

Discussion Paper – Key Largo, FL Snapper grouper catch share options

Design Elements Looks At:	
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2. Separate zone management for the FL Keys	12. Adjustments in Annual Allocations of Commercial TACs
3. Tiered system	13. Use it or Lose it Policy for IFQ Shares
4. Control Date	14. Overages
5. Eligibility for Initial IFQ Shares	15. Cost Recovery Plan
6. Initial Apportionment of IFQ Shares	16. New Entrants/Loan Program
7. IFQ Share Definitions	17. Approved Landing Sites
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9. Caps on IFQ Share Ownership	19. Referendum
10. Caps on IFQ Annual Allocation Ownership	20. Size Limits

Bill Kelly the Executive Director of the FL Keys Commercial Fishermen's Association is opposed to catch shares

1. Substantial Participants

Option 1: Commercial snapper grouper permit holders are considered substantial participants.

Option 2: Other ideas or suggestions

COMMENTS:

2. Separate zone management for the FL Keys

Keys Option 1: Use the Monroe/Dade line (same line as Shark line) as the dividing line for the FL Keys management zone.

Keys Option 2: Other ideas or suggestions

COMMENTS:

***Check with Scott Vaeth on GPS number.**

3. Tiered System:

Keys Option 1: Look at a tiered system (for all included species)

Option 1:

- Tier 1: vessels catching on average more than XXX lbs annually
- Tier 2: vessels catching on average between XXX lbs and XXX lbs annually. Provides access for new entrants.

Keys Option 2: Other ideas or suggestions

COMMENTS:

*Need to research what harvest or lb level the tiers should be set at.

4. Control date:

Option 1: a control date of 07/01/2010

Option 2: Other ideas or suggestions

COMMENTS:

5. Eligibility for Initial IFQ Shares

Keys Option 1: Restrict initial eligibility to valid commercial snapper grouper permit holders with at least one operating fishing vessel.

Option 1: Operating fishing vessel is defined as: a vessel that is over 9ft.

Option 2: Operating fishing vessel is defined as: a vessel with a SPL, and the gear appropriate to operate a vessel.

Option 3: Other ideas or suggestions

Option 2: Other ideas or suggestions

COMMENTS:

*More research needs to be done to determine what an “operating fishing vessel” could be classified as.

6. Initial Allocation of IFQ Shares

Preferred Keys Option 1: The average landings of the best 3 years 1995 - July 2010 for each species.

Keys Option 1: The average landings of the best 3 consecutive years 1995 -July 2010 for each species.

Keys Option 3: The average landings of the best 3 years 1998 - July 2010 for each species.

Keys Option 4: The average landings of the best 3 years 2000 – July 2010 for each species.

Keys Option 5: The average landings of the best 5 consecutive years within 1995- July 2010 for each species.

Keys Option 6: Distribute initial IFQ shares proportionately among eligible participants based on the average annual landings from logbooks associated with their current permit(s) since they were made mandatory through July 2010 (directly corresponds to discussion on control date).

Keys Option 7: A % of the ACL should go to historical captains. Historical captains are defined as: A person that is currently fishing and has participated in the fishery for the last XXX years. This person would have to prove their landings through logbooks.

Option 8: Any initial allocation option require fishermen who participated in the 2 for 1 program to choose one of the two permit catch histories for each species to use in the initial allocation calculation instead of combining catch histories before calculating the initial allocation.

Option 9: Any initial allocation option requires fishermen who participated in the 2 for 1 program to use the permit shall get the combined catch history for each species of both permits to use in the initial allocation calculation.

Option 10: Other ideas or suggestions

COMMENTS:

* Note: Can use more than 1 option

* When did “coring” for amberjack stop? When did the mandatory logbook program start? See when amberjack spawning season closure was put into place

7. IFQ Share (Species) Identification

Keys Option 1: All shallow water grouper, snowy grouper, golden tilefish, greater amberjack, red porgy, black seabass, gag grouper, vermilion snapper, red snapper, scamp grouper, red grouper, blueline tilefish, black grouper, yelloweye snapper, yellowedge grouper, misty grouper, and queen snapper with species groupings as follows: 1) deep water grouper species grouping; 2) and an almaco greater amberjack, and banded rudderfish species grouping; 3)

and a yelloweye, vermilion and queen snapper species grouping. For the species groupings, individual species ACLs should be combined for a total grouping ACL.

Option 2: All snapper grouper species currently managed in the Snapper Grouper FMP excluding wreckfish.

Option 3: All snapper grouper species with stock assessments or identified OYs including red porgy, vermilion snapper, snowy grouper, black sea bass, golden tilefish, gag, greater amberjack, white grunt, red grouper, black grouper, mutton snapper, and yellowtail snapper.

Option 4: All marketable species to include all shallow water grouper, snowy grouper, golden tilefish, greater amberjack, yellowtail snapper, mutton snapper, gray snapper, white grunt, red porgy, black seabass, gag grouper, vermilion snapper, red snapper, gray triggerfish, queen triggerfish, scamp grouper, red grouper, blueline tilefish, black grouper, almaco jack, banded rudderfish, blue runners, jack crevalles, joltheads, all hinds

Keys Option 5: Explore species groupings as follows: 1) deep water grouper species grouping; 2) and a almaco, greater amberjack, and banded rudder species grouping; 3) and a yelloweye, vermilion and queen snapper species grouping. Refer to Gulf Grouper IFQ species groupings as an example

Option 6: Other ideas or suggestions

COMMENTS:

***Slot size on banded rudderfish should be under consideration for removal**

***Research and data to understand appropriate species buckets. Group fish such that there are not fish being thrown away. Could be economically viable and reduce bycatch.**

***Warsaw and speckled hind – 1) what happens if we leave them off and then they open up; 2) how much trouble that fishery under a catch share. If they've closed it down, they've done it for a reason. What is the data in defense of the closure. Is there a potential for zone management? Question for Roy Crabtree: What is the potential for 100% retention or a by-catch quota share? The trade off is that you have fish coming in with scientific significance (data gathering). In Australian catch share programs – you can bring it in but you have to pay a penalty (deemed value). You make a little but you are not making enough to target the fish.**

8. Transfer Eligibility Requirements

Key Option 1: Assuming a Keys regional “zone” is created, quota should be fished and transferred within the zone.

Option2: IFQ shares or allocation can only be transferred to commercial snapper grouper permit holders with at least one operating fishing vessel. Eligible individuals must be persons who are U.S. citizens or permanent resident aliens.

Option 3: Other ideas or suggestions

COMMENTS:

9. Caps on IFQ Share Ownership

Key Option 1: Set ownership cap of % for each species in relevance to the strength of the species. However, persons entitled to more than the specified ownership cap during initial apportionment will be grandfathered in at their entitled holdings. More research needs to be done on what might be reasonable caps might be

Key Option 2: Set ownership cap of % on each species in relevance to the strength of the species. However, persons entitled to more than the specified ownership cap during initial apportionment will be grandfathered in at their entitled holdings. More research needs to be done on what might be reasonable caps might be

Option 3: Other ideas or suggestions

COMMENTS:

*Get more data – boats that are going to be in it need to have enough quota to make a living.

*240 vessels that landed 1 lb. or more. 60 boats landed about 1 million lbs (84%), 60 boats landed about 131,000 lbs (12%), and 60 boats landed about 35,000 lbs (3%), and 60 boats landed about 5,000 lbs (0%). To fact check number of boats

10. Caps on purchase of IFQ Annual Allocation

Keys Option 1: Set an annual leasing cap of % (total of owned/leased quota) on each species. For any single fishing year, no person shall possess allocation in an amount that exceeds the allocation cap. However, persons grandfathered in for more than the total share cap during initial apportionment will also be grandfathered in for more than the allocation cap.

Keys Option 2: Set ownership cap of % on each species (total of owned/leased quota). However, persons entitled to more than the specified ownership cap during initial apportionment will be grandfathered in at their entitled holdings.

Option 3: Other ideas or suggestions

COMMENTS:

* Note: caps should be set at what allows for profitable individual businesses. Caps need to be revisited when quota allocation tools are available **and when more research is available on what combination of caps allow for profitable individual business models. The keys are looking at a different design options or “sector” based upon a geographic apportionment.**

11. Adjustments in Annual Allocations of Commercial TACs

Option 1: Allocate adjustments in the commercial quota proportionately among eligible IFQ shareholders (e.g., those eligible at the time of the adjustment) based on the percentage of the commercial quota each holds at the time of the adjustment.

Option 2: Other ideas or suggestions

COMMENTS:

12. Appeals Process

Option 1: The Regional Administrator (RA) will review, evaluate, and render final decision on appeals. Filing of an appeal based on landings data must be completed within 90 days of the effective date of the final regulations implementing the IFQ program. Hardship arguments will not be considered. The RA will determine the outcome of appeals based on NMFS' logbooks. If NMFS' logbooks are not available; the RA may use state trip tickets. Appellants must submit NMFS' logbooks to support their appeal.

Option 2: A total of 3% of the current commercial quota will be initially set-aside to resolve appeals. Any amount remaining in the three-percent set-aside after the appeals process has been terminated will be proportionately distributed back to initial IFQ share holders.

Option 3: Other ideas or suggestions

COMMENTS:

*Note: Can pick more than 1 option

13. Use it or Lose it Policy for IFQ Shares

Option 1: IFQ shares that remain inactive for three years will be revoked and redistributed proportionately among the remaining shareholders. “Inactive” is defined as less than 30 percent of the aggregate annual average utilization of allotted

IFQ shares over a three-year moving average period, except in case of death or disability. Definition of disability: XXX

Option 2: IFQ shares that remain inactive for three years will be revoked and redistributed proportionately among the remaining shareholders. "Inactive" is defined as less than 50 percent of the aggregate annual average utilization of allotted IFQ shares over a three-year moving average period, except in case of death or disability.

Option 3: Other ideas or suggestions

COMMENTS:

14. Overages:

Option 1: Overage allowances – 10% of remaining allocation on the last trip of the year is allowed, but overage is taken off next year's allocation when quota is allocated at the beginning of the calendar year.

Option 2: Allow for 30 days to reconcile to quota balance of species landed up until such time as the records need to be reconciled. The number of landings locations may need to be limited or dockside verification increased.

Option 3: Government maintained list of brokerage firms or individuals who have quota.

Option 4: Other ideas or suggestions

COMMENTS:

* Note: Can pick more than 1 option

15. Cost Recovery Plan: Not to exceed 3% and to offset cost of administration

Option 1: Implement an IFQ cost recovery plan. All IFQ cost recovery fees shall be the responsibility of the recognized IFQ shareholder. End-of-the year reconciliation to charge dealer for cost recovery fee underages as appropriate. The cost recovery plan will have the following conditions:

Option 1): IFQ cost recovery fees will be calculated at the time of sale of fish to the registered IFQ dealer based on:

- (i) the actual* ex-vessel value of the snapper grouper landings.
- (ii) the standard** ex-vessel price of the snapper grouper landings as calculated by NMFS.

Option 2). The fee collection and submission shall be the responsibility of:

- (i) the IFQ shareholder.
- (ii) the IFQ dealer.

* actual ex-vessel value is the total monetary sale amount fishermen receive for IFQ landings from registered IFQ dealer/processors operating as shore-side processors.

** standard ex-vessel price is the ex-vessel price for the previous fishing year and any expected price changes for the current fishing year.

Option 2: Other ideas or suggestions

COMMENTS:

16. New Entrants/Loan Program:

Option 1: Set aside % of quota up front for new entrants.

Option 2: Existing NOAA loan program should be available to fishermen for purchase of quota.

Option 3: Establish a lien registry to lower the costs to borrowers and lenders to purchase quota.

Keys Option 4: Set aside % of quota for lease. The revenue to establish to establish a permanent fund that fishermen can then borrow from to purchase quota shares.

Option 5: Other ideas or suggestions.

COMMENTS:

* Note: Can choose more than 1 option

17. Approved Landing Sites

Option 1: Establish approved landing sites for all IFQ programs in the commercial snapper grouper fisheries. All IFQ participants must land at one of these sites to participate in the IFQ program.

Option (a) Approved landing sites will be selected by fishermen but must be approved by NMFS Office of Law Enforcement.

Option 2: Landing sites must be approved by OLE in order for IFQ fishermen to use the VMS units as an option to report landing notifications. Landing locations do not need to be approved if they are reported through telephone or an IFQ online accounting system.

Option 3: Other ideas or suggestions

COMMENTS:

18. Monitoring (and Dockside Verification)

Option 1: VMS and paper logbooks

Option 2: VMS and electronic logbooks

Option 3: VMS, electronic logbooks, and video monitoring with “catch accountability” or full retention

Option 4: Other ideas or suggestions

COMMENTS:

19. Referendum:

Option 1: Weighted vote

Option 2: Other ideas or suggestions

COMMENTS:

*need more information on landings distribution to determine weight of vote.

20. Size Limits:

Keys Option 1: Eliminate size and slot limits with the implementation of a catch share program for all included snapper grouper species.

Option 2: Other ideas or suggestions.

COMMENTS:

Make recommendations on what regulations can be done away with in a transition to a catch share program.

Key Recommendations: