# South Atlantic Snapper Grouper Recreational For-Hire Component Management

Discussion Document October 2023

## Background

In June 2023, the South Atlantic Fishery Management Council (Council) requested that the Snapper Grouper Advisory Panel (AP) discuss limited entry for the snapper grouper recreational for-hire component. This request was in response to public comments provided at the June 2023 and previous Council meetings, recent discussions about the need to reduce recreational effort for snapper grouper species to reduce dead discards and landings for several overfished snapper grouper stocks, and compliance difficulties with the Southeast For-Hire Integrated Electronic Reporting (SEFHIER) Program.

The Council previously considered limited entry into the for-hire component through Snapper Grouper Amendment 47. Scoping hearings were held to gather initial public input. Following scoping, at the October 2018 Council meeting, the Council decided to discontinue work on Amendment 47. Materials that provide information on comments and discussions from Amendment 47 are attached below.

#### **AP Discussion:**

- Should the Council consider limited entry for the recreational for-hire component of the snapper grouper fishery?
  - If so, how high of a priority should this consideration have?

Amendment 47 to the Fishery Management Plan for the Snapper Grouper Fishery of the South Atlantic Region

> Scoping Document (For-Hire Permit Modifications)



Amendment 47 to the Fishery Management Plan for the Snapper Grouper Fishery of the South Atlantic Region would implement a moratorium on South Atlantic Charter/Headboat for Snapper-Grouper permits and limit entry into the fishery. The amendment would also revise regulations that prevent federally permitted Snapper Grouper for-hire operators from possessing Snapper Grouper species in state waters when harvest of these species closes in federal waters.

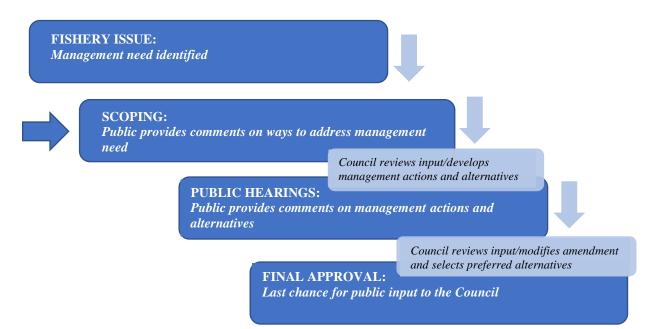
Revised 09/28/18

Scoping Document September 2018

# What is Scoping?

Scoping is the first stage of the process to amend a fishery management plan after an issue has been identified (see steps in the process below). Scoping has two main purposes: (1) to inform you that the South Atlantic Fishery Management Council (Council) may propose new regulations or change existing ones and (2) to allow you the opportunity to comment on the issue or identify other related issues that may need the Council's attention. You will have more opportunity to provide comments as the amendment is developed; however, scoping is the first and best opportunity to make suggestions for the Council to consider before an amendment is developed.

### **Council Process-***Fishery Management Plan Amendment*



## What Issues are being considered in Snapper Grouper Amendment 47?

#### For-hire permit moratorium

The South Atlantic Fishery Management Council (Council) is considering implementing a moratorium on issuing South Atlantic Charter/Headboat for Snapper-Grouper permits (Snapper Grouper for-hire permits). Your input is important for the Council to determine whether further development of a moratorium should be pursued, and if so, what you would recommend for the potential structure of a moratorium.

For instance, some questions that could be considered are:

• Should the Council cap the number of permits at the current number, a higher number, or should the Council decrease the number of permits compared to the number that are currently held?

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- If there is to be a moratorium on Snapper Grouper for-hire permits, what should be the eligibility criteria to receive a permit?
- Should there be exceptions to eligibility and should there be a mechanism to allow new entrants into the Snapper Grouper for-hire fishery?
- Should there be an end date or time limit established for a moratorium?

To help answer these questions, the Council would like to get your input on the following topics and other decision points as they further discuss whether to proceed with a moratorium on South Atlantic Snapper Grouper for-hire permits including:

- The start date of a for-hire permit moratorium
- Exceptions for eligibility
- Transferability of permits
- Allowing new entrants and establishing a permits pool
- Creating multiple permit types
- Implementing a time limit or sunset provision for a moratorium
- Other provisions for a moratorium

# Harvest prohibition on Snapper Grouper species in state waters when the species are closed to harvest in federal waters

Additionally, Amendment 47 may also revise or remove regulations that prevent federally permitted Snapper Grouper for-hire operators from possessing Snapper Grouper species in state waters when harvest of these species closes in federal waters. In some circumstances, these species may remain open to harvest in state waters but must be released by passengers onboard vessels with the federal for-hire permit due to regulations specified under the permit conditions.

# Why is the Council Considering Action?

#### For-hire permit moratorium

The Council is considering a moratorium in order to evaluate whether a limited entry system or other modifications to how the for-hire Snapper Grouper fleet is managed or operates are desirable. The concept of limiting the number of Snapper Grouper for-hire permits that can be issued was raised in the past by the Snapper Grouper Advisory Panel (AP), in public comments to the Council, and during the visioning process. Currently, the Council is considering implementing a moratorium on the issuance of South Atlantic Snapper Grouper for-hire permits. Some members of the Council felt that a moratorium could help with:

- Logbook reporting compliance
- Recreational data quality
- Stabilizing participation in the for-hire fishery
- Situations of potential localized vessel overcapacity
- Business planning
- Professionalizing the for-hire fleet
- Reducing fishing pressure on some fish stocks

During previous deliberations in 2016, 2017, and 2018, the Council has considered whether limiting the number of for-hire permits is the best way to address these issues and concerns. It

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was discussed that there may be other ways to address some issues in the for-hire fishery, such as changing reporting requirements to promote logbook reporting compliance and enhance the resulting recreational data quality. Some Council members pointed out that the for-hire logbook requirement has not been implemented, therefore it is unknown whether there will be a problem with reporting compliance. Also, it has been noted that non-reporting is currently not an egregious enough offense to remove a federal fishing permit. Additionally, failure to provide a required logbook can be considered a Level I or Level II offense that may be accompanied by a written warning or fine<sup>1</sup>. Other Council members expressed concern that logbook reporting compliance will be low without a moratorium, as permit holders can easily obtain a new for-hire permit if their current permit were ever revoked or not renewed due to non-compliance with the logbook reporting requirement. It was also noted that there is evidence that compliance with existing reporting requirements for head boats is higher in the Gulf of Mexico than the South Atlantic due to the for-hire limited entry program that is in place in the Gulf of Mexico Region.

In regards to stabilizing participation in the for-hire fishery so the Council can evaluate the need for establishing a more detailed limited entry system, some Council members felt that while the number of permits has been variable from year to year, over the long-term, participation in the for-hire Snapper Grouper fishery has been relatively stable and implementing a moratorium would not be necessary. Others noted that while the overall number of permits has been somewhat steady in the long-term, the regional distribution of those permits has changed over time. This change in permit distribution may have led to overcapacity in some circumstances. The Council has received public comment from for-hire operators, particularly those located in South Florida, the Florida Keys, and the Savanah, Georgia area, that overcapacity of for-hire operations is occurring in certain communities. Contrary to this notion, other public comment has been received stating that overcapacity is not a concern. While a capacity analysis of the for-hire sector is not available, tables showing the distribution of Snapper Grouper for-hire permits by county and state within the South Atlantic Region from 2008 through 2017 are included in **Appendix 1** at the end of this document.

Some Council members also felt that implementing a moratorium on Snapper Grouper for-hire permits would help with business planning and professionalizing the for-hire fleet. Providing a steadier level of participation in the for-hire sector may help better estimate annual revenue and better inform decisions as to when and whether or not to undergo business expenditures, such as equipment overhauls or upgrades. Also, it was noted that new for-hire operators may easily enter the sector with intentions other than full-time income (i.e. tax purposes, part-time income, or paying for personal fishing expenses) and may undercut the revenues of long-term "full-time" participants by charging lower than market rates or taking customers that would have otherwise booked with "full-time" participants. This viewpoint supported the notion that a moratorium may help reduce such occurrences and would thus "professionalize" the for-hire fleet. Contrary to this viewpoint, other Council members felt that Snapper Grouper for-hire permit holders are already acting in a professional manner by default, as there are multiple regulations that must be followed to operate a legal for-hire fishing business, such as securing and renewing several permits in a timely manner and following U.S. Coast Guard protocols. Additionally, it has been noted that market conditions and competition for charter or head boat trips will allow well run for-hire operations to stay in business over less professional operations.

<sup>&</sup>lt;sup>1</sup> According to NOAA Policy for Assessment of Penalties and Permit Sanctions that is available at: https://www.gc.noaa.gov/documents/Penalty%20Policy\_FINAL\_07012014\_combo.pdf

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Finally, some Council members have expressed concern over the notion that a moratorium would notably reduce or stabilize fishing pressure on some stocks. For many stocks, removals by the for-hire sector are not a major contributor to total harvest. Differing from this assertion, it was noted that management issues resulting from catches of red snapper, particularly in certain years and states, had a large for-hire component.

In addition to the above stated points and counterpoints, some members of the Council have expressed concerns over issues that may arise as a result of moving forward with a moratorium on Snapper Grouper for-hire permits that include:

- Conflicts between those who do and do not get permits
- Issues with the current control date of June 15, 2016, such as what will happen to permits obtained after that date
- The potential to lead to the creation of sector separation and associated conflicts such as those between individual recreational fishermen and the for-hire fleet
- The expense of obtaining a Snapper Grouper for-hire permit if the permits are to become limited in number and how to ensure new entrants are allowed into the fishery

# Harvest prohibition on Snapper Grouper species in state waters when the species are closed to harvest in federal waters

Several for-hire Snapper Grouper permit holders have expressed concern over the inequity that occurs between operators that do and do not have the federal for-hire permit when a Snapper Grouper species is closed to recreational harvest in federal waters but recreational harvest remains open in state waters. In such circumstances, particularly in the state of Florida where many Snapper Grouper species can be found in state waters, customers onboard for-hire vessels with the federal Snapper Grouper for-hire permit are not able to harvest these species even if they are fishing in state waters where the species can be legally retained. For-hire operators without the federal permit are still able to allow their customers to retain such species, as long as they remain in state waters, thus creating an inequity between for-hire operators based on whether or not they hold a federal Snapper Grouper for-hire permit. Some of these permit holders have expressed that this situation not only creates an inequity, but also rewards for-hire operators that purposely do not obtain a federal permit although they may illegally conduct some for-hire trips harvesting Snapper Grouper species in the South Atlantic exclusive economic zone (EEZ).

# Background

#### For-hire permit moratorium

#### Number of permits

At their June 2017 meeting, the South Atlantic Council approved a motion to direct staff to start work on an amendment that would establish a moratorium on federal Snapper Grouper for-hire permits. The National Marine Fisheries Service (NMFS) issues the Snapper Grouper for-hire permits, which are required to fish for species in the Snapper Grouper Fishery Management Plan (FMP) on charter boats and headboats in the South Atlantic EEZ. These permits are open access and must be obtained annually. There is no limit to the total number of Snapper Grouper for-hire

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permits that can be issued by NMFS. There were 1,982 valid or renewable Snapper Grouper forhire permits in 2017 (**Table 1**).

State	Number of Permits <sup>1</sup>
NC	364
SC	213
GA	63
FL East	455
FL Keys	446
FL West	270
FL Interior/Other	9
AL/MS/LA/TX	63
Mid Atlantic	85
New England	10
Non-Coastal States	4
TOTAL	1,982

**Table 1**. Federal South Atlantic Charter/Headboat for Snapper-Grouper permits in 2017. State or region is based on the registered homeport of the vessel with the for-hire permit.

Data source: NMFS, SERO, Personal communication, July 13, 2018. <sup>1</sup>Represents the number of valid or renewable permits within the calendar year.

The number of valid or renewable Snapper Grouper for-hire permits existing annually has varied over time. **Table 2** shows the number of permits issued from 2008-2017 each year by state and then for all states combined. Overall, permit numbers were fairly steady, with a notable increase in 2016 and 2017 which may have partially been in reaction to the Council discussing limiting entry in the for-hire fishery and setting a control date of June 15, 2016.

							% Variation from the
	North	South			Other	All States	Previous
Year	Carolina	Carolina	Georgia	Florida	States	Combined	Year**
2008	339	137	26	1,121	182	1,805	
2009	350	145	30	1,131	196	1,852	2.6%
2010	332	145	27	1,109	199	1,812	-2.2%
2011	332	131	26	1,098	194	1,781	-1.7%
2012	314	137	26	1,121	199	1,797	0.9%
2013	308	150	30	1,120	191	1,799	0.1%
2014	293	161	34	1,062	177	1,727	-4.0%
2015	309	188	45	1,071	166	1,779	3.0%
2016*	333	210	54	1,101	169	1,867	4.9%
2017*	364	213	63	1,180	162	1,982	6.2%

**Table 2**. The number of valid or renewable federal South Atlantic Charter/Headboat for Snapper-Grouper permits, 2008-2017. State is based on the registered homeport of the vessel with the for-hire permit.

Data source: NMFS, SERO, Personal communication, July 13, 2018.

\*At their June 2016 meeting, the Council set a control date of June 15, 2016. These dates are highlighted to point out that they occurred after the control date was announced.

\*\*Only considered variations in permits for "All States Combined".

# Harvest prohibition on Snapper Grouper species in state waters when the species are closed to harvest in federal waters

Regulations specifying the harvest prohibition for federal Snapper Grouper for-hire permit holders on Snapper Grouper species in state waters when the species close to harvest in federal waters are largely held in §622.190 Quotas and/or in §622.193 Annual catch limits (ACLs), annual catch targets (ACTs), and accountability measures (AMs). The exact language varies slightly between regulations and between species but is largely written as "...these bag and possession limits apply in the South Atlantic on board a vessel for which a valid Federal commercial or charter vessel/headboat permit for South Atlantic snapper-grouper has been issued, without regard to where such species were harvested, i.e., in state or Federal waters." Under such regulations, if a Snapper Grouper species is closed to harvest in federal waters, inseason or otherwise, a vessel with a federal for-hire Snapper Grouper permit may not retain that species even if the species is still legal to retain in state waters and is caught from state waters. This regulation was designed as a protective measure for Snapper Grouper stocks. While the commercial sector is included in the regulation, the private recreational component is not because there is no federal permit required for private recreational Snapper Grouper anglers.

# Under a moratorium, what should be the eligibility criteria to receive a Snapper Grouper for-hire permit?

Should a moratorium be pursued by the Council, requirements will need to be developed that determine the eligibility of who receives a Snapper Grouper for-hire permit. In this case, the Council may want to consider:

- The start date of the moratorium
- Permit speculation
- Exceptions for eligibility
- A target for the number of permits in the fishery

#### Start date of the moratorium

The start date of a moratorium is important for determining which permit holders receive a permit once a moratorium is imposed. **The Council approved a control date of June 15, 2016** for the for-hire sector of the Snapper Grouper fishery. This control date could be used to determine eligibility to receive a Snapper Grouper for-hire permit, or the Council could consider another date or set of dates that fall either after or before the current control date.

### What is a Control date?

A control date is a publicized date specified by the Council to notify current and potential future fishery participants that the Council is considering restrictions limiting participation in a fishery. Participants who enter the specified fishery or sector will not be assured of future access should a management change that limits participation in the sector be prepared and implemented.

#### **Public Input Question**

If a moratorium is imposed, what date(s) should the Council consider when determining who receives a permit?

#### **Permit speculation**

Some Council members have expressed concern over potential "permit speculation" or "a run on permits" where some permit holders may have purchased or will purchase a for-hire permit in hopes of benefitting from the sale of the permits in the future. The Council is interested in getting feedback on this potential scenario and options that should be considered to address this concern.

#### **Public Input Question**

Should the Council be concerned over "permit speculation" and if so, what should the Council do to avoid a "run on permits"?

#### **Exceptions for eligibility**

The Council may want to consider exceptions under certain circumstances to allow fishery participants who do not meet the moratorium control or start date eligibility requirements to still obtain a Snapper Grouper for-hire permit. Some examples could include:

- 1) **Historic captains:** The Council could establish a way to identify individuals who have worked on vessels under the for-hire permit of another person or a corporation, such as:
  - Minimum proportion of personal income from working as a for-hire captain; or
  - Proof of working as a for-hire captain before a certain date (e.g. a control date); or
  - Others?
- 2) Commercial License Holders: In past discussions of the Snapper Grouper Advisory Panel, it was noted that some Snapper Grouper commercial permit holders intend to include for-hire fishing activity in their future business plans, either as a way to diversify their income or as an option for retirement from commercial fishing. In response, the Council could include an exemption that would allow commercial Snapper Grouper permit holders to obtain a Snapper Grouper for-hire permit under a moratorium.

#### Public Input Questions

Should there be exceptions to the eligibility requirements or start date(s) set by the Council? If so do you have suggestions as to what they should be?

#### **Target for number of permits**

When specifying the eligibility requirements to receive a Snapper Grouper for-hire permit, the Council may want to consider a general target for the number of permits that should be allowed in the fishery. In doing so, the Council could consider setting the permits at their current numbers, allowing the number of permits to increase from current numbers, or implementing eligibility requirements that decrease the number of Snapper Grouper for-hire permits available.

#### Public Input Question

Should the Council aim to set the number of permits at the current number, a higher number, or should the Council seek to decrease the number of permits?

# How will new entrants be allowed into the Snapper Grouper for-hire fishery?

The Council may want to consider ways to allow new entrants into the Snapper Grouper for-hire fishery, or to recoup the use of permits that are retired over time. There are several options that could involve:

- Specifying the transferability of existing permits to new entrants
- Establishing a permits pool for new entrants
- Establishing a "new entrants" permit (i.e. a "greenhorn" permit)

#### **Transferability of permits**

The Council may consider several options for transferability of Snapper Grouper for-hire permits, including allowing no transfers, limited transfers, or open transfers. The Council could only allow transfers between immediate family members or between vessels with the same owner. Transfers could be prohibited initially but allowed to occur after a specified period of time (ex: 1 year, 3 years or 5 years). The Council may also opt to prohibit any Snapper Grouper for-hire permits from being transferred after a moratorium. In this case, when a permit holder exited the fishery, the permit would be retired but could be entered into a permits pool to allow new entrants into the fishery (see next section).

The transferability of permits will influence whether permits are monetized or in other words become worth money. If open transfers are allowed, the permits may be sold to individuals that would like to enter the for-hire snapper grouper fishery. The monetizing of permits creates value for permit holders but serves as a cost to those that would like to enter a fishery. Inhibiting or prohibiting permit transferability would reduce or prevent permits from becoming monetized but would also affect how new entrants could gain access to the fishery. In addition to the transferability of permits, the potential monetary value of Snapper Grouper for-hire permits will depend on several factors including the number of permits issued for the fishery as well as market demand for those permits.

#### **Public Input Questions**

- 1) Should Snapper Grouper for-hire permits be transferable? If so, should there be restrictions on how and to who the permits can be transferred?
- 2) Should leasing be allow for Snapper Grouper for-hire permits?

#### Permits pool

The Council could establish a permits pool as a way to allow new entrants into the for-hire Snapper Grouper fishery and recoup the use of permits as they are retired over time. An option would be to set a minimum threshold for the number of valid permits in the fishery that would trigger additional permits becoming available to a permits pool for new entrants. This could be based on a minimum number of valid permits or a certain percentage of the original number of valid permits in the fishery as of the start date of the moratorium. Should retired permits be put into a pool for new entrants, one question that the Council may want to consider is:

- When would retired permits be made available again?
  - As soon as they are retired?
  - On specified date(s) each year?
  - When the number of valid permits reaches a minimum number due to permits not being renewed/transferred and therefore being retired?
  - Others?

If the Council decides to establish a permits pool that would allow new entrants into the fishery, it should be specified how the permits are distributed. Some options could include a lottery system or a waiting list where permits would be made available to new entrants in a specified manner.

#### **Public Input Questions**

Under a moratorium, should a permits pool be established to allow new entrants into the Snapper Grouper for-hire fishery? If so, how should these permits be made available to new entrants?

#### New entrants permit

Additionally, the Council could consider a "new entrants" (or "greenhorn") permit that would allow previously unpermitted vessel owners to enter into the Snapper Grouper for-hire fishery. The number of "new entrants" permits available each year would be limited in number. This permit could be renewed for a limited number of years, after which time the "new entrants" permit holder would be eligible to receive a Snapper Grouper for-hire permit if he or she could provide documentation of for-hire fishing activity. Documentation could include items such as proof of for-hire fishing activity submitted via the South Atlantic for-hire logbook or a percentage of income derived from for-hire fishing activity.

Other provisions that could be considered for the "new entrants" permit include:

- Establishing a probationary period
- Requiring an annual USCG safety inspection and placement of a safety decal for uninspected passenger vessels through the USCG voluntary inspection program.
- Passing a boating safety course
- Proof of Captains License
- Additional fee
- Only allowing harvest of certain Snapper Grouper species for the "new entrants" permit
- Requiring letters of reference
- Requiring logbook training
- Making permits renewable for a calendar year on the same date for ease of enforcement
- Others?

#### **Public Input Questions**

Should a "new entrants" (i.e. "greenhorn") permit be established to allow new entrants into the for-hire fishery? If so, what provisions should accompany this permit? Also, how many "new entrants" permits should be available each year?

## Should the Council consider multiple types of Snapper Grouper for-hire permits?

The South Atlantic Charter/Headboat for Snapper-Grouper permit currently covers both charter boats and head boats. The Council has the option to create multiple types of for-hire permits within the Snapper Grouper fishery. For example, the Council could differentiate between charter boats and head boats with two separate permits. If these permits were made limited in number, it could prevent vessels from moving between categories.

Additionally, some Council members have also discussed issuing different types of for-hire permits based on those who did and did not possess a Snapper Grouper for-hire permit on or before the current control date of June 15, 2016. These permits could have differing transferability provisions. For example, a for-hire permit held before the control date could be fully transferable, thus giving value to the permit and allowing the opportunity for those who would like to have access to the fishery to purchase the permit. A for-hire permit held after the control date may have limited or no transferability provisions. This would allow the permit holder to remain active in the for-hire fishery, but would limit or remove the value of the permit since perspective new entrants could not purchase the permit.

#### **Public Input Questions**

- 1) Should the Council consider multiple types of Snapper Grouper for-hire permits instead of the current single permit that covers both head boats and charter boats?
- 2) If a moratorium is implemented, should the Council consider multiple permit types with different transferability provisions?

# Should there be a time limit or sunset provision for a moratorium?

The Council could establish a time limit or sunset provision so the moratorium expires on a specific date, or under specified conditions, such as a change in stock status for a given species or group of species. A time-limited moratorium could allow the Council to evaluate the current for-hire sector conditions and to design a more permanent limited entry system without a large fluctuation in the number of permits. At the end of the moratorium, a plan amendment could be implemented establishing an indefinite limited entry system that would remain in place until it was changed by the Council.

Some examples of how time limited moratoriums have been used in the past include:

1) King mackerel commercial permit:

- Moratorium on new permits starting Oct 16, 1995, until Oct 15, 2000 (CMP Amendment 8)
- Moratorium was extended to Oct 15, 2005 (CMP Amendment 12)
- Established indefinite limited entry as of July 7, 2005 (CMP Amendment 15)

2) Gulf Reef Fish and Gulf CMP charter/headboat permits:

- Moratorium on new permits starting June 16, 2003, until June 16, 2006 (RF Amendment 20/ CMP Amendment 14)
- Established indefinite limited entry in June 2006 (RF Amendment 25/ CMP Amendment 17)

#### **Public Input Questions**

Should there be a specified end date or time limit established if a moratorium on Snapper Grouper for-hire permits is implemented? If so, what length of time should be considered?

## Should the Council reconsider the prohibition on retention of Snapper Grouper species in state waters onboard federally permitted for-hire vessels when the species close to harvest in federal waters?

As previously mentioned, several Snapper Grouper for-hire permit holders have expressed concern over the perceived inequity that may occur onboard vessels that do and do not have the federal for-hire permit when a Snapper Grouper species is closed to recreational harvest in federal waters but recreational harvest remains open in state waters. Under such circumstances customers onboard for-hire vessels with the federal Snapper Grouper permit may not harvest these species even if they are fishing in state waters where the species can be legally retained. In response to this stated concern, the Council could amend or remove the federal regulations that prohibit retention of Snapper Grouper species in state waters for federal for-hire Snapper Grouper permit holders if the species is closed to harvest in federal waters.

#### **Public Input Question**

Should the Council change or remove the harvest prohibition for federal Snapper Grouper for-hire permit holders on Snapper Grouper species in state waters when the species close to harvest in federal waters?

### Are there other options that should be considered for Snapper Grouper for-hire permits?

The options presented in this document are intended as a starting point for a discussion on how the Council could go about implementing a moratorium on Snapper Grouper for-hire permits or changing how the permits are issued. The Council is interested in receiving input on other options that should be considered in Snapper Grouper Amendment 47. For example, it has been suggested that a for-hire permit should be tied to an individual rather than a vessel. It has been expressed that this could help with professionalizing the for-hire industry and would allow operators the flexibility to more easily change vessels. Additionally, since the Snapper Grouper for-hire permit is not currently a limited entry permit, there is not an identifying number assigned to a permit holder that is consistent over time. As such, some Council members have suggested that identifying numbers be attached to the Snapper Grouper for-hire permit in a similar manner to how such identifying numbers are attached to limited entry permits to allow better tracking of for-hire permit holders over time.

#### **Public Input Questions**

1) Should a Snapper Grouper for-hire permit remain tied to a vessel or should it be tied to an individual (person, business, etc.)?

2) Should a consistent identifying number be attached to the Snapper Grouper forhire permit to allow the better tracking of permit holders over time?

**3**) Are there other options that the Council should consider in relation to a moratorium on Snapper Grouper for-hire permits?

4)Are there other ways that the Council could address their concerns (i.e. log book reporting compliance, stabilizing participation, fishing pressure on some stocks, etc.) with the for-hire Snapper Grouper fishery in ways other than limiting entry?

# **Potential Timing of the Snapper Grouper Amendment 47**

Process Steps	Dates
Scoping webinar hearings	August 2018
Council reviews scoping comments	September 2018
	October/November
In-person scoping hearings	2018
Council reviews scoping comments as well as draft amendment	
including action/alternatives	December 2018
Council reviews revised actions/alternatives and approves	
amendment for public hearings	March 2019
Public hearings	April/May 2019
Review public hearing comments and approve all actions/alternatives	June 2019
Final action to approve amendment for secretarial review	September 2019

Please let the Council know your opinion! Opportunities to provide public comment to the Council include the scoping webinars, in-person scoping meetings, Council meetings, and public hearings. There will also be opportunities to submit written comments via the online comment form throughout the process.

## **October/November 2018 Scoping Session Dates**

#### **In-Person Scoping Sessions**

Staff presentations and Q&A followed by an opportunity to provide your comments on the record for the Council to review.

\*\* We will have ten sessions, each starting with a staff presentation\*\*

Location Details Midway, GA - October 9, 2018 – starting at 6 pm Nags Head, NC – October 9, 2018 – starting at 6 pm Morehead City, NC– October 10, 2018 - starting at 6pm Murrells Inlet, SC – October 29, 2018 – starting at 6pm Mount Pleasant, SC – October 30, 2018 – starting at 6pm Hilton Head, SC – November 1, 2018 – starting at 6pm Jacksonville, FL – November 5, 2018 – starting at 6pm Melbourne, FL – November 6, 2018 – starting at 6pm Jupiter, FL – November 7, 2018 – starting at 6pm Key West, FL – November 8, 2018 – starting at 6pm

Scoping summary document, presentation, video, and story map available here.

## How do I comment on Snapper Grouper Amendment 47 during scoping?

Verbal, electronic, and other written comments will all be accepted during the scoping period.

Opportunities to provide **verbal comments** for the Council will occur during each scoping session.

The Council requests that **written comments** be submitted using the online public comment form available from the <u>Public Hearings and Scoping Meetings page</u> or directly <u>here</u>.

Comments submitted using the online comment form are immediately posted to the Council's website and available for all Council members and the public to view.

Written comments will also be accepted by mail or fax. Mail written comments to:

Gregg Waugh, Executive Director, SAFMC 4055 Faber Place Drive, Suite 201 N. Charleston, SC 29405.

Comments can be sent by fax to (843) 769-4520.

Comments must be received by 5:00 PM on November 9, 2018.

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View presentations and access the public hearing and scoping documents from <u>http://safmc.net/safmc-meetings/public-hearings-scoping-meetings/</u> or contact the Council office at (843) 571-4366 or toll free at (866) SAFMC-10.

#### **Questions about Snapper Grouper Amendment 47?**

Contact: John Hadley Snapper Grouper Amendment 47 Staff Lead john.hadley@safmc.net

#### Questions about the South Atlantic Council?

Contact: Cameron Rhodes South Atlantic Council Fishery Outreach Specialist <u>cameron.rhodes@safmc.net</u>

Kim Iverson South Atlantic Council Public Information Officer kim.iverson@safmc.net **APPENDIX 1.** Distribution of Snapper Grouper Permits by county and state in the South Atlantic Region.

**Table A1.** The number of valid or renewable federal South Atlantic Charter/Headboat for Snapper-Grouper permits in Florida, 2008-2017. State and county is based on the registered homeport of the vessel with the for-hire permit.

County	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
ALACHUA	1	1	1	1	1		1	1	1	2
BAY	32	31	33	26	28	30	31	26	25	23
BREVARD	76	83	86	88	88	86	73	73	89	95
BROWARD	48	50	56	52	57	57	48	41	44	39
CHARLOTTE	10	10	7	8	10	9	11	13	9	13
CITRUS	5	5	5	5	9	16	14	10	12	12
CLAY					1	1	1	1	1	
COLLIER	35	34	35	37	37	38	36	38	36	39
DIXIE	4	3	2	3	3	3	5	3	4	4
DUVAL	23	23	21	19	23	19	17	15	17	27
ESCAMBIA	8	8	11	9	10	9	8	9	5	6
FLAGLER	1	1	2	1				1	1	2
FRANKLIN	16	14	11	11	12	12	10	9	9	10
GLADES									1	2
GULF	3	3	1	2	2	2	2	2	1	1
HENDRY					1				1	
HERNANDO	10	13	13	13	13	11	9	10	12	11
HILLSBOROUGH	8	9	7	8	8	9	8	8	7	6
INDIAN RIVER	25	24	24	22	26	30	26	22	18	21
LAKE		3	3							
LEE	14	18	22	18	19	16	16	19	18	24
LEON	1	1								
LEVY	6	5	4	3	3	2	2	3	3	2
MANATEE	12	9	8	7	4	4	4	4	3	5
MARION		1	1	1						
MARTIN	16	20	20	18	14	16	14	17	24	22
MIAMI-DADE	60	67	64	63	60	57	58	66	65	57
MONROE	378	374	371	390	406	409	397	389	399	446
NASSAU	17	16	11	11	8	9	10	9	11	11
OKALOOSA	29	26	25	23	24	20	15	14	14	11
ORANGE		2	2	2	2	1	1	1	1	1
PALM BEACH	76	79	78	80	82	82	78	76	66	60
PASCO	11	10	9	7	8	7	6	7	7	6
PINELLAS	67	65	65	67	61	63	61	62	67	71
POLK						1	3	3	2	2
PUTNAM	1	1	2	2	1	1	1	1	1	1

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SANTA ROSA	2	1	1	1	1	1	1	1	2	2
SARASOTA	16	16	13	12	11	11	12	12	13	15
SEMINOLE	1	1						2	3	
ST JOHNS	25	25	24	23	24	23	21	29	33	39
ST LUCIE	25	21	17	15	16	12	15	19	18	18
SUWANNEE	1	1	1	1	1	1				
TAYLOR	9	9	5	3	3	4	3	2	2	3
UNKNOWN										1
VOLUSIA	41	41	42	40	38	42	38	47	50	64
WAKULLA	6	6	5	5	5	4	4	4	3	4
WALTON	2	1	1	1	1	2	2	2	2	2

Data source: NMFS, SERO, Personal communication, July 13, 2018.

**Table A2.** The number of valid or renewable federal South Atlantic Charter/Headboat for Snapper-Grouper permits in Georgia, 2008-2017. State and county is based on the registered homeport of the vessel with the for-hire permit.

County	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
BRYAN	2	4	4	4	4	3	4	6	7	7
CAMDEN	1	1				2	2	2	7	6
CHATHAM	14	14	12	10	9	12	16	18	22	25
CLINCH						1	1	1		
COLUMBIA	1	1								
FANNIN										1
GLYNN	5	7	8	9	10	10	9	15	16	20
LOWNDES			1	1	1					
MCINTOSH	2	2	2	2	2	2	2	3	2	4
STEPHENS	1	1								

Data source: NMFS, SERO, Personal communication, July 13, 2018.

**Table A3.** The number of valid or renewable federal South Atlantic Charter/Headboat for Snapper-Grouper permits in South Carolina, 2008-2017. State and county is based on the registered homeport of the vessel with the for-hire permit.

County	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
ANDERSON	1									
BEAUFORT	15	17	19	17	25	32	37	37	34	32
BERKELEY				1	2	2	3	1	1	1
CHARLESTON	37	42	46	41	42	46	55	70	77	73
COLLETON					1	1		5	6	5
DORCHESTER								1	2	2
FLORENCE	1	2	1	1	1					
GEORGETOWN	46	51	42	34	30	30	29	27	39	53
HORRY	34	32	35	36	35	38	36	46	50	46
JASPER	1									

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ORANGEBURG	1	1	1							
RICHLAND			1	1	1	1	1	1	1	1
YORK	1									

Data source: NMFS, SERO, Personal communication, July 13, 2018.

**Table A4.** The number of valid or renewable federal South Atlantic Charter/Headboat for Snapper-Grouper permits in North Carolina, 2008-2017. State and county is based on the registered homeport of the vessel with the for-hire permit.

County	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
BEAUFORT	1	1	1	1	1					
BRUNSWICK	83	81	72	72	58	59	51	48	51	63
CAMDEN	1	1	1	1	1					1
CARTERET	66	68	71	69	64	64	54	63	75	76
CHOWAN	1	1	1	1	1	1	1	1	1	1
CURRITUCK	1	1	1	1	1	1	1	2	3	3
DARE	112	123	119	121	119	118	119	125	128	125
DAVIDSON						1	1	1		
GUILFORD	1	1	1	1	1	1	1		1	1
HYDE	4	4	4	5	6	7	6	6	8	6
JONES										1
LENOIR	1	1								
MECKLENBURG	1	1	1	1	1					
NASH	1	1	1	1	1	1	1	1	1	1
NEW HANOVER	40	40	33	34	37	32	33	35	37	43
ONSLOW	15	14	15	12	11	10	13	15	17	30
PASQUOTANK					1	1	1	1	1	1
PENDER	10	10	9	10	9	10	9	8	8	10
WAKE	1	2	2	2	2	2	2	2	1	1
WAYNE								1	1	1

Data source: NMFS, SERO, Personal communication, July 13, 2018.

#### Snapper Grouper Amendment 47 (For-Hire Permit Modifications) Scoping Comments Summary

Below is a summary of comments that were submitted online and comments received during the three scoping webinars held on August 6<sup>th</sup>, 9<sup>th</sup>, and 14<sup>th</sup>. Comments provided during the webinars (n=7) are included in this attachment as well as the webinar attendees. Online comments (n=143) are available to view in full at: <u>https://safmc.wufoo.com/reports/s-atlantic-forhire-permit-modifications-report/</u>.

State	Number of Respondents	Affiliation	Number of Respondents <sup>1,2</sup>		
NC	18	Private Recreational	112		
SC	35	Commercial	27		
GA	15	For-Hire	41		
FL	75	Wholesale/Dealer/Retail	16		
Other	5	Non-Gov't Organization	5		
		Other	11		

<sup>1</sup>Some respondents chose more than one affiliation.

<sup>2</sup>Includes online respondents only.

Most commenters chose to focus on the permit moratorium being considered in Amendment 47. There were relatively few comments on topics other than the moratorium. The majority of commenters did not support moving forward with limited entry or a moratorium on snapper grouper for-hire permits. Of the comments that could be readily categorized, there were 137 in opposition to limiting the number of for-hire permits and 7 in favor of doing so. A summarized version of the comments is below.

Comments in opposition to a moratorium or limiting entry:

- General opposition to limiting or reducing the number of for-hire permits.
- Limiting for-hire permits should be a state issue, not a federal issue.
- Charter boat numbers should be growing and some areas need more charter boats. Coastal populations will be increasing, creating a higher demand for charter/headboat trips.
- Many anglers depend on for-hire vessels to reach federal waters. Limiting the number of permits will limit fishing opportunities.
- Restricting or reducing the number of for-hire vessels will drive up costs for customers and restrict choices of when and where one can go fishing. It may also drive anglers towards for-hire operators fishing illegally without a permit or without proper certifications.
- By limiting the number of permits, you will be limiting government revenues derived from sales tax and other ancillary services and taxes.
- A moratorium seems like a step towards catch shares.
- There is concern over creating a market for the for-hire permits and potential costs of the permits. Limiting the number of permits would set up a situation where only wealthy individuals would be able to afford a permit and those in the fishing business would be forced out.

- Limiting entry will be harmful to people that want to become charter captains. Restricting entry into the fishery makes winners out of current permit holders at the expense of those trying to come into the field.
- The reasoning for a moratorium is lacking, as the number of permits were stable prior to the Council's consideration of a moratorium. There is no compelling scientific, enforcement, or biological justification for limiting or reducing the number of charter or headboats in the snapper grouper fishery.
- The stated goals of the amendment can be addressed through less restrictive options than limited entry. Standard harvest controls of seasons, creel limits, and size limits are more appropriate than seemingly arbitrary limitations on the size of the for-hire sector.
- The Council should explore other ways to manage the fishery rather than restricting the number of for-hire permits and should address overall allocation and the ACL.
- Present requirements to operate within the for-hire sector are already achieving professionalism for the for-hire fleet.
- The industry, due to economics and fisheries regulations will self-regulate in size. Protectionism doesn't work and the market should decide which charters are viable and which are not.
- Limiting or decreasing the number of for-hire permits will make the charter business less competitive.
- Unpermitted vessels taking charter trips is a law enforcement matter that will not be stopped by limited entry.
- Support for strengthening enforcement measures and fines to deter repeat offenders.
- Several species are not in a situation where decreased fishing pressure is necessary.
- A moratorium will lead to divisiveness in the recreational sector.
- Limited entry is not going well in the Gulf of Mexico and is not wanted in the South Atlantic.
- Over the time period that the Council has been considering limiting the number of for-hire permits, there have been numerous comments in opposition to doing so.

Comments in favor of a moratorium or limiting entry:

- This amendment is needed to get a handle on the number of vessels fishing for snapper grouper in the EEZ.
- The for-hire permit will not be a law enforcement priority until it is limited entry.
- The for-hire fleet has the capacity to exceed the red snapper ACL, which is a biological justification for limiting entry.
- Overcrowding seems to be more of an issue in South Florida where the shelf edge is closer to shore. Could limit entry in targeted areas rather than the whole region.
- The Florida Keys are overrun with charter boats. Limiting entry will help address vessels fishing illegally.
- Localized depletion of species and the over capitalization of localized fleets are incredible.
- The explosion of charter boats in the Jupiter/Palm Beach, FL area, of both permitted and vessels that are fishing illegally is causing conflict between the recreational fishermen and the charter fishermen, because you are just running out of room.
- The charter boat business is oversaturated and there is no threat to an angler not being able to go fishing with a for-hire captain on any given day.

- For-hire vessels should be treated as commercial fishing vessels and their numbers should be limited.
- These days, anyone can be a guide, which impacts those that depend on it for a living.
- A moratorium is necessary for the for-hire permit holders as they will be required to report landings at the same level as the commercial sector. In the event of for-hire ACL allocations, it is necessary to make an accurate record of for-hire effort from an earlier date.
- The Council is putting a reporting system in and wants people to report, but there is no reason for them to have a permit or keep a permit.
- Over the time period that the Council has been considering limiting the number of for-hire permits, there have been numerous comments in favor of doing so.

# Comments regarding multiple permit types, a permits pool, transferability and exceptions to eligibility:

- Consider allowing the entrance of those who have not had a permit to fish for snapper grouper in the EEZ in the past and create a two-tiered permit system that allows permits issued to those that have had the permit historically to obtain a transferable permit. Those that did not have the permit historically should not be shut out of the fishery, but their permit should not be transferable.
- Non-transferable permits could be retired to a permits pool that allows new entrants if they do not report or are inactive for three years.
- A green horn permit should be considered and there should be a process to let people into the fishery. For-hire permit holders can sponsor greenhorn permit applicants and they can go through the MREP program.
- Commercial fishermen should be allowed to trade in their commercial snapper grouper permit for a for-hire permit.
- Do not support limiting entry, but if the number of permits are limited then permits should be non-transferable.

# Comments regarding the permit provision specifying a harvest closure of snapper grouper species in state waters when closed in federal waters, issuing a permit to an individual rather than a vessel, applying a tracking number to permits, and other provisions:

- A permit should be issued to a vessel. If it is not, this could discourage the ability to get scientific data and rental vessels could be used in for-hire operations.
- Do not change the state waters closure provision. Removing the provision will hinder law enforcement, as people can easily state that a species was caught in state waters when it was actually from the EEZ.
- The Council should remove the prohibition on retention of snapper grouper species in state waters onboard federally permitted for-hire vessels when the species are closed to harvest in federal waters as this is an equity issue.
- Non-transferable permits assigned to individuals would be more easily tracked and could deter repeat offenders.
- Numbering and tracking existing permits would prohibit renewal or acquiring a new permit if there are violations.
- Requiring an apprenticeship or specified landings prior to being granted a for-hire permit could address professionalizing the fleet.