what the landings would be. What happens is one number was calculated for each month under each of the different scenarios.

Then they apportioned the expected landings to be equal across the entire month. To determine the closure dates, what they then did is then they just started adding them up cumulatively, starting at the beginning of the year, because the commercial season now starts January 1st, until they got to the number that matched the pounds that is allowable for the ACL, and that was determined to be the closure date.

Now most of the alternatives have the entire ACL being caught. I think Alternative 2 has the earliest expected closure dates, which could be as early as August; but many of the alternatives, including I believe 9A; I think the expected closure dates fall in the range of October. It didn't really matter, those catch rate scenarios – there were four of them – they generally fell within a couple of days of each other. There were a few places where there were some variations, but it may have been, say, from August 9th to August 14th would have been the expected closure dates regardless of which catch rate scenario you used.

DR. LARKIN: But were the catch rates – I mean it sounds like they used averages from what had been observed; but are they at the pot level or the trip level, because there is some question about how many pots they use per trip?

DR. CHEUVRONT: Yes; that is part of the whole thing, too. It was based on expected catch rate for the fishery, not even just black sea bass pots, because there is a hook-and-line component to this fishery as well. It is total catch rate for the commercial ACL.

DR. LARKIN: Then how does that link up with the way costs were modeled, because it sounds like sort of an average estimate for the trip - to get down to like the net revenue side; the costs were based on an average trip cost that was constant and excluded like crew shares. How did they get from this total fishery down to - does that make sense?

DR. CHEUVRONT: The two weren't linked specifically. The data came from two different sources. The best we could get, we have average trip costs, and that was all that we were able to come up with, what the average trip cost was for a black sea bass pot trip across all conditions. We weren't able to get the analysis down to a level of what does a trip cost in July versus a trip cost in January. We just didn't have the data to do that at that time.

DR. LARKIN: How did you decide how many trips were taken?

DR. CHEUVRONT: We did not decide how many specific trips were taken. One thing I did not do in the analysis was link the – what you're looking at in this table is ex-vessel value. The number of trips taken is not accounted for in this. This is not showing pure profit; this is just exvessel value. What happens is if they are able to fish in winter – say the fishery was completely open in winter and there was no closure off the Carolinas; the fishery operates much more efficiently.

They don't have to go out as far offshore, they don't have to spend as much gas, and there is more fish there close by. They are going to catch a lot more fish more quickly. I don't have any real permutations of how different ways to look at trip costs. I just have an average trip cost that was calculated from somebody else's study. I think it was Larry Perruso I think was involved in that study.

DR. LARKIN: You said two things that were important; one was sort of about their catching, the more efficient part, which factors into, I guess, the calculation, or maybe not. Is that captured at all? You're telling me these interesting nuances of the fishery that affect what the value is, but is it or is it not taken account of? Are we going to see a table that factors that in to analyze the alternatives or is it just the discussion about the cost is in there, but it is never used?

DR. CHEUVRONT: The discussion of the cost is in there. But you're right, based on the data that I have I was not able to link that specifically to any given trip. Between the ex-vessel value and the trip costs, I cannot make that link that puts them where you can look at profits per trip for any given trip. I don't have the ability to do that.

What I was trying to do by including trip costs in there, at least average, was get the estimate, which is the only estimate that I've got for a black sea bass pot trip in there, so you could see at least – there are tables in the document that show the number of trips that were taken by different months. We could calculate out what the trip costs would be, but we would have to use that average number, because I really don't have any way of being able to know what the actual trip costs were for a trip that occurred in January versus one that occurred in July. That wasn't available to me.

DR. WHITEHEAD: Brian, could you explain again how the temporal differences in the landings are modeled to calculate ex-vessel revenue?

DR. CHEUVRONT: What happens is that there was a calculated daily catch rate. If there was a closure in the pot fishery but the hook-and-line fishery is open, then the daily catch rate is only based on hook-and-line landings. Generally, those are going to be less average landings per day than if the pot fish were open at the same time.

DR. WHITEHEAD: What confuses me is we have a bunch of alternatives and a bunch of scenarios. The closing dates; there are big differences in the closing dates.

DR. CHEUVRONT: Yes, and that has to do with those closing dates are determined purely by the expected daily landing rates; and so it depends on whether the pot fishery is open or not and

when that occurs, because at some times the landings are greater hook and line and/or in the pot fishery.

DR. WHITEHEAD: We're assuming that for the bottom line ex-vessel revenue calculations that all of the landings are caught?

DR. CHEUVRONT: Yes.

DR. WHITEHEAD: Then when I look at the summary of the price data that you're using, there are big differences, which makes me look for big differences in the bottom line number which you presented in the PowerPoint and showed that there was only a 5 to 6 percent difference in the range across all of those numbers.

DR. CHEUVRONT: The reason for that is because usually when the prices are the highest in those estimates, there are very little landings because of the expected closure date frequently is before those really high prices expected price per pound is going to occur. For example, I see you've got the graph that shows the price per pound, if you're looking at that; give me a second and I can pull that up so everybody can see it.

Here is what John is talking about. As you can see, you are looking at November and December and all here. If you are looking at, for example, Subalternative 9A, the fishery is expected to close in October, and the price per pound for October is much lower. This is October right here. In Subalternative 9A, they are never expected to get up here to be able to realize these higher prices per pound.

It is not a complicated analysis. Like I said, it just has a lot of different moving parts that help determine when those openings and closures are going to occur, the estimated price per pound in any given month, when that occurs. None of the permutations is able to come up with a time period where the fishery is going to be allowed to operate freely during the time period when the northern right whales are in the area.

What the council is trying to do is to provide protection continuing for the whales, but trying to maximize the economic value that can come from the fishery. What is happening is that there really is no way – there is no combination that they could come up with that allows them to get a lot of landings at these four dollar per pound months. What they've come up with is 9A is their best estimate at this point that will give the maximum economic value versus the potential risk to North Atlantic right whales.

DR. CROSSON: They are sharing this commercial ACL with the hook-and-line sector. Is there evidence that the hook-and-line sector could -I know they are just putting in this new trip limit that is starting this year, but anything that comes to increase the catch rates for the black sea bass pot fishery is to some extent going to come at the expense of the hook-and-line fishery, right? What is preventing the hook-and-line fishery from shifting their effort over and catching this larger portion of the profits?

DR. CHEUVRONT: Well, what's happening is the hook-and-line fishery, really, basically one of the things that has happened is that this increase in ACL has come as a windfall for the hook-

and-line sector. It used to be that approximately two-thirds of the fishery was caught up by the pot sector. When the new ACL has gone into place, I think that is just about reversed.

I think about two-thirds of it is being caught by the hook-and-line sector. What is happening is the hook-and-line sector is getting a much greater benefit from the increased ACL than the pot sector is. Part of the concern is – and it goes back to the purpose and need – is that you also have bycatch issues and undersized fish issues with the hook-and-line sector; and those things don't exist in the pot sector of the fishery. You can see it just gets more and more complicated as you try to weigh all these different parts.

MR. HADLEY: I am looking at the table of the different closure dates for the scenarios; and just a point of clarification, the fishing year for black sea bass on the commercial side starts January 1?

DR. CHEUVRONT: It does now; it was recently changed. It used to be June 1 through May 31st.

MR. HADLEY: The December closures really wouldn't result in a very long closure period for the fishery in this table.

DR. CHEUVRONT: That is correct, and one thing I want to point out is that in every alternative except for Alternative 1, even though it says no closure, the ACL is expected to be more than 99 percent caught. If you look, for example, at Subalternative 7B, under Scenario 1 it says no closure, but Scenario 2 is December 27th, Scenario 3 is December 19th. It is because if the ACL had run over a couple more days, it would have been caught.

This is just an estimate. You can pretty much assume that the entire ACL is going to be caught under every single alternative for whatever scenario; and we had estimated that under Alternative 1, with that closure in place, that only 97 percent of the ACL would be caught, and in fact, as Scott pointed out earlier, it was closer to 99 percent of the ACL was actually caught last year, which was the first year that we fished under this current plan.

If you're ready, I want to talk real quickly about some social effects' things, and I have a couple questions that I think would be helpful if we could answer or at least discuss them for helping the council. There are some direct effects on participants in the black sea bass pot fishery. They are primarily associated with foregone economic benefits due to the restricted or no access to the black sea bass resource during the winter.

For the hook-and-line sector, if the council changes from the status quo and goes with everything else, they are going to see greater competition with the pot fishermen that they did not experience in this past season. They will end up with less access to the increased black sea bass ACL; because when the ACL is met the entire fishery closes for both pot sector and hook-and-line sector. This would result in a likely shorter fishing season under most scenarios.

Okay, so in the overview document that you were all sent for this meeting, I had five things that I wanted to ask you specifically about that relate to this analysis. Two time frames were used to calculate the price per pound by month. It had been suggested that perhaps instead of using just 2000 to 2013 and 2011 to 2013; that perhaps using a time frame of maybe the last three seasons

when the fishery was opened all year long. Now you saw that there were not huge differences in the value of that.

I am not quite sure -I didn't go ahead and do that analysis, because, of course, by doing that it would increase everything by a third in the terms of numbers that are on there. My question that I would like if you would weigh in on; do you think that there would be benefit in going ahead and doing that additional analysis, adding that economic in there, or do you think what is in there now is sufficient for capturing the expected economic value of the fishery? If you don't have anything to say about it, that is okay, too.

DR. BLOUNT: I really have no good basis for saying this other than I think the answer is, no, I'm not sure that we would gain anything by having that done; because if you go back to the Figure 4.2.1, the time frame 2000 to 2013 is very, very stable. I think what you would pick up might be more variation like you have in the 2011-2013 here; but I think if you average all that out, you're not going to see a great deal of difference. That is an inference.

DR. CHEUVRONT: Okay, anybody else want to say anything about that?

DR. WHITEHEAD: I agree with Ben; it is hard to imagine how you can fiddle around with the analysis to make more money from one of these alternatives.

DR. CHEUVRONT: Frankly, I'm glad to hear you say that because I was thinking the same thing, but I've had other people who are making comments who were thinking that it might be worthwhile to do that. I'm not so sure after having played with all these numbers, but I wanted to get other people's opinions on that.

When I did this, what I was thinking was I was getting the best case and the worst case scenario in terms of what I could come up with the variations. My gut feeling was that by using that 2006 through 2009 is it would come out somewhere in between, and that is not going to get you any more information. If that is the general consensus, that would be great.

DR. WHITEHEAD: Yes, unless there is a lot of price variation across the time period that they're going to be catching fish; then it doesn't matter what the flat price is going to be. It doesn't matter for your analysis what the price is; it is just a scalar.

DR. CHEUVRONT: I appreciate that. The second question; the Table 4.1.1.1 uses information from an analysis by SERO that I had referred to that calculated the expected closure dates under the various catch rate scenarios. Where there is a range of closure dates due to an estimated closure date based on differences between three different scenarios that were used to calculate trap placement for each month; the thing is that I only used one of the trap placement scenarios, because there is some variability as to where the fishermen placed traps over time.

The one that I used was the time period when the last time that the fishery was open all year long; and so if the fishermen were allowed to place the traps all year long, because they could fish relatively all year long, my assumption was they would probably continue to do that same sort of thing.

However, there were estimates that were based on where they were placing the traps in the summertime when they had that derby fishery going on, and there was another estimate as well. What I am asking you is do you see any benefit of looking at other trap placement scenarios? They are all fishing in the same area, but it just depends on how many traps they are putting in one place versus another; and that is really all done by grid squares for the most part.

Those are pretty big areas when you look at those in the logbooks. There is some variability, but there are data that show when you look at this – and I can pull this up if you wanted to see this in that document – it doesn't add much variability to the closure date of the fishery when you look at those other scenarios of where those traps are placed.

My thought was that, no, it doesn't make a whole lot of sense to look at this. There is already a huge amount of numbers in there. There doesn't seem to be a whole lot of variability there in terms of even the expected closure dates regardless of which trap placement scenario you use. I just did it for one, and I just wanted to make sure that I came to you and say do you see any utility in me going through and redoing the analysis for the other trap placement scenarios?

MR. HADLEY: I would say no. If you were using the timeline when the fishery was opened all year; that is probably what it would lapse back to and probably not a whole lot of variation there.

DR. BLOUNT: I agree with John.

DR. CHEUVRONT: Is there any dissenting opinions on that? Okay, you guys are making me very happy.

DR. WHITEHEAD: There are ways that you could better model the prices if you would like us to irritate you.

DR. CHEUVRONT: No, seriously, I am not looking to get out of work. I just didn't want to keep doing the same thing over again and getting the same answer. If you've got some suggestions of what I could do to look at things differently, I would be glad to consider that. That is basically I think what the third question asks; do you have suggestions for other things that I could do other than what has already been done?

DR. WHITEHEAD: You've modeled the prices as the unconditional monthly mean, is that correct, just the monthly mean?

DR. CHEUVRONT: Yes, it is a monthly mean.

DR. WHITEHEAD: One step beyond that that I don't think would be too much more costly for you is use a regression approach on that where you can hold more things constant and allow other things to vary across time and space. Then you can do more counter-factual. In this situation I don't think it is going to matter, like I said earlier. In the future that slightly more complicated analysis might squash some questions about what else might happen. It would be great if someone else let me know if that makes sense or not.

DR. LARKIN: Are we moving on to Number 3?

DR. WHITEHEAD: Yes, we're on Number 3.

DR. CHEUVRONT: We are on Number 3.

DR. LARKIN: Right, so the fact that we can sit here and say in different times of the season they are more efficient sort of makes me think is there any merit to trying to capture that efficiency somehow; so link the total landings to numbers of trips. Can you sort of back-calculate what the difference in number of trips would be so you could factor in – there is the section there on cost, but it is never used.

The data from the cost you have is from pre-2005; but they did have quite a bit of data from there; so instead of using - it is crude, but figure out how trips might have changed. Figure out then how costs might have changed, because there were fewer landings on average per trip pre-2005 than there are now.

Does that data cover trips that had the higher landings that have been observed recently? You can set up a little model where price is sort of driven by the landings; and then on the cost side, that the costs are driven by landings that might vary each month; and then number of trips changes, and somehow pull some of these pieces of information together.

I think you did a great job doing all this price variation, but price variation is just revenue variation. It doesn't capture closer to like an economic picture that might give you a different ranking of some of these alternatives or it may not. It seems like some of the pieces are there to link that model more closely.

DR. CHEUVRONT: Yes, you've given me an idea, and let me see if you think that this might be worthwhile focusing on. The trip costs, like you said, came from 2005 and earlier. What I could do – and I do have landings and I know how many trips occurred from 2000 to 2005. I can look at the characteristics of those trips versus what we think they're going to be in the future in terms of pounds landed per trip and that sort of thing, and I can do an analysis to see if they are statistically significant or not.

If they are not statistically significant, then I would feel comfortable applying the trip cost or the profit per trip that occurred in that 2000 to 2005 period. I could apply the same type numbers to the later time period of what we expect it would be. I would be able to get a better estimate of that efficiency and see whether it is actually appropriate to apply to what the trips are that we expect for the future. I think, yes, let me play around with that.

I think there are ways that I could do that. I had not thought to look at it that way;, but you're right, I could look at expected efficiency per trip. But what I would have to do in order to get that is to pull out of the expected catch rates just the pot trip landings. Part of the problem with that, though, is that, remember, there was no limit on the number of pots that they had in those early days. I am going to have to play with it a little bit. I just may talk to you some later about it and see if you think it is worth pursuing based on what I'm able to come up with. But that is a good idea; I hadn't thought about it that way yet.

DR. SCHNIER: Just to follow up on what Sherry was saying; I think what I'm kind of hearing is that it might be interesting to look at modeling the trip decision a bit and trying to figure out

what is going on there; because looking at the data it looks as though the trips has fallen dramatically over time; I mean, a little bit from the tables in the other file you have. That is more of a measure of effort; and the price is just going to be multiplied by the effort times the catch rates. Is there anything on substitution patterns or things of the sort that are determining the effort levels that can inform the analysis?

DR. CHEUVRONT: Well, effort has been modified through management, because it used to be wide open. Anybody with a snapper grouper permit could participate in the black sea bass pot fishery if they wanted to. Now you have to have an endorsement, and there are only 32 endorsements that are available, as well as the number of traps that they are able to use has been limited to 35; whereas, that used to be unlimited. I am not sure that I would be able to pull out all that information, because I don't always know how many traps were actually fished on any given trip, so I don't know that.

DR. SCHNIER: I think that actually explains it pretty well. It's more of a restricted effort model than anything. I guess there is not much that you could do on that side.

DR. BLOUNT: I just want to come back to what John Whitehead was saying about regression analysis, and it kind of got dropped, but I like the idea. I just wanted to point out that it is parallel to the comment that the SSC made when they reviewed this final document. They were concerned about uncertainties within model variations.

What they were in effect asking for was a finer-grained, more specific outcome where they could look at the relative importance of the variables, and that is exactly what you were suggesting. My comment is simply that they were saying the same thing but in slightly different terms.

DR. CHEUVRONT: I think at this point what I'll probably do is follow up with both John and Sherry and look at those two analyses and see if we can pull anything out of it from what I've got available. I've done a lot of regression modeling in my past, but I haven't done it with this kind of specific data. Those are not unfamiliar terms to me, John. Maybe if we could talk together about that and figure out ways to look at the data and what variables to put on what side of the equation and how to look at it; I think we could probably make that work. Is there anything else?

MR. HADLEY: I wonder if it would be helpful to mention price by market grade, maybe not necessarily in the analysis so much as from a qualitative standpoint. I was looking at some of the price data that we have; and it looked like there is about a 30 to 40 percent jump as you move from small to medium to large to jumbo.

DR. CHEUVRONT: A lot of the price variation that you see during the months is due to market grade, because you get those bigger, nicer quality fish in the wintertime so you see that price jump up. But, yes, actually, I used logbooks for the information that I used. But if you can send me some information on price by grade over maybe just a table with the price by grade for several years.

I know how the data are for North Carolina on price and it is an annualized value. That is okay, but if we can look at that and then I can at least put that in as a qualitative difference as to help explain; because there is a section in there when I am talking about price per pound by month, I

do talk about grade, but I didn't give any examples of the value differences by grade. If you could send me that; I would be glad to include it.

MR. HADLEY: Yes I would be happy to. I have the annual data here, but we might be able to even look at it monthly.

DR. LARKIN: The other part of this amendment about the gear restrictions; have we talked about that yet?

DR. CHEUVRONT: That is next.

DR. MURRAY: The one suggestion I would have is sort of putting this economic analysis matched up a little bit more with the risk analysis that is in here. I understand that the council didn't want to explicitly calculate risks, which is sensible, because there is no way to really do that. But the ranking that is in here does at least give you a way of presenting things in sort of what would you gain or lose by moving away from the preferred alternative.

From what I understand here, Preferred Alternative 9A is ranked seven, so that is right in the middle of the risk area. You might want to know, since you have these projections of economic returns, you could say, well, what happens if we move either up or down in terms of risk to the expected return. It would just be a useful thing to put in there, I think, for decision-makers.

DR. CHEUVRONT: We do have that. The issue is that we need to get the SSC to talk about that issue, because there has been some controversy, as you well know, about risk. We've been referring to it more as overlap, potential absence/presence, and so that aspect of it hasn't been completely resolved. I've got some tables that do show exactly what you're talking about; and that will probably be added in there.

We're kind of waiting to get a final resolution on how to deal with that before it gets put in there' but, yes, that exists. Okay, so it looks like we have some suggestions for a couple other additional analyses at least to explore and see if we can get something additional that could go into this.

I really appreciate that because you helped me think about this in ways I hadn't thought about it. I lived with this for about two months solid, and you know how you get with something like that. You get it into your mindset how one thing is and you lose the ability to necessarily be creative in your thinking about it, so I appreciate you for your help there.

Are there any additional recommendations that you have for this action, and it doesn't necessarily have to be economic or social or anything, but anything that the council should consider when they're thinking about this action.

MR. HADLEY: I did have one thing. I think it is a limited area and a few scenarios; but a few fishermen have said that there is some, I guess, localized depletion issues on the recreational side where they will go out to the spot and the spot will have a lot of traps on it and the fishing won't be as good. It is not a big deal where you go to another spot, but just thinking about the time of year where you've shifted the pot fishery from a wintertime fishery to a summertime fishery, essentially, where the possibility of conflict is the greatest. I think that is a limited scenario, but I

didn't see that captured at all. I don't know if it has been part of public comment, but it has been relayed to me by a few fishermen mostly in the Morehead City area or Wilmington area.

DR. CHEUVRONT: Yes, you are right, we've been treating this solely as a commercial fishing issue, but we have not looked at conflict between recreational and potential commercial fishermen based on when those pots are in the water. I appreciate that; that might be something Kari might be able to capture in some of the social analysis for this.

Now here is the good question; do you think that this analysis represents the best scientific information available? Do these other analyses that have been requested; do you think that they are absolutely necessary for this to go forward? We don't know obviously what the outcome of those analyses would be; but they are certainly worth trying and maybe depending what we find out, we just might want to go ahead and include something like that. Do you feel comfortable at this point saying whether this analysis represents the best scientific information available for this action?

DR. WHITEHEAD: I don't think the price modeling will affect the bottom line of the analysis, so I would say yes in terms of that issue.

DR. CHEUVRONT: Anybody else want to weigh in? It is okay, Sherry, if you say no.

DR. BLOUNT: Again, I agree with John. Well, if we do get additional analyses, they will I think give us some more fine-grained access into the variables on relative importance of them, but I don't think it will change the overall picture all that much. It will help us understand what is going on internally a little more. I am willing to say yes.

DR. WHITEHEAD: Sherry, do you think the cost variation will matter?

DR. LARKIN: I don't know; but my gut tells me that over and over you had mentioned a couple of times about efficiency changes during the year, what hints that it might matter. I don't know to what extent; I don't know this well enough. I do remember when Larry and Jim had talked about their cost modeling before. It wasn't really cost modeling; it was looking at average; like unconditional averages over time.

Part of me sees like Kurt's comment like, oh, gosh, he was kind of saying can we do something more here? I don't know how much more is needed, but a part of me thinks that it is worth like a few hours of thinking through is there a way to capture it? I don't think you fully need to go into decision analysis mode.

I wouldn't recommend a detailed type of analysis, but it does seem that if there is some data on the seasonal prices by size, which is really interesting and the fishery is quite a bit different than it was before; that maybe it just merits a day's worth of thought in thinking it through what the options are before doing them, sort of thinking like of a framework of what could possibly be done.

Then maybe even the process of thinking it through, you might know the data well enough to determine whether or not it is worth it to go ahead and crank the numbers or not. I guess I am sort of voting for taking time to think through what might be possible to model as a two-step

process, sort of laying out what we could do and then sort of deciding on whether or not it is worth doing. Does that make sense?

DR. WHITEHEAD: I think if we have a question about the analysis, then the answer would be, no, and we would like to see the bases covered before the red word you put in there is yes.

DR. CHEUVRONT: That is fine. I think what we need to be very careful then is – and I understand what Sherry is saying, because that could be very helpful. It would be really good if in your recommendations in what you write up about this you be very specific about what you think needs to be considered and/or done to make it so that you feel that it is the best scientific information available, so that people don't think that what has been done to this point is wrong or incorrect. It is that you just want to see a little more consideration given to something like the stuff that Sherry is talking about now. I am fine with that; I have no problem with that.

DR. WHITEHEAD: I think we're saying that, yes, this is the best scientific information available, but we're interested in additional sensitivity analysis.

DR. CHEUVRONT: I am totally fine with that because that helps get the point across that you are not throwing out the analysis that has already been done; you are just asking for a little more.

DR. WHITEHEAD: When we're asking for a little more, we don't think it is going to change much. We just want to make sure that it doesn't.

DR. CHEUVRONT: Right, the bases should be covered and that is fine. Is there anything else on this before we move to Action 2?

DR. WHITEHEAD: I don't think so, but does anyone need a break?

DR. CHEUVRONT: I can tell you Action 2 is not going to take real long.

DR. SCHNIER: I wanted to follow up on Sherry. I've been thinking about what Sherry is saying about the cost. It made me think about the ideas of like where ports are relative to the locations that are being restricted and those sorts of issues and how that might affect the revenue flows under the different alternatives.

There is more of a complex analysis; but if there are certain types of alternatives that would incur more travel cost for, those are things that there might be interest to sort of look at. Can you talk about that at all?

DR. CHEUVRONT: Yes, I can. The problem is that the estimated daily catch rates were based on where landings were allowed and not allowed within a given area. The problem that is going to be difficult for me, and I have thought about this, is how do I figure out the increased trip cost, say, for gas when I don't have a good estimate on what they have been paying for gas anyway for a trip at that point.

I am not sure; because if you are forcing them to go out and fish further, I don't know exactly how long it is going to take them to catch that many fish nor do I know what the additional cost in gas is going to be to have to go fish offshore further than they would prefer to be fishing at that time. If you've got a suggestion on how to come up with that, that would be helpful. I would have to know everybody's homeport, how many trips each vessel is taking, how much additional gas they would have to use and that sort of thing. Frankly, I just don't have the data at that fine scale.

DR. SCHNIER: One way of thinking about it, if you have the cost data on just trips in general, you could average that and subtract some of that off the revenues. Then when you do the sensitivity, think about percentage increases in travel cost, how that is sensitive to things are with different settings. That is one thing you could think about.

DR. CHEUVRONT: Sherry is sort of nodding her head. She is thinking through this, I can see. I may need some help in figuring out how do you estimate what the differences would be in trip cost, estimated trip cost. We could go from there, but I already know that in looking at some of this sensitivity analysis I am going to have to talk to Sherry, anyway, to make sure I'm capturing everything that she is interested in.

We can move on to Action 2, and it is fairly quick. Action 2; the council has been messing with this, I think since about December. What they are trying to do is to think ahead as to what they can do in terms of modifying gear for black sea bass pots that should an occurrence of an interaction between black sea bass pot gear and North Atlantic right whales happen; what could they do to lower the actual risk of entanglement; and if an entanglement should occur, is there a way to identify the gear as black sea bass pot gear?

Currently the black sea bass pots are managed – some of the aspects of the pots like buoy line strength and weak link strength are based on mandates from the Large Whale Take Reduction Plan. There is no gear markings required for the black sea bass pot fishery that distinguishes it from other trap pot fisheries.

Should some kind of entanglement occur, we would not know – we would just know that it could be a trap of a pot fishery, and it is not necessarily, if I am not mistaken, not just from the South Atlantic. It could be from the Mid-Atlantic as well.

SEP MEMBER: All the way up?

DR. CHEUVRONT: Yes, all the way up. We just don't know. We do know however that most of the entanglements occur in the lobster fishery. Okay, so Alternative 2 modifies buoy line and weak link breaking strength; and Alternative 3 creates a requirement for a specific marking on the buoy line that would represent this as black sea bass pot gear. This would be in addition to what the Large Whale Take Reduction Plan is.

Initially the council had thought about adding just a two-inch color on each. The way it is now there is a 12-inch color marking on three places on the buoy line. Lots of times when the gear is being identified, it is not physically removed from the whale. It might be seen from an airplane or something like that.

The council had initially suggested a two-inch color band on each of those; and it was decided, no, that is not big enough, we need something bigger than that. The council is still working through that issue. But we wanted to add another color that would make it so that it could be

identified as black sea bass pot gear. Alternative 4 is not very well thought out yet. It has to do with additional variations on the buoy line breaking strength and whether it ought to be stated in terms of line diameter or actual breaking strength.

The council is not sure how to state these alternatives that specify the gear changes that should be required. There are estimates of the economic cost to the individual fisherman based on the different requirements. If you are a fisherman from North Carolina, because you don't have any buoy line – North Carolina for some reason doesn't have the lower buoy line strength requirement that South Carolina, Georgia, and Florida do.

They would have to buy all new line. But the other things, the weak links and the marking of the line, for a North Carolina fisherman with 35 traps it is going to cost him about \$700 to get that done per fisherman the first year. The fishermen from the other states, you are looking at about roughly \$20, I believe is the initial cost; and then, of course, then there is going to be the upkeep of whatever they have to do for that.

I guess what I want to get to is the social aspects of this really are based on whether or not this would afford additional protection for whales and knowing that those whales are still there. I have a few questions that are related to this. You may or may not see them as being totally relevant to the SEP. You may not need or want to weigh in on it, but that is okay.

I just need to give you the opportunity. Do you have any suggestions on how this action should be structured? Is there anything that we need to be concerned about in economics or social aspects other than that we just figured out what was the cost to fishermen to do this. I don't know, if you have anything else that you can think of that should be considered other than the simple cost.

MR. HADLEY: I had a couple of things; one just from a decision document standpoint, just an estimated cost for a pot. If you go to the lighter breaking strength and fishermen do lose a pot or two, what kind of cost would that be to the fishermen? There again it is just more of a background information piece than from an analysis standpoint.

Also, it is probably going to be fairly small, but mentioning the opportunity cost to the fishermen as far as re-rigging. If a fisherman has to re-rig their 35 pots, it might take a day or two from a cost standpoint. I think in there, there were the materials but not necessarily the opportunity cost or the labor side.

DR. SCHNIER: That was actually precisely my question. I was curious about what the estimates might be for lost gear and things when you change some of these regulations and what those costs would be that the fishermen incur. It was already asked.

DR. CHEUVRONT: Okay, yes, so it sounds to me like what I need to do is to include the cost of replacement of a trap. A lot of the fishermen that we have talked to about this have thought that perhaps they don't or won't incur increased trap loss; that they could withstand this.

They use pot pullers to pull these things up; and all this would be tested certainly before they would be required to make these changes; but it could happen. I think anytime if you make the buoy line strength less strong, then there has got to be some increased risk. Yes, I think that

would be okay, but I don't think we would be able to estimate how many pots somebody would lose, just what the cost would be if they did lose one.

DR. LARKIN: Right, when you first qualified your first comment by you didn't think that this was that important; I do think it is really important. I would think that they would want to get those tests back before, because you want to know how that is going to affect their efficiency before it goes into place, I would guess.

MR. BROWN: I just wanted to clarify something, too. I used to pot fish a few years ago, and I didn't have a pot hauler, I just hauled them by hand, because we were fishing pretty shallow water. Most of the time we were fishing 75, 80 feet of water; and so when you grab the pot, a lot of times if they had a lot of fish in them they start floating as soon as you get about 10 feet off the bottom. You just pull it a little bit and they start to expand, the air bladder and everything, and they just float right on up, so it is pretty easy to pull it. I usually kept everything pretty close. You could see all your buoys, so everything was in sight. I just wanted to say that.

DR. CHEUVRONT: Scott, you might be able to answer this. Down there at the Science Center, you guys have folks who do gear testing, right, or do you not know that for sure? I think you do.

DR. CROSSON: I'm not sure they do it at the Miami Center. I thought it was more up in the – what is the one up in the Panhandle? I think it is not typically the Miami Science Center that does most of the gear testing.

DR. CHEUVRONT: Yes, but they do have a gear-testing thing. There was some discussion as to perhaps maybe what the council might consider doing is stating the strength of the line as opposed to a specific diameter, because the different diameters of different types of line have different breaking strengths.

I'm not sure where to go with that; but I think, yes, the idea of replacement cost for a pot should be included in there in case they do end up having to replace it because the likelihood is greater. Then also making sure that the council considers the fact that all this needs to be determined prior to going ahead and acting on this action.

DR. LARKIN: My only other recommendation was – I mean, it was great that whoever sort of itemized what those additional costs are; but is there any way to reference where those numbers came from or determine some of the regional variation and what those costs might be? I mean they are point estimates, and it is not clear what the source of those were.

DR. CHEUVRONT: Yes, it is in the full document. There are the links that were there, and a lot of folks now buy their gear like this online. What I did is I went ahead and I costed the whole think out online and looked around. The costs are pretty much the same. It doesn't matter whether you're in Florida or North Carolina and buying that gear, everybody is going to pay pretty much the same price.

DR. BLOUNT: On a totally different line; there is a dimension to the social values here that are not tied directly to economic gain or loss. I am referring to the discussion in the document about the value of whales as endangered species. There is a discussion there that made the point that the risks are really unknown.

That is kind of a big question in all of this, the thing that we really don't know. We don't have good measures of even what the biological benefits would be in regard to protection of the whales. In the absence of that biological information, it is hard to know what the social values would be. I wanted to ask a question in relation to that. There may have been information about what would happen if in fact you do get entanglements. That discussion may have been in the document, but I don't recall it. Could you comment on that?

DR. CHEUVRONT: I am going to pass that off to Kari, because she is the one who wrote that.

DR. MacLAUCHLIN: I wrote the social; but as far as what would happen if there was an entanglement and they could specifically associate it with the South Atlantic black sea bass pot, I don't know what kind of action. I know that part of the reason why Action 2 is in here at all is if there is an entanglement at least decrease the risk that it could hurt the animal or the calf.

Then also if there is one, then you can actually pinpoint it and know that you need to take management measures for the South Atlantic black sea bass pots. I am not sure actually with the legal action of that. I don't know if it would trigger an automatic closure, because there would be a take, or if this is something that is documented. We maybe would have to get back to you on that; check with the PR people.

DR. BLOUNT: Okay, because I was just curious in fact if something automatic would happen like when you've got an increase in turtle strandings. for example, then the automatic accountability measures kick in. I don't know if there has been much discussion of that. It may be that the data are so thin in terms of this happening and the other historical record even in terms of it happening; without pinpointing exactly where it happened as to what actions might or might not be taken in regard to all of this.

DR. CHEUVRONT: Okay, so we've really kind of spent more time talking about the second question, what additional things could be looked at. We've talked about some pot replacement costs could go in there – that is easy enough to find – and potentially some at least additional discussion on the social side, at least to make sure that issue is addressed that Ben brought up. Is there anything else that you think ought to go into the analysis there?

DR. BLOUNT: This comes back to the earlier discussion about needing more data on what is actually going on in terms of like if you decrease the strength of the line, then you're going to lose more traps and so on. One of the features tied with the various action possibilities was should these changes be for the entire year or only for the season where it's closed. I don't know the answer to that; but I bring that up because it hasn't been discussed, but yet that was through something that was stated throughout the document.

DR. CHEUVRONT: Yes, thank you, Ben, for mentioning that. The idea is that these modifications to the gear would be considered certainly during the potential periods when northern right whales might be present; but for much of the year whales are not present. One of the questions is do we just want to keep this in place all year long?

There is a cost in there. If somebody feels that they want stronger gear, they would have to swap out their gear at the end of the period where the weaker gear would be required; so does it matter? Should they just allow the fishermen to decide whether they want to make that swap or continue it? I was just wondering from an economic or social perspective if anybody wanted to weigh in on that.

MR. HADLEY: Is there any feel for how much – would fishermen actually switch out gear or would the 400 pound breaking strength be sufficient year round? I mean if the gear is going to be tested and it turns out that there are not very many pots lost, then there wouldn't be that much switching out throughout the year.

DR. CHEUVRONT: That is my hunch, too, because there are costs associated with switching out. My gut reaction is let the fishermen decide themselves what they want to do. That is their own individual risk analysis that they would have to do to decide whether the cost was worth it for what they might experience. They think they might experience some potential loss at other times of the year, because there certainly would be costs associated with switching it out, so if you have an opinion on that.

DR. BLOUNT: I would say leave it to the fishermen, I agree.

DR. CHEUVRONT: Just basically require it during that November through April time period; and then if the fishermen want to go back and fish some other gear, as long as they stay within the guidelines that currently exist; that would sort of be your recommendation, let them figure out whether the cost and effort is worth it to them individually.

DR. YANDLE: Yes, and just basic agreement again; it should be their decision. They know what is going on and what they need a lot better than we do.

DR. CHEUVRONT: Do you have any other recommendations for this action that you think that the council ought to consider?

DR. MURRAY: I don't know maybe it is in here and I missed it, but if there were fishermen, a small population doing this, if there was reaction on how burdensome this would be, it might be useful because just seeing the raw numbers it is unclear for me how burdensome these costs would be. It might be useful to ask.

DR. CHUEVRONT: Yes, and we've actually got pot fishermen on the council, so we can get that, but I think that probably ought to fall into the social side.

DR. MacLAUCHLIN: Actually when they were crafting the language for this, making the motion, the council members, they were in touch with fishermen who were telling them specifically what they felt like would be something good to consider. There was a lot of input from them.

DR. CHEUVRONT: Okay, does this analysis represent the best scientific information available as long as we include the cost of trap replacement?

DR. WHITEHEAD: I think we have a good idea of the order of magnitude of the cost, so, yes.

DR. CHEUVRONT: Okay, so we're going to say it does with the inclusion of trap replacement cost in there. That is all I have for this amendment, so thank you very much. It was really very

helpful. This has been a difficult amendment to work with the last few months. I appreciate your help.

DR. WHITEHEAD: Let's take a break, about ten minutes. The next item on the agenda is Snapper Grouper Regulatory Amendment 23, golden tilefish, and Kari has a presentation for us.

DR. MacLAUCHLIN: This is Attachment 2 in your briefing book, and I just put together some slides. Everything that is in there is in the discussion document. I just wanted to pull out some specific things. This amendment talks about the golden tilefish hook-and-line fishing year and the ways to extend the golden tilefish longline season.

The primary reasons that the council is looking into this is that both of these sectors open on January 1st, and so there is a lot of golden tilefish that comes onto the market. Then the longline fishery shuts down usually in February or March. They hit their quota, which is 75 percent of the commercial ACL. The council wants to look at ways to kind of extend that availability throughout the year. Stock status; it is not overfished and there is no overfishing occurring.

The ACL is 606,250 pounds. Then we have a commercial ACL; it is 97 percent of the total ACL; and a recreational ACL, which is 3 percent. Under that commercial ACL there are gear allocations; 75 percent to the longline and 25 percent to the hook and line. The hook-and-line portion of this requires just the snapper grouper federal commercial permit, and there is a 500 pound trip limit.

The longline requires that snapper grouper permit plus a golden tile longline endorsement and they have a 4,000 pound trip limit. That endorsement program was implemented just a few years ago. These are transferrable; and there are 23 of them. Most of them are in Florida; there are a few in South Carolina.

I have in the document that we've heard there was some anecdotal evidence that an individual paid \$100,000 for an endorsement. These could be very valuable. The council also recently clarified that the landings history would not be tied to the endorsement; it would be tied to the permit.

This was something that came up with especially a new entrant who purchased an endorsement would have to get those pounds of golden tile linked to his snapper grouper permit. He couldn't take the landings from the last endorsement holder. I have the Table 1; it is on Page 4 of your document.

That shows the landings over time with the different gear types. You can see the hook-and-line landings have increased in recent years here. They used to be pretty small. Then we had longline, so they've capped participation in the longline fishery, and then other gear types. There are just a couple actions that the council is considering.

One is to modify the fishing year start date. I have this in here just because it is an action that is in here, and you guys are welcome to comment on how possibly you could open up the hookand-line sector either towards the end of the longline season or not open it up until the longline season is over. You are welcome to comment on that. Specifically I wanted you guys to focus a little bit on ways to extend the fishing season for the longline sector. Some alternatives that the council is considering now are to leave this in – they have their 4,000 pound trip limit. One was a two week on, two week off option. That actually was brought by some of the longline fishermen. The council had considered that before, but then they found that it wouldn't extend the fishing year very long so they had stopped work on that amendment.

But we've added it back in as Alternative 2; a two week on, two week off. Alternative 3 would be one week on and one week off. Then another one would be to implement some kind of stepdown in the trip limit when 75 percent of the ACL was met. We just have a couple options for that. Really, I wanted you guys to talk a little more about it.

Here is this golden tile longline component, this is typically a derby condition. Is this a problem? Rusty spoke on how there is something there in the early part of the year and then people switch when other things open up. But then another way is what are the options to extend the longline season; this is something that the council is interested in looking into.

You have 23 vessels; they have a 4,000 pound trip limit. They have their own quota. When that quota is met, the longline sector shuts down for the rest of the year. One option obviously is individual fishing quotas, but that is something that a lot of the longline endorsement holders are not supportive of.

We would like to see if you guys have any other ideas that we could present to the council, possibly to address some of the issues with extending it, extending availability, not having so much of it at the beginning of the year; and I don't know, any other recommendations that you would have.

MR. HADLEY: I have a question on some of the price data. It looks like through 2010 you are seeing improvements in price in real terms, which is good, but is there any inclination on what has happened in the past two years where you have this derby fishery? Is there a large drop in price or has the price continued to increase throughout the time series? Is there any feel for that?

DR. CHEUVRONT: Can you say it again, John?

MR. HADLEY: Looking at the price data in the document, it goes through 2010, and it looks like there are improvements in price in real terms. If you look at Table B-1, if you look at the dockside price per pound. there are improvements in the price. In the past few years has that dropped with the derby fishery? Have you seen issues with that; essentially a glutted market?

DR. CHEUVRONT: I can't answer that, but I bet Ben can.

MR. HARTIG: I will tell you in this last year it has been better for the derby fishery than it was in the previous year. The previous year they had some problems moving fish. They had to actually I think freeze some fish in the previous year. Rusty mentioned some of this at the beginning when he talked to you about what the longline fishermen may want out of this amendment.

This past year they averaged right around four dollars for the large, and it is about three dollars for the mediums, and it is about two or \$2.25 for the smalls. The price overall has increased. It has increased – every year we've got a bump on the price. I fish the hook-and-line season; so

once the longline closes, we get about another \$1.25 to \$1.50 a pound more for our fish once the longline fishery closes. The prices were pretty good even before that.

Tilefish has garnered a better market share. A more improved marketing by the people who are handling the fish has obviously paid dividends, because a lot of these fish are being used in Florida now where before they were shipped to New York or to Canada to the bigger markets. Now they are actually enjoying more of a niche market.

Actually the supply has broadened significantly to add that additional white meat fish when groupers are closed for that time frame. The prices for tilefish have been gaining market share and increasing in price on a yearly basis for the last three years.

The longline fishery itself in this past year in particular received a higher price than they had in past years. If we could put all that information for you to see; that would be really informative to see what kind of changes have occurred.

DR. CROSSON: Actually while I have you up here, I have another question for you. The Mid-Atlantic and the Gulf of Mexico both have golden tilefish fishery that are managed under ITQs. Do you have any first-hand knowledge or are you hearing anything from the fishermen about how those markets interact with the South Atlantic one that is using a season?

MR. HARTIG: Yes, that is a really good question, and I don't know. That is something we have thought about in visioning and something to try and time our openings when those other markets aren't open. But I don't know when the Mid-Atlantic opens and I don't know when the Gulf opens; so I can't answer that.

DR. BLOUNT: This question might best be answered by Ben, too. Looking at the question, the basic question here of alternatives, the fishermen have proposed maybe two weeks on and two weeks off. This is the longline. The council doesn't seem to want to go along with that direction. IFQ is anathema to the fishermen.

I didn't see anywhere in here a discussion about perhaps reducing trip limits as a way of prolonging the season, except 75 percent of the ACL, then it would be bumped down and a couple of alternatives to consider. Is there some reason why reduced trip limits couldn't be considered a possibility as a way of lengthening the season?

MR. HARTIG: It certainly could be. It is just the fishermen don't see – since they got so much for their fish last year, the efficiencies of making fewer trips, your cost efficiency for producing that animal for not that much more if you reduce the trip limit; they don't see any value in reducing the trip limit. To me the efficiencies from being able to land the 4,000 pound now, especially after what they got last year at the higher price –

DR. BLOUNT: I figured they wouldn't be in favor of it.

MR. HARTIG: Yes, they weren't in favor of it before, but even less in favor now that they got more money for their fish this past year.

DR. YANDLE: Another question for Ben. That is the reason why they are in favor of the two weeks on and two weeks off is they get more efficiency per trip that they're out; is that correct? Could you just say what the argument in favor of the two-week system is?

MR. HARTIG: Yes; the biggest thing about the two weeks is if you fish for two weeks and you land X amount of fish; so the market could clear during that time, you would move all those fish out, distribute all those fish out over that two-week period, and then the market would be ready to take the next two weeks of fish.

What you're looking at is a higher price because of demand. You are getting demand up. You don't have a glut, because you're not producing too many fish at any one time, and you are giving the market what it wants as far as distributing the fish over that two-week period. That is basically – we don't know how that is going to work, per se, but logically you would think in a market-driven system where your demand is X, and you can keep that demand at that level by having the two weeks on, two weeks off, that your price will stay up. That is the logic behind it.

Yes, you probably could get some efficiency. I'm going to tell you this and Rusty said at the beginning that the fishermen now are more interested in looking at the next assessment. They are not so much interested in doing these things that we've brought back together. We kind of brought these up based on one of the hearing comments we got, but other fishermen have said let's not do any of this now and let's get the new assessment.

To be honest with you, these fishermen are now going to do an independent assessment. They are actually going to pony up, pay for the assessment to be done, because they are tired of waiting for this getting pushed back. It has been pushed back three times now, and there are some real increases that could be gained in the uncertainties in the first assessment.

There was a lot of uncertainty about the recruitment. Since that time, we've seen some pretty decent recruitment in the fishery. That should pay dividends, and there are a couple other things that slip my mind at the moment. Another good assessment could give us – and we'll probably pay for a benchmark assessment, which would have only been an update before.

The recruitment uncertainties are something that we think will pay big dividends in the assessment. Both the hook and line – at least some of the hook-and-line fishermen – I'm one of them – think there is value in having an assessment done by an outside party. We need to alert you guys sooner than later about this and the other part of the SSC as well to weigh in, because we need you to be involved at the earliest stages of how we develop this. Right now we're trying to develop the funding stream in order to be able to do it. I think you will see more of this over time for certain species when the industry does their own assessments. I think it is a good thing overall and it will help our assessment schedule.

DR. BLOUNT: If in fact the hook-and-line season began, say, March the 15th, and the derby would be more or less over and the price per pound would be up; they obviously would benefit from that. But it seems there is a cost, too, that if they started March the 15th, then the last two and a half months of their year would come when the derby was occurring with the longline, if I am calculating that correctly. What would be the relative gains and benefits in terms of that? Would the price per pound be sufficiently higher once the derby was over that they would make

enough money from that; that they could forego those last two and a half months when the derby was on and they would be at a disadvantage?

MR. HARTIG: Yes, the season I think lasted a little over six or seven months last year for the hook-and-line fishery. We were already closed before – we would be closed before that derby fishery started if things repeat themselves as they have. We have the option now of deciding whether or not we want to participate during the derby, and there are conditions that occur.

I prosecute primarily Spanish mackerel during that time, but there are days that get just right where I can go out and participate in the golden tilefish fishery and make as much money or more than I do Spanish mackerel fishing. I enjoy golden tilefish fishing, so I choose to do it at a time when I might not get the optimum price.

You also have to think about if you know the fishery is going to be closed before the end of the year, you want to get some of your participation in when the fishery is open. There is always the thought in both the longline and the hook-and-line fishery of ITQs down the line. There is always that hanging over your head about landings history and things of that nature. Even though the economics may not be optimum for you to participate, sometimes you are actually forced based on what you think may happen in the future to participate in a fishery.

DR. MacLAUCHLIN: Last year the hook and line was open just short of nine months. Then this year they are currently at 66.5 percent with these first four months. They will probably close before the end of the year.

DR. BLOUNT: Really it is a nonissue.

DR. WHITEHEAD: Has a one week on and one week off or two week on and two week off season been tried before; and if it has, do we know how that affects prices?

MR. HADLEY: I guess in North Carolina – well, the east coast or the northeast – dealing with summer flounder; there are windows where they open and then they close and they open again. It does have an effect on price, but the idea is more so on coordinating states, so trying not to have Virginia's open the same time as North Carolina; but the idea is to keep the price at a certain level and not glut the market too much. That is the way it is usually done.

DR. WHITEHEAD: Does it work?

MR. HADLEY: Ideally, yes. There are some years where they – well, if it is done correctly, yes. One issue that I have heard from one of the large summer flounder dealers in North Carolina is that window allows buyers to time the market. They tend to know that fishermen land at the end of that window and they know they have to be in by X date.

It is almost like they take advantage of them because they know that this large sum is coming in the last few days of the opening and it can drop the price at the very end; whereas, if you have a completely open season, they don't necessarily have that knowledge. It can go either way, but I think overall it has worked in favor of keeping the price up. Like I said; that is anecdotal information that I really have, but that is what I have heard.

DR. CROSSON: They did this with the red snapper fishery in the Gulf of Mexico before they moved to an ITQ. I don't think it worked really well there, but I don't know more about that.

DR. WHITEHEAD: The questions are pros and cons of the derby conditions for the golden tilefish longline fishery; is a derby always a problem? Do you really want us to answer that?

DR. MacLAUCHLIN: Really, it is staff and we are trying to put together more options. We are more interested in any kind of other ideas that we could look into and maybe suggest to the council at the next meeting and recommendations along that line.

DR. CROSSON: If it is competing in the same markets with Mid-Atlantic and Gulf of Mexico golden tilefish, which are under an ITQ, I mean with your testing and looking at it, I haven't done it myself but it is on my list. Logically those people would be able to react and kind of avoid the time when it would be open in the South Atlantic.

I would think that there would be a positive externality that you're getting that would lessen the effects of a derby if all three of those councils were trying to coordinate together at once. I think that it is probably less of a derby just because of the actions of other councils. That is, again, presuming that they are competing in the same market, which it sounds like there are a lot of local markets that are going on right now for golden tilefish. I'm not sure to which extent that is the actual case.

DR. WHITEHEAD: Shall we move on to Number 2? John, did you have something?

MR. HADLEY: I was going to say maybe further analysis as far as looking at the price on a monthly basis. You might be able to get at that question is the derby fishery hurting the overall economic performance of the fishery, especially if you look at the past few years. It sounds like last year it didn't necessarily hurt it, but there may be some gains there. But just the price performance, you could kind of do a retrospective analysis.

DR. SCHNIER: The question is what are the options there? Has anybody thought about subsectors? I mean, if there are 23 boats, part of the issue of the derby is them all doing it at one time; is that sort of the issue? Have you thought about subsectors or things of that sort along those lines?

DR. MacLAUCHLIN: So kind of taking their longline quota and breaking it down even further?

MR. SCHNIER: Yes, I think so, sort of along those lines. The IFQ is one way of easily getting around this, but I can't necessarily make those recommendations. But just about the idea of finding a way to get the 23 boats to stagger things out differently; is that feasible?

DR. MacLAUCHLIN: That is possibly something we can look into.

DR. SCHNIER: With the sector, I would be kind of curious to see what they thought about that.

DR. MacLAUCHLIN: Ben's not a longline. I don't know if Rusty would have any insight on that about one suggestion was maybe taking the longline quota and breaking it down further, so

you would have kind of these group quotas and you would fish to stagger the groups out so that not every vessel was fishing at the same time; they were staggered.

MR. HUDSON: From what I understand, they asked for status quo; and then once we get the stock assessment done – I was just looking at the IFQ for the Gulf of Mexico. It is a very similar quota for golden tile, and they are pacing themselves on all of their stuff at their IFQs, so they are at 20 to 30 percent of everything. The IFQ system up in the Mid-Atlantic; that heart of winter we're able to fish easier down this way, and we are, as has been noted, a Florida market now, and they can't come into our market very easily in the dead of winter.

They want to stay status quo for the longline, the way it is, and then turn around and do the stock assessment, bring in the 2015 data and try to get it done in a way working with NMFS, working with the state of Florida, working with South Carolina, the main players, and see where it takes us. That is what they asked me to deliver as an oral comment this morning so that is what I said.

As far as the bandit guys, you're right, 67 percent already. They are catching pretty good at a 500 pound trip limit. That means they are making some profit. Come May 1st, we open our shallow water grouper, our black sea bass pots can go back to fishing again, and the red porgy opens up. That will change everybody's behavior at that point.

DR. WHITEHEAD: I don't know if we have any better ideas as a group. Personally it would be cool to see the two week on and two week off experiment and see what happens.

DR. YANDLE: Just really quick, I've been thinking about this a little bit, but would turfs work in any way for this fishery? Since it is a relatively small number of vessels, I don't know how geographically distributed they are and if there is natural break groups for that; but maybe turfs would be more acceptable than ITQs. I haven't been watching this fishery as long as a lot of people in the room here, obviously; but I do worry a little bit that we are starting to head into the death by a thousand cuts things.

I am wondering if this two weeks on and two weeks off is going to be another one of these. They are pushing back against – just trying to delay when hard decisions need to be made and they are going to make them harder. Throwing turfs out there; would those be alternative since ITQs are politically unacceptable right now, apparently. But I do worry that we are just forestalling making hard decisions harder when we actually make them.

DR. WHITEHEAD: Do we have any other recommendations? Kari, I see none. The next item on the agenda is the system management plan; MPA monitoring and evaluation; and Kari has a presentation.

DR. MacLAUCHLIN: Okay, I've put together just a few slides. These are based on what is in this Attachment 3, which is a PDF portfolio. If anybody had any problems opening up the different files in the PDF portfolio, let me know and I can send those to you individually. The first one in there is kind of the summary of what we're doing with the system management plan.

Then we have the drafts goals and objectives and then some examples that are further developed for the outreach goals and objectives. This system management plan is being put together. We have these MPAs that were established in 2009 through Amendment 14. It created these eight Deepwater MPAs across the South Atlantic. There are several up here in North Carolina/South Carolina, and then we have some in Florida and Georgia.

As the council discusses additional closed areas, for example, for spawning management zones that we're looking at currently with Snapper Grouper Amendment 36; one of the questions that comes up is we have these MPAs in place and their purpose; and they had some specific purposes.

Are these MPAs actually meeting these goals and how can we monitor these and evaluate these? This is what the system management plan is for. It is specifically for these eight MPAs, these Deepwater MPAs. What these are, they are closed areas in which you cannot fish or possess any snapper grouper species, no shark bottom longline gear. Vessels can transit through there with snapper grouper species that they caught in other areas, but the gear has to be appropriately stowed.

Then trolling for pelagic species, tuna, dolphin, mackerel, billfish, is allowed in these. In Amendment 14, the primary purpose of establishing these – and I have some of this underlined – protect a portion of the population, which were spawning aggregations and the habitat of these long-lived, slow-growing deepwater snapper grouper species; protect them from directed fishing pressure to achieve a more natural sex ratio, age, and size structure while minimizing adverse social and economic effects.

There are some biological goals in there that are measurable. However, the social and economics, minimizing adverse social and economic effects are a little vague. We're trying to develop these. What I wanted you guys to do is provide input to staff on the social and economic goals of MPAs, recommend measures of evaluation.

I am hoping that some of you have some background or experience or knowledge of MPAs and how to evaluate these; and then provide input on the types of projects that would be useful. What type of projects would actually let us measure these different types of goals for our MPAs? The second file in your PDF portfolio is the draft goals and objectives. We have our biological goals and objectives on Page 1, and I just have those in there so you can see them.

Right now we have our social and economic goals and objectives. This is something that we have council staff and then also Regional Office staff, and hopefully a Science Center person will be on our IPT, which is our Interdisciplinary Planning Team, that we're working on, so we can work on these. We wanted to get some input.

This is something that I personally don't have a lot of knowledge about, but they want to put these together and make sure that they are measuring what they need to measure and we have some doable projects that we could recommend. This is something that the council is interested in, dovetailing maybe with some other funding projects that we're looking at.

Goal 1; nonmonetary benefits to society and enhance or maintain; the IPT comment on that is that we should keep it, but it is difficult to measure something like that. Then we have a couple objectives; existence value, enhance or maintain ecological services values, enhance or maintain. The benefits from the MPA equitably distributed; and a couple of these monetary and nonmonetary benefits, how these are distributed among these coastal communities. Then environmental awareness and knowledge to enhance; this is something that could go into the outreach, but could also - it is one of those where you could have a goal and it could be multiple objectives that help reach that goal. But this is part of the success, the buy-in for these closed areas, and the understanding of people; how this can benefit them as well as far as any kind of fishing opportunities from spillover, any other biological benefits.

Respect for understanding of folks in the local communities; enhance public understanding and the sustainability improved. The level of scientific knowledge increase, scientific understanding expanded through research and monitoring. We have the governance goals and objectives as well, maybe something that you want to comment on.

I don't have a lot of very specific questions. I think this is something that I was really hoping that we could tap into you guys for. Then in that Attachment 3, the next thing is the outreach action items that Amber Von Harten put together. She is our outreach specialist, and she took those outreach goals and objectives and translated them into action items, and this is what we hope to get to as we develop these social and economic goals and objectives.

She took the goal environmental awareness and knowledge enhanced, effective stakeholder participation and representation, and came up with these action items for how you could make sure people knew where they MPAs are, the regulations in place, like worked with fishing chart manufacturers, distributes this information to bait and tackle shops, marinas, et cetera.

This is what we're looking for. We want to get not necessarily at this meeting, but we will get to these action items, these actual projects that we could source out, contract out or other things that we could work on in-house. We have that in there just so we can see this is the final example or an example of the final product. Any MPA experts?

SEP MEMBER: I work near some MPA experts. There are National Marine Sanctuaries that have a lot of experience in trying to do a lot of these goals, so I would be happy to try to collect that information and share it.

DR. MacLAUCHLIN: We do have the Florida Keys Sanctuary has done a lot of work, and they did a lot of zoning with different types of areas and what you could do in those areas. We'll be pulling from some of those. Yes, the Sanctuary Program is a good source.

SEP MEMBER: I'm by no means an expert or even an amateur on MPAs, but I understand one of the spillover benefits is that the fishing can improve around the MPA if you have a very healthy population within an MPA and can expand outward. Brian mentioned that there is some I guess effort information based on grids, I guess lat/long grids.

I didn't know if there was enough resolution to maybe – you could maybe track how effort changes within that grid. Say the MPA is within X grid, you could see if fishermen are fishing more around it or if that has kind of been the spot and they had to move elsewhere. I didn't know if that could kind of maybe track fishing behavior a little bit.

DR. MacLAUCHLIN: Gregg, are we using something like that for – we have another amendment that is coming through that is similar or does deal with closed areas to special management zones that Gregg can comment on a little bit.

MR. WAUGH: Yes, the grid zones are too large, unfortunately. I think they are like 100 square miles, I think is what they are. It is not useful for this type of resolution; but I think your point of looking at and trying to quantify the spillover effect is a good one. That is something as we look to refine our catch location information, we could do that.

Right now we're working on an amendment for charterboats and looking at requiring the use of a GPS-enabled device that would give you specific catch location. This is another good benefit of that where you could document that increase. We're hearing from some of our fishermen that they now are starting to see some benefits from these MPAs, particularly in that spillover effect.

DR. BLOUNT: Along somewhat different lines; I did some work on MPAs, but quite a number of years ago, and I haven't kept up with it so I am not an expert. I did do some research and inquiry in the mid-2000s, the first of the decade of the 2000s. One of the things that I found was that in looking at a number of different MPAs was that the issues for MPAs – one of the critical issue for their success is the same as it for national parks or reserves of any other kind that are meant to protect biodiversity, promote biodiversity, and that is they require some approval, some support of local communities and participants and stakeholders.

The common denominator in all of those seemed to be the notion of equity. That was point number two in the socio-economic goals; but unless there is a kind of a sense within the community and the various stakeholders that there is sort of equitable access to and sharing of the resources, then the problems are going to emerge.

Florida Keys National Marine Sanctuary is a case in point where the development of that area – that MPA really required seven years. It took a long time for that one to develop. The core of all of that was again equity. If groups thought that they were getting a short end of the deal or being left out and other groups gaining from their losses, then things wouldn't work very well. I say all of this just as a way of saying that any kind of public relations, public education, and socio-economic goals sort of tied to that; that seems to be a starting point to begin to develop projects.

DR. LARKIN: I really appreciate how you laid out those goals and seeing this as early as we're seeing it, because I think they are very succinct and they are very broad and it sort of leaves it open to lots of different type of analysis that can be done or different types of information that can bear on the decisions.

I think I'll chime in that I am not an expert, but I had an opportunity to look at some of the MPA work that has been done around the world, and I think it is interesting how there are both positive spillover effects and there could be negative spillover effects. I would just sort of encourage or maybe look forward to seeing if there is a nice literature review done on fisheries that are similar in size and scope and some of the characteristics to see if there are some lessons learned in other places that are trying to measure some of those benefits as comprehensively as you've laid out the objectives.

DR. BLOUNT: To come back to what Sherry just said and a comment that was made earlier; there is a fairly large body of literature on all of these topics. What might be beneficial at first would be a good review maybe aligned along with the interesting and most important topics that we have already talked about. I know there were references cited to this section; and of those the ones by Pomeroy et al in 2004 is the document that seems to be cited and recognized universally.

There was some earlier work by a couple of people in Australia, McCallum and Roberts I believe were the two people who did really extensive work. There are a lot of suggestions and a lot of case studies in the literature. Rather than try and maybe reinventing the wheel here, if we could go and look at those and get some summaries of those; that would be a good place to start.

MR. WAUGH: To clarify; what we're bringing to you here today is a very early look at just the goals and objectives. We've got a group that is putting this together. We worked with Michelle Tishler and Ken Lindeman. We had them on a contract basis to put some of this material together and they've done that.

Pomeroy et al is the big document, but for each chapter Michelle has combined lots of documents that look into the impacts in other areas; so we'll have that. The next time you see this in October; this will be fleshed out a lot more. Along the lines that Ben made about this equity; let me mention that this system management plan that we're talking about here is for our Amendment 14 MPAs.

We also have an additional effort that we're looking at identifying some spawning SMZs, which, rather than taking in a large area, look for these special areas. It appears that Georgetown Hole/ Devil's Hole off of here is one small area that is important for a lot of different species. What we're trying to do is work cooperatively with the public to scale these to be as small as possible, to minimize the impacts, get the buy-in, but large enough to be scientifically valid and be able to document that spawning is occurring inside.

We are going to have an appendix to that document that lays out what research needs to be done, and that will ultimately become part of this overall system management plan. We're using citizen science to do this as well as another way of involving fishermen. This is new to us. Ben attended a conference out in California in January, but this is much more common in avian research.

The council has helped fund some of Dr. Will Hayman's work off of here. He has worked on vessels with fishermen and there is a lot more buy-in and a lot more information exchange. You get a lot more vessel time, days at sea for your research dollars working with the fishermen. That is going to be a big part of this as we move forward, this cooperative research using citizen science as well as our traditional fishery-independent survey.

But that is what we're seeing is the more you involve the public and they are in the process, even though all of them don't have warm fuzzy feelings about more area closures; if you can document that you've got spawning going on in a small area, then they are willing to sit down and talk about, okay, what is the appropriate size for this area? That will increase our voluntary compliance tremendously is our feeling.

DR. BLOUNT: This may seem like a very minor, almost silly suggestion, but one of the things I've noticed is that if these areas have names, the public will relate to them much better than otherwise. Think of the MPAs that have names like Stellwagen, for example, and the Oculina Banks. If there is a name, then it is a hook or means by which they can then begin to participate and relate, and it is hard to do otherwise. As I say, that may seem like a very, very, very minor point, but I think it is an important one.

DR. WHITEHEAD: I have another minor point. On Goal 1 on the screen, I would suggest that nonmonetary be changed to nonmarket; because while those are difficult to measure, they are measured in dollar values, which is monetary.

DR. BLOUNT: Just a point of information; I think it is the case, Gregg, that aren't you going to talk about some of these areas and report more on them a little bit later this morning or not?

DR. MacLAUCHLIN: No, not for the SEP.

DR. BLOUNT: Not for the SEP, okay. That is something new for me. It is very, very interesting. Maybe I was reading too much into or kind of a hopeful reading into what we were going to get this morning; but there won't be another presentation on it then?

DR. MacLAUCHLIN: There is a video presentation online from our public hearings about that amendment you can watch also.

DR. WHITEHEAD: The next item on the agenda is the Snapper Grouper Vision Blueprint, long-term plan for snapper grouper management. We have a presentation from Amber Von Harten.

MS. VON HARTEN: I just wanted to give you a brief overview and update of exactly what the council is doing with their visioning project, which is looking at developing a long-term sort of strategic plan for the snapper grouper fishery. Just so you know, this began back in December of 2012 out of growing concern from stakeholders about how the fishery is being managed in more of a reactive mode versus a proactive approach and looking for some solutions to better managing the fishery for the long term.

The council decided to go through a facilitated process of getting some stakeholder input and matching that up with their vision of how they want to see the fishery look into the future. At each council meeting, on the Monday morning of the council meeting, council staff has been facilitating these visioning workshops for the council members in the morning for about three hours to kind of walk through what they want to get out of this project, how to involve stakeholders, and then the final product, which is going to be this vision blueprint for the snapper grouper fishery.

Again, this project is only focusing on the snapper grouper fishery and the end goal is to develop a vision statement, goals, objectives and action items that can be prioritized for short-term action items that can be kind of implemented more in the short-term and then long-term action items over time. The idea is that this draft vision blueprint will be hopefully reviewed on an annual basis as council members change and the vision for the fishery may change as well.

The goal of the project was really to make sure that we had ample stakeholder input throughout the whole process. What you see up here on the screen is the draft vision statement that the council has come up with, and it reads; "The snapper grouper fishery is a healthy, sustainable fishery that balances and optimizes benefits for all"; so very broad in nature. Then the idea for the vision blueprint is to have some strategic goals, objectives and action items underneath this vision statement. The council went through this process in the spring of 2014 to collect stakeholder input. We held a series of 26 port meetings throughout the region.

We had 372 people participate in those port meetings, and we went all the way from North Carolina down to Key West. We had pretty broad coverage throughout the region, and we were very happy with the participation. These are just a few snapshots of some of the port meetings. It was truly a team effort on staff's part.

I was kind of helping organize all these port meetings, but almost all the members of technical staff were involved in helping to facilitate these meetings. We used an interactive approach. You will see this blue wall in the background. We call it our sticky wall. What we did is we walked stakeholders through a process of asking them what are some of the problems in the fishery that they see right now and had a pretty extensive conversation about that.

Then we would group those into different key issues; and then we asked them to provide us some solutions. A very simple process, but we got a lot of really good, detailed information about some ideas directly from fishermen of how their fishery could be improved. What came out of this and how we kind of went out with the port meetings was to organize under four strategic goal areas of management, science, communication, and governance.

I have to say that the Mid-Atlantic Council went through a similar process. Theirs was a little bit different that they were coming up with a vision for how all their fisheries operate where this is just snapper grouper. They used similar strategic goals, these four that you see up on the screen. After we did all these port meetings, we analyzed everything and had to pull all these comments together. It was stacks and stacks of notes and sticky walls and things like that.

We brought it all together to the council for a special council member visioning workshop in October of last year. The way we structured that was it was a two and a half day facilitated meeting by staff based on the input we received at the port meetings. What kind of fell out of the port meetings were these seven key issues of sub-regional management, reporting and data collection, bycatch, access to the fishery, stakeholder engagement, habitat and ecosystems, and then allocation.

Over the course of those two and a half days, we led council through a discussion of each of these different key issues and what they heard from the port meetings and stakeholders and then trying to have a discussion of how they wanted to incorporate that into actual objectives and action for the fishery.

We compiled those results from the workshop and then discussed it in December and came up with some draft strategic goal documents, which is what Kari I think provided you in Attachment 4A. Those are still very much in a draft form and have been being modified since December of 2014.

I just pulled out a few of the key components of some of those objectives for the science and management goals that I thought were most relative to you guys. Under science, these bullets here that you see on data collection, citizen science, cooperative research, improving social and economic understanding, monitoring and reporting improvements, and ecosystem and habitat were some of the kind of key components that drove some of the actions that were created under those objectives.

Then for management, there are things like sub-regional approaches to management, which are approaches that are both quota based as well as non-quota based, access to the fishery in terms of retention, effort, seasonality of the fishery, and also considers flexibility. Social and economic opportunity; there is a specific action in there that looks at recreational opportunity and also fishing-related businesses that rely on the fishery.

Reducing discards and considering depth, size limits, best fishing practices in terms of things like descending devices and handling practices, things like that, as well as bycatch quotas and allowances. Ecosystem and habitat; and then allocations – how you design them, shifts in allocation, and how to manage those allocations over time.

What is coming up next is in March we reviewed all four of the strategic goals in draft form, and then the council will be looking at those in June to finalize them to take out for public input. This summer we are going to be taking public input probably through three different types of strategies, which will include webinars on the topic-specific strategic goals, in-person meetings, similar to what we did with the port meetings, facilitated meetings, and then also a series of webinars; kind of like what we just did with our public hearings last week with comment stations set up.

Then in September the council will review the public input and prepare for their October workshop, which is another special council member workshop that we're planning to help the council prioritize those short- and long-term action items based on the public input. That would then drive the actions and alternatives that would be developed for a snapper grouper amendment; and I'm not sure if that is the one, because they keep changing, so possibly Amendment 39.

Then in December the staff will have a final vision blueprint for the council to review and then they will adopt that and move forward with developing the amendment. All these materials from all the workshops we've had, including the council member workshop, are available on our website under the visioning project page. I would be happy to answer any questions.

DR. BLOUNT: Could I ask how you got people to come to the port meetings? These are different from what typically happens, but what did you do to try to increase participation and get people to come to them?

MS. VON HARTEN: Yes they were very different than our typical public hearings or scooping meetings. What we did is we worked with fishermen to help them – they helped us organize the meetings and locations, and a lot of them we had at docks and we had at restaurants. That was a key component of the success of those port meetings.

DR. BLOUNT: The reason I asked the question is that my experience has been if you have a typical kind of meeting, it is difficult to get much sustained participation. In fact, getting sustained participation is challenging, anyway. I've had a fair amount of experience with the Southern Shrimp Alliance.

I know that the shrimpers who participate in that the most are always demoralized in that they can't get their fellow shrimpers to participate as much as they would like. They just simply can't get them to do it. Trying to find ways to encourage them to do that and to get them involved is

very, it is just extremely difficult. Anything that you did along those lines that was successful is something that should be sustained to the extent possible, because it is going to be a challenge to sustain the involvement and participation.

MS. VON HARTEN: One of the other things we did was we produced some promotional flyers, used the networks within different fishing clubs and commercial fishing associations, and we actually mailed flyers and postcards out to at least commercial snapper grouper permit holders as well as the charter permit holders, so that helped as well.

But you're right; that is what we're looking for input from the council at the next meeting. All of this is kind of – also I forgot to mention, organized by a visioning workgroup, which was made up of council members and staff to help kind of guide the direction that we go through. We're going to be talking about how to engage people again; because a lot of people, when we went to the port meetings, they had the expectation that we would be back. Hopefully, we can go back to some of those same locations and see some of the same people. We had a lot of new people that came to those meetings, which was also encouraging.

DR. BLOUNT: It occurred to me that what I said may have sounded very negative. I didn't mean for it to sound that way at all in terms of the Southern Shrimp Alliance. It is just it is challenging. But again, what limited experience I've had with this is that the more open the discussions can be, as you described that you did at the port meetings, generally the better.

I've seen cases of where there would be sort of formal meetings and where you do the scoping meetings and so on; and fishermen would be sitting and talking, be sitting with them and listening to them, and what they wanted was to have an open discussion. The structure of those meetings really doesn't allow that.

But they felt very -I perhaps shouldn't be speaking for them, but there was a sense of frustration that they really couldn't just talk openly about what they wanted to talk about. Promoting that and following along those lines would be a change from I think what has occurred to a very large extent in the past and would be very helpful and beneficial. Fishermen present might want to speak for themselves rather than me speaking for them there, but anyway that has been my experience.

DR. WHITEHEAD: Are there any other questions, comments, other than this is good stuff?

DR. BLOUNT: I made a list of some of the goals for communication. Some questions here, but there were a couple that jumped out at me and I don't know if you might want to comment on them or not; but one was to try to do a youth outreach. I wondered what the thinking on that might be.

The other one was the seafood marketing. I've always thought that one of the areas where we really could interact with the public much more directly than we do is through seafood people, who know what seafood is. They may not understand a lot of the processes about how the fish got on their plate to Red Lobster, or where it may be, but I wondered if there was more background for those two in particular among the list of things that I noted.

MS. VON HARTEN: Yes; and the youth education came up at both the port meetings as well as at our council member visioning workshop. Again, there are lots of people out there doing that type of work so the idea was to work with partners that are doing that, so not necessarily add another thing to our plate to do; but definitely have some resources available on council-related fisheries and things like that for those types of programs. The same thing with the seafood marketing; maybe even having a section on our website that is a resource list for fishermen to see more information about seafood marketing and how that plays a role in fishery management.

DR. WHITEHEAD: Item Number 7 is recent and developing council actions. Kari has a presentation.

DR. MacLAUCHLIN: You have received Attachment 5 in your briefing book, and this is a document that it started out just kind of as an in-house document so we could keep track of everything, but it has turned out to be really useful to other folks at the region and so we just added it in here.

It was updated in April, so after our March meeting; and if you need to see what is going on with any of our amendments, I just wanted to point out a couple that are coming along. We were wanting to just kind of keep you guys updated on things that recently happened, are on their way through the process; and one thing just to brief you, but also to maybe gauge interest if there is a particular amendment that you're interested in hearing more about either in-between meetings or at your next meeting, you can let us know about it.

We have Regulatory Amendment 16, which is our black sea bass and right whale amendment and we talked about that. We have Snapper Grouper Amendment 36; that is the spawning special management zones that Gregg was talking about. Those would have some very specific smaller areas that would be put into place, closed to fishing to protect these spawning aggregations of some of the snapper grouper species.

These areas were developed through some expert workgroups and other input from fishermen and scientists working on these. We were in a public hearing – we just had public hearings. We did those via webinar and all that information. If you wanted to watch a video presentation by Gregg, that was on there, and the council is going to look over that in June.

Then we'll continue developing that amendment. We just had a couple go through – Regulatory Amendment 20, which was snowy grouper; that set the ACL and trip limits for snowy grouper, so that one is done. It is just waiting to publish that. They just published the proposed rule and then they will get through the final.

You guys had talked about Amendment 22; that was a recreational tag program. Do you remember that? Not all of you weren't on here; but it was for species that had really low recreational ACLs. You gave recommendations about should they be transferrable and how would you distribute them, et cetera.

That actually has been postponed as of our March meeting. The council kept bringing it up for several years; and as other priorities took over, then they just decided just to put it on hold for now. We will let you know if that changes. A couple was our ORCS, the only reliable catch

status species; we just got those ACLs going in with those new ABCs based on the ORCS methodology developed by the SSC in April.

We had Amendment 32 that was blueline tilefish and that sets the ACL. For blueline tilefish, which the SSC is going to be talking about, there was a stock assessment that indicated the stock is overfished and that overfishing is occurring. There was an emergency rule put in that really brought that ACL down very low; and then the council had to put in an amendment to officially and permanently change that ACL based on that latest stock assessment.

We had Amendment 22; that was some ACLs for our gag grouper and wreckfish. That was submitted at the end of last year and is under formal review. Then we had the transport of the snapper grouper fillets from The Bahamas. You guys talked about that at your last meeting. That one has gone through and is under review.

Then also accountability measures for our snapper grouper species and a dolphin allocation amendment; that one is under review, so things that are just coming on through. We are working on Amendment 35. This is going to remove some species from the snapper grouper fishery management plan. These are species that have really low landings in federal waters.

The good thing about taking these out of an FMU is that you don't have to set the ACL and ABC; and these are very low and primarily state landings, so the state of Florida would take those. There is a golden tilefish measure in there to specify about if someone with a longline endorsement can fish on the hook-and-line quota as well.

Then we have a new one coming up. Amendment 37 it is going to have lots of different actions for hogfish; adjusting these management units. We have a South Florida Management Plan coming through that would – you know, the Florida Keys, they fish in Gulf and South Atlantic jurisdiction and sometimes those regulations are not consistent.

Most of the time we try to make those consistent, but they are not always. Hogfish is an important species down there, but it could set a management unit for hogfish just in south Florida; and other management measures; size limit, trip limit, et cetera; looking at the jacks complex and the management measures for almaco jack.

We've heard about our jacks complex where one species is making that complex close. The council is considering maybe breaking up that complex. It is made of three species. Then we have some other ones removing size limit for deepwater species; so if you bring it up, you catch it, you can keep it.

Looking at the spawning season closure for our shallow-water grouper; this spawning season closure is in place the first four months of every year. It is about to open in a few days. We heard at port meetings and on the road that the four months is not necessary for every area. It could be two months in one area and then two months in another area, kind of adjusting that.

Then looking at the size limit, bag limit for our red grouper, black sea bass; these are some items that the council is going to consider. Regulatory Amendment 23; that is our golden tile longline, the fishing year for hook and line and then possible ways to extend the season. Dolphin and wahoo, we actually talked about both of these.

They were part of those other amendments with the Bahamas, bringing fillets back from the Bahamas, and then the sector allocations. Golden crab, they had a meeting, and, Brian, maybe you would want to talk about that, with the golden crab permit holders. There are only nine, right, nine permit holders? Seven, I'm sorry.

With such a small fishery, you have to be very interactive with the folks that are participating in that. They are looking at not in this amendment – this one adjusted their accountability measures and is sent off. The golden crab guys have been talking about expanding into the northern zone, and Brian can talk about that. It is an interesting crew.

DR. CHEUVRONT: They are a good group of guys. The golden crab fishermen are interested in expanding the northern allowable zone for fishing. A huge part of it is closed off by the Miami-Stetson Terrace MPA. There is some historical data that exists that showed that at least in part of the area that is closed – we've got data from the 1980s.

It goes back that far that shows where crabs were found, bottom type, depths, and all that, and some of that area is currently closed off. What happens is the northern zone is now really rather small, and there are starting to be some gear conflicts in there. They are just looking to see if it is going to be possible for them to be able to expand into some other areas.

DR. MacLAUCHLIN: Okay, with coral, we had an amendment that set up some closed areas. These are coral habitat areas of particular concern. That one is under review. With mackerel we had a couple changes come through. We had Amendment 20B, which I think you guys looked at. It is set up to change some of the subzones and zones.

Then also set up regional quotas for Atlantic king and commercial where there is a northern zone and southern zone, and the boundary is that North Carolina/South Carolina line; then also updated the Cobia ACL. We put in for secretarial review Framework Amendment 2. That is going to adjust Atlantic Spanish mackerel trip limits for the southern zone.

Then we have 24; we were looking at sector allocations for Spanish mackerel and you guys talked about this. The recreational only have a half or so of the recreational ACL is landed, but then the commercial is bumping up. But the council decided that – they looked at a couple different ones, a permanent reallocation, some kind of ACL shift in-season, or even setting up something that would set the preseason ACL every year for Spanish mackerel, but they decided in December that right now they are not going to move forward on it, and they are going to postpone until 2016.

We have Amendment 26, which is coming down. Our king mackerel stock assessment came through, and it actually set the stock boundary in a different area with a smaller mixing zone. Right now we have it designated as along the Florida east coast as the mixing zone between the Gulf and Atlantic stocks; but new information and what they used in the stock assessment showed that the mixing zone is actually just down there around the Keys.

Primarily what is caught on the east coast of Florida is Atlantic stock, not Gulf during different times of years. This are going to reset that boundary, set those ACLs, and update the commercial quotas. The Gulf is looking at their sector allocations, and then we have some management measures for our Florida east coast subzone area. We'll be talking about that in June.

Amendment 28 is kind of – we'll see where it goes in June. This is one where it could possibly split the king and Spanish mackerel commercial permits into separate jurisdiction or create separate fishery management plans. The South Atlantic Council decided they were not interested in that so they wanted to stop work on that amendment, but the Gulf is interested in looking into that; and they are actually scoping it right now.

The councils are having a joint meeting in June, and they are going to talk about what they are going to do with that. Both councils have to be on board for a joint amendment to move forward. We have our commercial logbook amendment, which is going through, and I think it has actually been implemented. It requires the weekly electronic reporting.

Wait, I'm sorry, we are waiting on a pilot study before we proceed with that on this. We have some bycatch discard amendment; we are also waiting for some further information from NMFS on that. Then we're working on a joint charterboat logbook amendment, and this was set up for our charterboats to report electronically and maybe even use some location-based information, like on a tablet or something like that. I think that's it; lots of stuff going on, but we just wanted to update everybody on things that are happening.

DR. WHITEHEAD: Are you open for questions and comments? Any questions or comments? I see none. Number 8; administrative business, term limits for Socio-economic Panel members.

DR. MacLAUCHLIN: This is just a heads-up. At the last meeting the council discussed term limits. There are term limits for the SSC members; it is three years. They set up where you will be appointed for five years; and then after five years, you can reapply if you are interested in continuing on there. The same thing as the SSC except it is going to be five years, because you only meet once a year. That's it.

DR. WHITEHEAD: How long have we been in business?

DR. MacLAUCHLIN: I think you guys – everybody who was appointed for the original one; the first time you met was in 2011. You would be up for review I think next year. You would have five years of meetings, and then you would be up for review or for reapplication.

DR. CROSSON: If you're on the SSC as well, it is not going to be the same time anymore; we should be applying separately because they are not going to stagger out correctly then?

DR. MacLAUCHLIN: I don't know; we can get some clarification from the council in June.

DR. YANDLE: That might be a practical reason to see if they wanted to move it to six instead of five, so you're not dealing with paperwork every couple of years.

DR. WHITEHEAD: Why not three like the SSC?

DR. MacLAUCHLIN: Well, they put in five, because you only meet once a year so it seemed like a longer term limit; but that is something they can consider, definitely.

DR. WHITEHEAD: It seems like six years would be a long time to ask someone to apply for.

DR. MacLAUCHLIN: Well, you were just appointed indefinitely to the SEP. There is a review process.

DR. WHITEHEAD: Indefinitely seems more reasonable than six years. Then discussion on upcoming SEP meetings, and my name is attached to that, but I think Kari is going to lead that discussion.

DR. MacLAUCHLIN: Okay, we had two people that were not able to make it to this meeting, Chris Dumas and Kurt Schnier, and Kurt was able to log in on our webinar and participate that way. He had to leave at 11:00. But he got up at 5:00 a.m., he was on there at 5:00 a.m. so he was a good sport.

Chris was not able to – he had some schedule conflicts. Staff was talking about holding the meetings via webinar instead of right before the SSC meeting, so then you would have a couple weeks to work on your report before it goes to the SSC. Then your Chair, who would be an SSC member, would be at that meeting and they could get the report and answer questions.

Our meetings are four hours, so that is something to consider. We just wanted to have this discussion with you guys. There are pros and cons especially for folks who are not on the SSC coming into town for a short meeting. Kurt will probably never come, because he is on the west coast now. We could set it up where every other year there is an in-person meeting or something like that or there would only be an in-person meeting if we needed a full day or something like that. We had several items to discuss and we thought it would take longer than four hours. We just wanted to get your input on how you guys feel about webinar versus in-person or every other year.

DR. WHITEHEAD: It is more difficult to stay engaged on webinar; so if the SEP has an important issue or several important issues, it would probably make sense to meet in person.

MR. HADLEY: I would just like to second what John just said as far as it is easier with this many folks to facilitate a discussion in person and being able to I guess go in turn rather than everyone trying to speak over the phone.

DR. BLOUNT: Has the SSC for the South Atlantic ever tried the meeting by webinar?

DR. WHITEHEAD: Yes; when there is an issue that is timely and it is a single issue, there have been webinar meetings. I was going to suggest that if that kind of thing happens with the SEP, then that makes a lot of sense; but for a four-hour meeting, that is where I think it is hard to stay engaged and not distracted by your normal routine at work.

DR. BLOUNT: The Gulf of Mexico SSC has tried it both ways and on very specific topics it works quite well; but if it is something more open and a number of topics, then it is very, very hard to sustain; back to what you said initially.

DR. WHITEHEAD: A webinar format might work if there were several meetings over the course of a year; or a topic comes up, you have a meeting, you are able to focus on one issue, you are able to give it a good review and then have an hour or two webinar.

DR. CROSSON: I just thought it was interesting that the people that are bringing that up are people that are SEP members but not on the SSC necessarily. For us that are on the SSC, it is less of an inconvenience, because you're going to be coming to Charleston, anyway. The fact that folks that are only on the SEP are stating this is pretty indicative that I think people would like to meet in person.

DR. MacLAUCHLIN: We can always keep the webinar option open for folks who are not able to come so at least they can participate in some way.

DR. WHITEHEAD: I don't think if the council said, hey, let's have a webinar, there would be pushback from the SEP; but I think just in general these are our recommendations.

DR. BLOUNT: I might mention that SEDAR conducts its business both with webinars and then review meetings. The webinars are generally – there are a lot of them – to avoid having a large number of meetings, which would get to be prohibitively expensive; but they tend to be on very specific topics and very specific items. Still they have a lot of complaints about it, because it is harder really to maintain focus and intensity under those circumstances; but finances dictate that it be that way; for whatever information value that might have.

DR. WHITEHEAD: Are we finished with administrative business? Yes; so other business involves trying to get a new Chair of the SEP. My term on the SSC is up, and I have declined the opportunity to reapply. I have been on the SSC for a long time; but I would like to remain on the SEP especially until my five-year term is up.

Then I imagine I would reapply, but that means I can't be the Chair of the SEP, however much I would just love to continue to do so. That was a joke. We need to elect a Chair somehow. I don't think there are any guidelines for how we do this. When I was elected Chair, it was because we thought that Scott Crosson was not allowed to continue as Chair because he became an employee of NMFS.

It turns out that is not accurate, we think. I think we were just hanging out and I said maybe I will go ahead and do it, or someone pointed their finger at me, and so that was the election process, I think. It is in the minutes somewhere, but I know it wasn't all that formal. How would you all like to proceed? The people who are continuing on the SSC or have reapplied; does that include Sherry, Tracy, and Scott?

DR. CROSSON: Sherry, you and I were just reappointed to the SSC last year. Are you up right now? You reapplied? Okay.

DR. WHITEHEAD: It has to be one of you unless a new member of the SSC is going to be on the SEP; but my guess is that is not what we would want to do at first until someone gets experience on the SSC.

DR. LARKIN: Is it true that Scott is not eligible?

DR. CROSSON: That is incorrect. I am eligible; but if one of you two would like it, then it is certainly yours.

DR. LARKIN: I would like to formally nominate that Scott Crosson be Chair of the SEP.

DR. YANDLE: I would like to second that.

DR. WHITEHEAD: Scott did a great job when he was doing it so I would third that. Any discussion? Does anyone move that nominations be closed, following Roberts Rules or something like that?

DR. BLOUNT: So moved.

DR. WHITEHEAD: So moved, all right. Thanks Scott. Is there any other business?

MR. HADLEY: I just wanted to say kudos to those who put these documents together; especially the overview document, it was very helpful in preparing just having the background information; and also the discussion questions I think were extremely helpful, so to all involved, well done.

DR. WHITEHEAD: Kari and Brian have been great to work with. I give a report to the SSC Wednesday morning; and Kari has been taking notes on the questions that we've been provided. Kari will send that to me. It is my understanding that we can adjourn and continue to work on our report this afternoon as four of us multitask in the SSC meeting; and Ben and Jason, are you taking off or are you going to be here this afternoon?

DR. BLOUNT: No, I've got a flight back.

DR. MURRAY: I'm flying, too.

DR. WHITEHEAD: Until you fly back, we could talk about the report, if there is anything in particular that you would like to see in there. If that works for everybody, we can adjourn.

MR. HARTIG: Since I have a chance to thank the SSC for coming and since some of you will be leaving and don't get to hear my thank you, I very much appreciate your commitment to our process. We can't do this without you and especially on the economic and the social side. It is always challenging for the council to get good information, and your input has been critical tour process, so thank you very much for participation.

DR. WHITEHEAD: I moved that we adjourn; a second; and we're adjourned.

(Whereupon, the meeting was adjourned on April 28, 2015.)

Certified By: _____ Date: _____

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