

SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL

SHRIMP COMMITTEE

**Jekyll Island Club Hotel
Jekyll Island, GA**

March 6, 2008

SUMMARY MINUTES

Committee Members:

David Cupka, Chair
Rita Merritt
Susan Shipman

George Geiger
Mark Robson
John Wallace

Council Members:

Duane Harris
Wilson Laney
Dr. Roy Crabtree
Anthony Iarocci
Tom Swatzel

Robert H. Boyles, Jr.
Dr. Brian Chevront
Mac Currin
Lt. Brian Sullivan

Council Staff:

Bob Mahood
Rick DeVictor
Kim Iverson
Myra Brouwer
Roger Pugliese
Julie O'Dell

Gregg Waugh
Mike Collins
Andi Stephens
Kate Quigley
John Carmichael

Observers/Participants:

Monica Smit-Brunello
Otha Easley
Dr. Joe Kimmel
Phil Steele
Sarah Fangman
Buffy Baumann
Tracy Dunn
Eileen Dougherty
Tess Geers
John Williams
Dick Brame
Karen Raine

Dr. Jack McGovern
Dr. Tom Jamir
Tom McIlwain
Bonnie Ponwith
Margot Stiles
Richard Vendetti
Dave Allison
Debra Lambert
Glenn Delaney
Libby Fetherston
Tony DeFalco
Darden Rice

Shrimp Committee
Jekyll Island, GA
March 6, 2008

Whitney Robinson
Dr. Doug Rader

Sera Harold

The Shrimp Committee of the South Atlantic Fishery Management Council convened in the Club Ballroom of the Jekyll Island Club Hotel, Jekyll Island, Georgia, Thursday morning, March 6, 2008, and was called to order at 9:45 o'clock a.m. by Chairman David Cupka.

Mr. Cupka: We want to go ahead and get started with the Shrimp Committee meeting. The first order of business is the Approval of the Agenda. Are there any changes to the agenda? I have one issue I want to add under Other Business that deals with the pink shrimp issue and we'll get to that later in the committee meeting. Seeing no other changes, then the agenda is approved.

The next order of business is approval of our committee meeting minutes from December. Are there any additions or corrections to the minutes? Seeing none, then our minutes are approved. That brings us down to our next order of business, which is Overview of the Scoping Comments that we received on Draft Amendment 7. I think Myra is going to go over these and is that correct?

Ms. Brouwer: I'll just give a quick summary of the scoping comments that we received for Shrimp Amendment 7. We received six written letters and nine scoping comments from the meeting that took place in Cape Canaveral and seven from the meeting that took place in Atlantic Beach.

For Issue Number 1, which is the 15,000-pound landing requirement -- First, I guess a little bit of background. This was put in place to address the potential overfishing of rock shrimp, the issue of latent permits and supply issues in this fishery, and so a use-it-or-lose-it policy was implemented. The policy requires that rock shrimp permit holders land a minimum of 15,000 pounds of rock shrimp in any one year over a four-year period, in order to remain eligible for a rock shrimp permit.

Alternative 1 is no action, do not remove the landing requirement, and fishermen who supported not removing the requirement maintain that those who have worked hard to maintain their requirement should be rewarded, I suppose. They said that four years is long enough to meet this requirement and they also feel that the council should not back down from regulations that it has implemented.

There was a recommendation that the landing requirement be lowered and those who had no landings have their permit removed. Alternative 2 is the one that received the most support. That alternative is to remove the 15,000-pound requirement. Most comments supported, like I said, this alternative. They maintained that the current rock shrimp fishery is very different now than when the use-it-or-lose-it policy was implemented and it's no longer necessary to prevent overcapitalization in the fishery.

In North Carolina, fishermen who hold a rock shrimp endorsement would be adversely affected by the landing requirements, as many of them do not have regular participation in the fishery and they need the ability to continue to participate and so North Carolina supports removing this landing requirement.

Fishermen who were also in favor of this alternative consistently talked about increased fuel costs and scarcity of shrimp over the last few years, for not being able to meet their requirement, and so therefore, they support its removal. Alternative 3, I believe, has language to extend a landing requirement period and there was really no support for this alternative during the scoping comments that we received.

Alternative 4 is for an inactive endorsement. There was a lot of confusion about this. The fishermen didn't really understand how this would work and many of them requested clarification on how an inactive endorsement would work.

On to Issue 2, which is what to do about permits that were lost due to not meeting the 15,000-pound requirement by the end of December 2007, comments on Alternative 1, which is the no action alternative, if a shrimper was not eligible to apply for a permit or was eligible but didn't, then the fishermen feel that they shouldn't be allowed to do so. If the council proceeds with the no action alternative, some fishermen maintain that the rock shrimp permits are not going to be worth much over the long term and those who work hard to maintain their landing requirements will be at a disadvantage.

Most of the fishermen supported Alternative 2, which is to reinstate the permits that were lost due to not meeting this landing requirement. They cited that when the fishery was in need of reducing effort to prevent overcapitalization and overfishing of the stocks those shrimpers that withdrew from the fishery played a key role in its recovery and so therefore, it is unfair to deny these fishermen future participation in the fishery.

There was a recommendation to have a set number of endorsements available each year that would be based on landings. This would allow Gulf boats to harvest rock shrimp in the South Atlantic if they wanted to apply for an endorsement. The person who brought this up felt that this would work, because high fuel prices and low landings over the past few years are already limiting access to the fishery.

Issue 3 is how to proceed about permits lost due to not renewing the rock shrimp endorsement. Alternative 1 is no action and Alternative 2 is to go ahead and reinstate those permits that were lost. Fishermen who support this say they were not aware and it was not clear to them how this renewal needed to take place. Most of the fishermen were in support of Alternative 2. Some feel that the council should do whatever it takes to keep this a viable fishery and they support reinstating the lost endorsements.

Some fishermen maintain that the lost endorsements will ultimately hurt the fishery, by reducing participation too much and also, because of high fuel prices and scarcity of shrimp, it is not feasible for the Gulf boats to catch rock shrimp in the South Atlantic to maintain their landing requirement and therefore, their endorsement.

Then, finally, Issue 4 is to require all rock shrimp permit holders to provide economic data, if selected. There were a few comments on this issue, but all the comments that we received were in support of it and that concludes my summary.

Mr. Cupka: Thank you, Myra. Are there any questions for Myra on the comments we received from the scoping document? Seeing none, then we'll move on to our next agenda item, which is the results of the advisory panel meeting. A lot of those results -- All of you, I think were here yesterday for the joint meeting of the Ecosystem and Habitat Committees and the recommendations that came out of the Deepwater Shrimp AP meeting that we had at Port Canaveral were the same as was presented yesterday and was approved by the joint committee.

I don't know that we need to go into a lot of discussion on this, unless anyone has a wish to make any changes and I'm assuming there won't be, since it's already been approved by you yesterday at another committee meeting. Let me see if there's anyone that wants to get into this. Like I say, we've all heard it and seen it and we probably could save ourselves some time by not going back over these. Are there any questions on the AP meeting?

There was one thing that came out of the AP that I wanted to make you all aware of. There were several requests that the Deepwater Shrimp AP made to the council. Some of them have been dealt with already and others are really outside the purview of this council, but there is one request that I want to bring to your attention, because it will be coming back to us, I assume, at a future time, and that's that the AP wanted this council looking at areas of the Oculina Bank that possibly could be reopened, since apparently now there's some evidence that exists that some portions are soft-bottom areas and don't support coral habitat and could potentially be suitable for rock shrimp fishing.

I'm sure the AP is going to come back to us at some time in the future and ask us to reexamine this issue and see if the council is willing to consider any changes to that. I do want to kind of give you a heads-up on that, but the other requests, I think, have either been dealt with already or, like I say, are outside the purview of this council, like a permitting situation and whatnot. Are there any questions regarding the requests?

Ms. Shipman: Not a question, but it's a comment on that latter issue. With regard to reopening that area, those areas were coral. One of the reasons they are soft bottom is because of incursion into that area. I would rather see those areas targeted for restoration of coral, some restoration efforts, rather than opening them back up.

I do not support opening those areas of the Oculina Bank for trawling. I think that just sets a precedent. You could continue to have incursions into those areas and more soft bottom. The more those trawlers go in there, the more soft bottom you're going to have, because the coral is going to be destroyed. Historically, there was coral in that area and I just think it needs to be restored and certainly I'm sure we'll talk some more about this, but I don't support that.

Mr. Cupka: Thank you, Susan. Obviously this isn't the time to be getting into this. We're trying to get this amendment through as expeditiously as we can and so we don't want to get bogged down in this, which would, I'm sure, slow it down considerably.

Mr. Harris: I know that this is not something for the council to address, but Item 4 in their

request was something about Captain Woody Moore selling one of his vessels and didn't do anything with the permit and they he called the NMFS Permit Office and was told they have no record of there ever having been a permit and I'm just curious about that. Have we checked up on that, followed up on that, at all or did --

Mr. Waugh: No, we have not yet.

Ms. Smit-Brunello: We'll be glad to look into that. I saw that comment, too, and I was a little surprised. I think that's something for us to check out when we go back.

Mr. Cupka: Thank you, Monica. One of the other items that they had requested was that we request information from NMFS Law Enforcement on a number of cases made based on VMS data and there's a memo that was addressed to the council and I think copies have been provided to the AP and if they haven't, they should be or will be, I'm assuming. Karen Raine went over some of this yesterday and so that information is available. I think we've either addressed these or we will be addressing them. If there aren't any questions about any of these --

Mr. Wallace: This is something, and we talked a little bit about it at Law Enforcement and I want to see if you all remember something about this, about being there. They were talking about the timeframe in which hits from the VMS had occurred and wasn't there some long period of time between hits? I think Marilyn brought it up and I was looking to see if she was in here, but she's not. Tracy thought that was some kind of an anomaly. He didn't understand where it was coming from and do you all remember what they were talking about there?

Mr. Cupka: What I remember is Marilyn said that there was a situation where if their VMS isn't working that they're contacted and told that and that they had been contacted and told and then about twelve hours later that the unit kicked back on, for whatever reason it had gone out.

Ms. Brouwer: I went ahead and -- I remembered that this was brought up during the Law Enforcement AP meeting and according to the minutes, what Marilyn stated was that sometimes they wouldn't get hit for sometimes an hour or two at a time, but then as they approached the Oculina Bank area, that the VMS hits would be more frequent. Apparently this is not very unusual.

Mr. Cupka: Does that answer your question, John? Okay. Are there other questions or comments? Seeing none, then we'll go into the Draft Options Paper next. Before we do that, I just want to make a couple of comments. One is that you'll notice that there are more alternatives in the draft options paper than there were in the scoping document, because the team has added some alternatives to the document.

As we go through these alternatives, I guess we always have the option if there's any we think won't work or if there's a problem with them, we always have the option of moving them to the appendix on the considered but rejected alternatives. Also, since we've gotten the comments now from the scoping hearings and there has been analysis done on these alternatives, and given the time schedule on this, we could probably go ahead and give staff preferred alternatives at this

point, I believe.

I think we've got enough information at this stage to allow us to select preferreds, which would help staff out, again, as we try to expedite this particular amendment. With that, I'm going to turn it over to Gregg and ask Gregg to lead us through that.

Mr. Waugh: Just to touch on the timing and then we'll get right into the options. As the chairman indicated, we've done scoping and that ended January 18th. We're looking to review scoping comments, what Myra just covered, in the options paper and provide direction to the staff and team at this meeting.

As David indicated, we would like to have preferreds, because the timing is to have the council approve this for public hearing at the June meeting. If we get the preferreds, we can do the cumulative analysis. The SSC will look at it in June as well. We hold the public hearings in August and September and this will change, because we've moved away from having hearings at the council meeting.

We'll have the public hearings prior to the September meeting. The council reviews public hearing input and approves actions at September and they review the final amendment for formal review and do that in December and we send for the secretarial review in December of 2008. The draft options paper was included in the briefing book. This is Attachment 5 and what I'll do is walk through this and where we have indicated in bold where we need guidance and decisions --

Dr. Crabtree: Gregg, did you say that we would not have a public hearing at the council meeting when we take action?

Mr. Waugh: Correct. We've moved away from doing public hearings. Now, for formal -- When we're reviewing and approving to send to the Secretary, we have to allow a public comment period. I'm not talking about that, but I'm talking about the public hearings. We've moved to where we do them before the council meeting, so that we can prepare the summary of the comments and you get a chance to think about the comments and figure out how we address them.

Dr. Crabtree: To me, I don't know what the distinction between a public comment period -- We're going to take public comment, whether we call it a hearing or not, at the council meeting when we take final action to submit to the Secretary?

Mr. Waugh: Yes, we always do that. This was talking about the public hearings that we go out, the informal review and public hearings.

Mr. Mahood: There is a distinction, Roy, between a hearing and a comment on how it's noticed in the Federal Register. The public comment is part of the meeting and the public hearing is a separate notice that we do.

Mr. Cupka: Thank you, Bob. All right.

Mr. Waugh: If we look towards the middle and bottom of page 1, we describe the situation with the open access South Atlantic rock shrimp permit in 2003. A limited access program was created in Amendment 5, in federal waters south of the South Carolina/Georgia line. Endorsements were issued to vessels with at least 15,000 pounds of rock shrimp landings in any one year during 1997 through 2000.

The endorsements are renewable until one year after expiration. Endorsements are non-renewable at the end of that year and cannot be transferred. A vessel's endorsement is considered inactive if the vessel lands less than 15,000 pound of rock fish in a year and the endorsement cannot be renewed if the vessel is inactive for four consecutive years.

Now, the intent of setting this four-year time period was to determine what the universe of participants was going to be at the end of that time period. The amendment was not clear on this and the determination was made that if an endorsement is transferred to another vessel before it expires that the four-year time period for landings requirements restarts.

Under that interpretation, you will never get to a fixed known universe and so one of the first things we're asking is do you want us to clarify this in this amendment, such that if someone transfers a permit and gets four more years to qualify, then we would never know the universe of vessels qualified. What needs to be done to change this, how this is being ministered, if it does not meet the council's intent?

The question is here, do you want to include wording, and it may need to be an action in this amendment, that makes it clear that there's a fixed time period to renew and we're going to get into all the alternatives about granting those that were excluded access to it, but just this interpretation extends potentially this time period to qualify into the future indefinitely. That's the first decision we would like some guidance on.

Mr. Cupka: Not speaking for the committee, but myself personally, I know at the time we passed this that that was my understanding, that it was four years and I never considered about it restarting if it was transferred. My intent, when this was passed, when I voted on it, was that it be for four years, period, irregardless of who held that permit, because the permit is on the vessel.

Otherwise, it's going to be like you say. They could keep transferring it and we would never know who was in the universe of fishermen and so I guess in some ways I don't know why it was interpreted that way. In some ways, it would probably be fairer to do that, but you're not going to accomplish what we set out to accomplish, but that was my personal interpretation and I'm sure Susan has some comments she would probably want to make on that.

Ms. Shipman: I agree with David. I was chairing the committee at the time, when we developed the amendment, and I do not remember us contemplating starting clocks over every time a permit was transferred. I agree with David that I guess if that permit was transferred in the last year, say

2007, early in that year, potential one could argue they only had the year to make the 15,000 pounds, where other boats would have had four years, but I don't recall -- Maybe Monica has looked at those minutes or something, but I just don't recall us contemplating that.

I agree with everything David has said. The other thing you could end up with is you end up with a paper transfer of the boat just back and forth to other corporations, just to get them four more years, to different LLCs and all, and I don't support that.

Ms. Smit-Brunello: I think we discussed this at one of our meetings and it might have been a year ago or so.

Mr. Cupka: It was at Hilton Head, yes.

Ms. Smit-Brunello: I went back through all the minutes and it just wasn't clear what the intent was. This really -- Unfortunately, I should have brought it up on the record or somebody should have brought it up or maybe we should have discussed it, but that intent wasn't clear and so since it wasn't clear, it seems to apply that restriction now, in my opinion, would not be the best course of action.

If you all wanted to take another approach, I would be glad to read the minutes again and bring this back before the council one more time. I also don't know that there was much transfer that went on, I was told, at the end of 2007. I understand what you're saying, that there could be a paper transfer back and forth to try to avoid the 15,000-pound requirement. I think I briefly discussed this with the Permits Office and I don't know that that actually occurred very much. Remember, if you do away with the 15,000-pound requirement, this goes away and so this no longer becomes an issue.

Ms. Shipman: I agree with Monica and I was going to suggest that we may want to defer this action until after we look at what we want to name as our preferred option, because it may be totally moot. Now, maybe we need to have it in the document to go forward and maybe it needs to be tacked onto the no action, were we to retain this that we would also state what the four years was.

Dr. Crabtree: It seems to me the best way to handle this, if we decide to keep the use-it-or-lose-it and want to deal with this, is not to allow transfer of permits unless they meet the landings requirement. Otherwise, we're going to have somebody innocently buy a permit and find out he's got four months to meet the landing requirements and I don't want to have to explain that to him.

It seems to me that we could just put something in there that you have to show that the permit already meets the landings requirement and then it's transferred and then the guy has four years, I guess at that point, to qualify. Of course, if we take it off, as Monica said, it's not an issue.

Mr. Waugh: Do we want to move ahead into the alternatives and figure out how we're going to deal with the 15,000-pound requirement?

Mr. Cupka: It could be a moot point or maybe we need to have an action in there that if we keep the requirement that we not allow any transfers unless the vessel is already qualified. Let's continue through.

Mr. Waugh: Are we going to move forward into Section 2?

Mr. Cupka: We need to go through 1, don't we?

Mr. Waugh: Let's move to the Purpose and Need, Section 1.2, to address issues surrounding the 15,000-pound rock shrimp landing requirement. The regulations that became effective on July 15, 2003 are shown there. We've got a brief discussion of the impacts and at the top of page 3, we express the concern about the confusion on the public's part about the rock shrimp limited entry endorsement, as implemented in the final rule, versus the limited access permit, as specified in Amendment 5.

The council received input from the Rock Shrimp Advisory Panel and members of the public that a number of individuals did not renew their endorsements when they renewed their rock shrimp permits because it was not clear to them, not as clear to them, as it would have been had a separate limited access permit been issued.

In addition, application of the 15,000-pound rock shrimp landing requirement could result in up to one-half of the permits not being renewed. The objectives that we are addressing: Shrimp Fishery Management Plan Objective 10, manage the resource to provide higher sustainable net benefits, by taking the first step in reducing the current overcapacity in the rock shrimp fishery; 11, remove latent permits from the rock shrimp fishery and restrict future entrants, so as not to exacerbate the overcapacity problem in the future; and 12, protect the interests of traditional user groups in the rock shrimp fishery. Traditional users also tend to be more familiar with management regulations pertaining to the fishery, as opposed to new entrants who enter a fishery and participate infrequently.

The other action deals with collection of economic data. These data are necessary to complete analyses required by the Magnuson Act and other applicable law. The council cannot fully understand potential impacts of management regulations without such data. This action addresses Objective 9, which is implement permit and reporting requirements needed to ensure necessary data are provided by the rock shrimp industry. However, the data reporting requirements would apply to all shrimp permit holders and not just rock shrimp. We would be looking for your approval of the purpose and need section.

Mr. Cupka: Are there any comments on that section?

Ms. Shipman: It seems to me that 10, 11, and 12 really are the objectives that were addressed by Amendment 5, when we set up the limited entry. It seems the objective this amendment is trying do, and it's not an objective yet stated in the plan, per se, but that's to maintain sufficient effort in the rock shrimp fishery to sustain the fishery and the infrastructure. It seems like Amendment

5 accomplished 10, 11, and 12 and maybe even did it more beyond where we wanted it to go and we're trying to do a course correction, if you will, through an Objective 13 and that's to sustain the fishery. It's to adjust, to do some adaptive management to sustain the fishery.

Mr. Cupka: Other comments?

Dr. Crabtree: Gregg, there's a sentence right above the Numbers 10, 11, and 12, at the top of that page, and it says the council is concerned about the confusion on the public's part about the rock shrimp limited entry endorsement as implemented in the final rule versus the limited access permit as specified in Amendment 5. It's not clear to me what that means. It seems to imply there's some discrepancy, but I'm not aware of one. Do you know what that's talking about?

Mr. Waugh: What that gets to is the amendment talks about establishing a limited access permit and the proposed and final rule -- Instead of implementing access permit, the proposed and final rule implemented an endorsement and that has caused confusion on the industry's part.

Ms. Smit-Brunello: Just real quick to that point, I would have to go back and look again, but my recollection, and I do have a little bit on this one, is that Perry drafted the proposed rule to implement Shrimp Amendment 5 and that used the endorsement language, as well as the open access rock shrimp permit language.

I'll have to go back and look at everything and maybe that's -- If there was a disconnect, maybe that's where it was, but I think I ended up going back and looking at council minutes. I remember discussing it with Bob, because I could kind of foresee that there might be an issue between people looking at permits and endorsements and all that kind of stuff. I would be glad to go back and look at that. I'm not sure, though, that it's any different from what the council ultimately stated in the amendment. I don't think it is, but I will go look at that and report back to you on that.

Dr. Crabtree: Gregg, in the amendment, does it say how many of these endorsements just weren't renewed? Do we have that number in here? Here's my point. I know some people have said there was confusion, but we've got people in every fishery we manage who don't renew their permit. It happens every year and so whether it's an endorsement or whether it's a permit, there's still people every single year who don't renew their permit because they missed the renewal period.

There are always reasons for why it happened and I don't know that the number of people who didn't renew in this fishery is any higher than any of our other fisheries. I don't know and that's why I'm wondering if it is a particularly high number.

Mr. Cupka: While Gregg is looking for that, I don't recall seeing that number anywhere, but I think if Monica goes back and checks, she'll find out that what was in the amendment did call for a permit, rather than an endorsement. That did happen, but Susan and I were talking about this earlier and I don't know if you want to bring that up now, Susan, or wait until we get to it in the actions.

Ms. Shipman: I was interested in knowing how many people renewed the permit that didn't renew the endorsement, which would have indicated to me -- There was a rock shrimp permit established in Amendment 2 or Amendment 3. You had to have the rock shrimp permit and that was the open access permit and as we went through that amendment, I think there was thought that you would have either the open access permit or a limited access permit.

I don't remember that we discussed endorsements, but we well could have. If there were people that renewed the permit thinking they were renewing the limited access permit and just didn't understand what they really needed to be getting was the endorsement on top of that -- That's what I would like to see, because to me, that indicates they made a good-faith effort and they wanted to stay in the fishery, in the rock shrimp fishery. If they were Floridians, for instance, or even Gulf boats, I can't imagine that they would have intended to get an open access permit to go fish off of South Carolina and North Carolina.

Ms. Shipman: That may be true, but my recollection is also that the council wanted people to on top of having a limited access permit endorsement, whatever you want to call it, to also have an open access permit, because the open access permit ranges from the North Carolina/Virginia border down through Florida and you need an open access -- You need a rock shrimp open access permit to be able to fish in that area, but you really need -- Let me back up.

You need an open access rock shrimp permit to rock shrimp. If you want to rock shrimp in the EEZ off of Florida/Georgia, you need, in addition, a limited access rock shrimp permit, endorsement, whatever you want to call it. There was a two-tier system, I think, put in through Amendment 5. I'll be glad to go back and look at it and I think we can look at how many people didn't check the box and we can only speculate why they didn't, unless they wrote in and said, hey, I thought checking one box meant I was able to get both permits, but I'll look at it.

Mr. Cupka: It could be even more complicated than that, because what you said is they would need an open access rock shrimp permit to fish within that area and then if they wanted to fish in the limited access area, they would need a limited access permit and then they would need an endorsement to show that they qualified with the landings requirement. It gets even more complicated.

Mr. Waugh: The answer to the question is shown on page 18, under Action 3. Action 3 is Endorsements Lost through Failure to Renew the Rock Shrimp Limited Entry Endorsement. Towards the bottom of that first paragraph and under Alternative 1, which is no action, it states that seventeen vessels could lose their rock shrimp endorsements and so seventeen is the answer.

Mr. Cupka: That still doesn't answer Susan's question about whether or not they applied for a permit. Those are just people who would lose it because they don't have the endorsement. What she wants to know is of those people who did not renew their endorsement, how many of those applied for a permit though, thinking that they were going to be covered. Is that correct?

Ms. Shipman: Yes, that's correct.

Dr. Crabtree: My take on this is I don't think calling it an endorsement or a permit would make any difference in the confusion. The problem, it seems to me, is you've got two boxes on the permit form that say "rock shrimp" and whether you have two boxes for two different rock shrimp permits, there's probably going to be somebody who is not going to read it all or is going to just not understand it and check one and not the other.

I wonder if we could do it so that if you have the limited entry permit that you don't have to have the open access permit. You get one or the other and maybe that would help, although I suspect even then that someone might check the wrong box, but if they didn't have the open access permit and they checked it to renew it, there would be no permit to renew and maybe that would be caught, but I don't think just calling one an endorsement or a permit -- I doubt that makes any difference to these guys. I think if they're going to get confused that they would get confused either way.

Mr. Cupka: We're just reporting what the AP reported and what their request was.

Mr. Harris: It seems to me that Amendment 5 -- One of the objectives of Amendment 5 was to address overcapacity in the rock shrimp fishery and the 15,000-pound landings requirement was one of the requirements placed to address that overcapacity. It seems to me that that's what it's done.

The landings, at least -- I think 2006 were way down, compared to previous years, and some of the people that commented said that they didn't fish for rock shrimp because the rock shrimp were not there and so they couldn't meet the 15,000-pound landings requirement. If the objective of Amendment 5 was to address overcapacity and that's what we've done, I don't really understand why we're going back and trying to readdress it at this point in time and give those people back those permits that they lost, when we seem to be achieving our objectives.

Mr. Cupka: I think the original intent -- Susan can correct me on this, but there was concern about overcapacity and the 15,000-pound -- That was also the same amount required to initially qualify for a permit and so when we created the limited access program, we were already taking steps to limit participation in the fishery and to avoid overcapitalization, because it reduced the number of potential boats that could get in it. We really, I think, met that objective when put Amendment 5 in place.

Ms. Shipman: I agree. I think it was that initial eligibility requirement, because, correct me if I'm wrong, Monica or Gregg or David or Bob or whoever, but it seems like -- Were there maybe two-hundred-and-something that had the permits or maybe up to 300. I don't know and John may remember, but a lot of people hadn't fished and so it was speculative and we wanted to retire those speculative permits.

That's why that initial 15,000 eligibility was put in. It showed that you truly had some interest in participating in that fishery and that's what I think brought the numbers down to 168 that would have qualified, I think, when we did the document and it turned out that maybe 155 actually went

and got the permit and so we achieved, I think, culling out the latent, speculative permits with the initial eligibility. This, to me, is more of the use-it-or-lose-it and do we want to retain that or stick with that objective.

Mr. Cupka: If we're trying to maintain a viable fishery and we've got it limited, to me, it doesn't really matter the 15,000-pound requirement, because it's not going to kick anybody out of the fishery and so --

Dr. Crabtree: Back to this renewal issue. Why don't we -- I guess we would have to put an action in here, but why don't we make a slight modification and say you have -- There are two permits. There's the open access and there's the limited entry and no one can have both. If you have a limited entry permit, you can fish anywhere. If you have the open access permit, you can only fish in a portion of the range. That way, if all vessels only have one type of permit on it, I think it would reduce the likelihood of confusion. I don't see any downside from doing that.

Mr. Waugh: What about a vessel that fishes in both areas?

Dr. Crabtree: You can only fish in both areas if you have both permits, right?

Mr. Waugh: You could have both permits?

Dr. Crabtree: No, if you have the limited entry you can fish in both areas is what I'm saying. Anyone who has the limited entry is going to be able to get the other one and so it seems to me if you have the limited entry, why do you need the open access permit? We know your vessel is there and you can fish throughout the entire area, but it's just the open access permit that is limited in terms of where you can fish.

I think if any vessel has two rock shrimp permits that you're going to have confusion and the way to fix the confusion is not to allow any vessel to have both permits and we could set it up so that if you have the limited entry permit that you can't get the open access permit and I think that would reduce the confusion. I can't see why there's any loss there, because any limited entry permit vessel is going to be able to fish anywhere he wants. Does that make sense, Gregg? I haven't thought about this a lot, but it seems to make sense to me.

Mr. Waugh: Yes, it seems to me as well. It's a new alternative, but we can have the team analyze it and get the public's input.

Dr. Crabtree: I think it has no economic consequences or any consequences. I think all you're really talking about is a little tweaking of the permit program and the way they issue permits, but I think it would address it.

Mr. Harris: I'm really confused by the terminology. You're saying limited access allows you to fish anywhere, but open access your fishing is restricted. If we could come up with some different terms, it would be much easier for me to understand.

Dr. Crabtree: What I'm saying is if you have the endorsement now, which is the limited access portion of it, if you have that endorsement, you can fish in all of the areas, right? You have to have the endorsement to fish in the restricted area that's in the south. If you only have the open access, you can only fish in that more northern range, I believe. I don't remember exactly where it is. You have the permit that allows you to fish only in that North Carolina/South Carolina/Georgia area --

Mr. Cupka: It's just North Carolina and South Carolina.

Dr. Crabtree: If you have the endorsement, which is the smaller subset of vessels, they can fish throughout the whole range and they don't have to get the other permit and we can call them what you like to call it, but that's what I'm getting at.

Mr. Cupka: Other comments?

Dr. Crabtree: Let me add that if you want to call the limited entry one a limited entry permit that we can change that word to "permit".

Ms. Smit-Brunello: I actually think the concept of this is a great idea. I understand what Duane is saying about restricting open access permits and where they can fish and the terminology and we can work on that, but I think that this would eliminate a lot of confusion and I just pulled up Amendment 5 and maybe some of the confusion came in one of the actions. It stated that each vessel in the limited access fishery will require a separate limited access permit. Maybe Perry interpreted that to be separate in addition to the regular open access permit, but I think we should -- If this is confusing people, I think it's a great idea to try to make it less confusing.

Dr. Crabtree: Would it be appropriate for me to make a motion then? **I move that we add an alternative that would clarify that there would be two types of permits, a limited entry permit and the open access permit, no vessel would have both types of permits, and vessels with the limited access permit would be allowed to fish throughout the fisheries range and the open access permit would be able to fish only in the North Carolina/South Carolina areas that they're currently allowed to fish in.** That's a long, cumbersome motion, I think, but I think Gregg understands what I meant.

Mr. Cupka: We have a motion by Roy and a second by Susan. Is there discussion on the motion?

Mr. Wallace: I agree with the concept that we're talking about, but I do want to make sure that we're not going to have to start over with approvals and this -- We can continue on track with our time schedule and not delay this amendment?

Dr. Crabtree: I don't see, Gregg, that this slows us down at all. I just don't think there are any economic consequences or anything of this and do you agree?

Mr. Waugh: No and Mike Travis on the Regional Office team is the one who will be heading up

these analyses and so I don't think there should be a problem.

Mr. Cupka: Further discussion on the motion?

Ms. Merritt: I'm just concerned that we -- As confusing as the conversation has been or the understanding of the permits and the terminology, I think we need to make it perfectly clear on the application as well, that permit application, and I don't know -- Roy, do you have some suggestion other than just checking off blocks? Don't we need some additional notation in there that says to check only one and perhaps have something that is clearer than limited is open and open is limited?

Ms. Shipman: Again, I think the access part is to participation in the fishery. It has nothing to do with the area they're fishing and I think that needs to be made clear and I think we also need to engage the efforts of our advisory panel to help get the word out of what this means. In essence, they had to have qualified already with an eligibility requirement to get the limited access. They're just going to be converting the permit over to a new name, in a sense.

Dr. Crabtree: If this is implemented, then I would think what we would do is everyone who has an endorsement now and has the open access, we would simply mail them a new permit and their open access would be revoked, but they don't need it anymore. We would probably have some of them call up complaining, but in the end, instead of having two permits, we would send them one permit and then next time they renew, they would renew the permit they have.

I will talk to my staff, to try and make sure they don't check the wrong box somehow, but I think we could write into the programming of it that if a vessel has the limited entry program and checks the open access permit that it won't allow them to get it and it kicks it out and forces somebody to say they've checked the wrong box and call them up or do something and fix it. The easiest thing would be is even if they checked the wrong box to send them the right permit that they're supposed to have, but I don't know if we can do that or not.

Mr. Wallace: Susan answered my part about who would be the qualifiers, but does this address the concerns that we had with the people that for whatever reason lost their endorsement?

Mr. Waugh: No, that's handled by another action.

Mr. Cupka: That's a separate action. Is there further comment on the motion? **Is there any objection to the motion? Seeing none, then that motion is approved.**

Mr. Waugh: If we come back just to the purpose and need, I just want to make sure we're okay with the clarification on objectives. The direction to the team is going to be that the alternatives that are shown, 10 through 12, were addressed through Amendment 5. This amendment addresses the following objective, to ensure sufficient effort remains active to sustain the fishery and the infrastructure.

Mr. Cupka: I think that was the intent of the issue Susan raised and I agree with it. I think we

need a new objective for this amendment and I think we've already met those, with Amendment 5.

Dr. Crabtree: Just one thing, just to make you aware of it, because Monica just reminded me, and I did check with our permits staff on this and what they've told me is that as a matter of practice if an individual has an open access rock shrimp permit and an endorsement and they apply to renew the open access permit, but fail to request to renew the endorsement, that as a matter of practice we include a form -- I guess when we mail the open access endorsement to them that we include a form that has a statement on it reminding them that they have one year to renew their endorsement. We have tried to head this off some, but I guess that hasn't worked in every case.

Mr. Cupka: I can see why it's confusing, because what you just said is confusing to me. Why would you put an endorsement on an open access permit? You put an endorsement on a limited access permit, not an open access.

Ms. Smit-Brunello: It's a little scary to me that it made perfect sense to me. It just shows that I've been working with the Permits Office for a long time.

Mr. Cupka: Any other comments on the needs and purpose section? All right, do you want to go ahead, Gregg?

Mr. Waugh: Let's move to alternatives and this starts on page 9. The history of management I'm skipping over. That's just a statement of what's transpired thus far. The alternatives here, Action 1 is to deal with the 15,000-pound rock shrimp landing requirement. Alternative 1 is no action, to retain that requirement. This could result in a permanent 45 percent reduction in fishery participation.

Under this alternative, the current definition of an inactive endorsement would remain unchanged. The cap on rock shrimp fishery participation would be permanently reset to a much lower number.

Alternative 2 would remove the 15,000-pound landing requirement. This would make fishery participation possible for all rock shrimp vessels holding an endorsement. As many as fifty-three vessels that have not met the requirement could be affected by the removal of the 15,000-pound requirement. An additional fourteen vessels could also be affected if this alternative, along with Alternative 2 or 3 in Action 3 of this amendment, were chosen as preferred alternatives. Alternative 2 under Action 1 would effectively nullify the current landing requirement through Shrimp Amendment 5.

Alternative 3 is to extend the time allowed to meet the 15,000-pound rock shrimp landing requirement for not more than two years. This would allow a total of five or six consecutive years. We're asking for clarification here. When it says not more than two years, that could be one or two, which means then you're looking at five or six years or do we just want to look at a two-year extension, to make it six years? We're just looking for some clarification. If you want

to keep the two, then we'll split this into sub-alternatives.

Each vessel is currently required to land 15,000 pounds within one of the four last years. This would change the current time limit in the definition of inactive endorsements to either five or six calendar years, replacing the four-calendar-year provision.

The team recommended that the old Alternative 4 be moved to the appendix and we would look for your concurrence on this. The old Alternative 4 is shown in Appendix A on page 23. It was to allow application for renewal as an inactive permit holder. The team's rationale for moving that was this alternative was rejected because if they do not meet the 15,000-pound landing requirement, they are then considered an inactive permit holder. The team just felt that that alternative should be put in the appendix.

In addition, the team is recommending two new alternatives. Right now, we have either keep the 15,000-pound or remove it or extend the qualifying team period. The team is suggesting two new alternatives. Alternative 4 would change the landing requirement to one pound of rock shrimp. This alternative could potentially benefit fourteen vessels with active or renewable endorsements and three vessels linked to non-renewable endorsements, if Alternative 3 is chosen under Action 3.

Alternative 5 would change the landing requirements to 7,500 pounds, half the current. The rock shrimp vessels that fail to land this within one of four years would be eliminated. It's expected that this alternative would affect less than fourteen vessels with active or renewable endorsements and less than three vessels with non-renewable endorsements.

We're looking for three things here. One is concurrence with the alternative going to the appendix, two is adding these two new alternatives and then three is clarification on Alternative 3.

Mr. Cupka: Gregg, I've got one comment, I guess, on Alternative 3 in here. This would be to extend the time period to meet the landing requirement. If you go back and look at the table in the analysis, the fourth table in, it shows the breakdown on who has met what and whatnot, but the vessels that have lost the endorsement all qualified initially and got their permit in either 2003 or 2004.

If you just extend it one year -- Just looking at the timing of this amendment, that would give them all this year to qualify, because the time period ran out in December of last year and this amendment isn't due to be implemented until March or April of next year and so a one-year extension isn't going to get you anything. A two-year extension would give you less than a year to qualify and so this is one of those alternatives that maybe we ought to consider and reject. I'm not sure, but anyway.

Mr. Waugh: I think the team would welcome movement of alternatives into Appendix A.

Mr. Wallace: I agree with David on that. I would say that one should probably be rejected. As

far as the recommendation for even the one-pound minimum, that does not address the people that have opted to go into other fisheries. They could be in New England fishing for four years and miss out on even the one pound, fishing on scallops or even in the Gulf. To me, that alternative doesn't address the problem either.

Mr. Cupka: I thought you were going to make a motion, John.

Ms. Shipman: I agree with John and with David. **To that, I will move that we move Alternatives 3 and 4 to the appendix.**

Mr. Cupka: Do we have a motion and do we have a second? Second by Rita Merritt. Is there any discussion on the motion? **Is there any objection to the motion? Seeing none, then that motion is passed.** We still have a couple of actions that we need to take relative to this particular action. One is the team recommendation to move old Alternative 4 to Appendix A and I would have to say I agree with that. I'm not even sure what it means, but who knows?

Ms. Shipman: I thought that had already been done or I would have added that in. **I'll move moving Alternative 4 to Appendix A.**

Mr. Cupka: We have a motion by Susan and a second by Rita. Is there discussion on the motion? **Is there any objection to the motion? Seeing none, that motion passes.** That brings us down, again, under this action, to the issue of whether we want to pick a preferred to go out to hearing. You heard Gregg say that would help staff to do that and so I'll open it up for discussion.

Ms. Merritt: **I would like to make a motion that we have as our preferred to remove the 15,000-pound requirement.**

Mr. Cupka: That's Alternative 2 under this action. We have a motion and is there a second? Second by John Wallace. Is there discussion on the motion?

Ms. Merritt: You did read in the North Carolina letter that we have a significant number of people who have chosen to diversify their fisheries and they can't meet the 15,000-pound limit and I think that their conservation efforts should be rewarded and I think the goal of the committee to begin with has been met by reducing the capacity with that 15,000-pound requirement to begin with.

Mr. Cupka: Other comments?

Dr. Chevront: I'm not a member of your committee, but I also would like to point out that the Rock Shrimp AP also endorsed this.

Ms. Shipman: I think, as we discussed earlier, that we achieved the capacity reduction really with the eligibility requirement and I don't think anyone, the industry or this council, foresaw what was going to happen with fuel prices, with storms, with really the lack of abundance of the

shrimp. I don't think we would have put this in had we had the crystal ball and could have seen what would have happened with the industry.

I think it really boils down to if we do want to achieve the objective to maintain that sufficient effort to sustain the fishery that we probably ought to look at removing the poundage requirement.

Mr. Cupka: That was a good point, Susan. Is there any other discussion? **Is there any objection to the motion? Seeing none, then that motion is approved.** With the committee's indulgence, I would like to take this opportunity -- Mr. Williams, did you wish to address the committee?

Mr. Williams: Actually, I just wanted to be here in case there was any questions. I am on the Deepwater Shrimp AP and that was our preferred alternative and I was hoping that would get in, but -- Also, if there was any questions for me or for any of the discussions we had in the Deepwater Shrimp AP, I would be able to answer questions to this committee. That was the main thing, but I did want to say one other thing.

There is some confusion in the permitting system. One example is we had a fisherman on the west coast that had both permits and when he received his second permit, the endorsement, he just assumed he had already filled it out and it was a mistake that they sent him another one and he didn't renew it and so he's out of the business. If you wind up with a hundred vessels working that and you take one out, that's one percent of that industry. It may not seem like a lot, but it is when you've got a very limited amount of boats. Thank you.

Mr. Cupka: Thank you for those comments, John. We appreciate you being here too, to represent the AP and to answer any questions. Roy, did you have a question for Mr. Williams?

Dr. Crabtree: John, you heard the discussion we had about changing the permits so that you have basically two permits, one that is the open access and allows you to fish just North Carolina and South Carolina and then a second permit that's the limited entry permit and you can fish anywhere with that and no vessel would be allowed to have both permits, because nobody would need to have both permits. Do you think that would help us to address confusion in the future? I know it doesn't help the people who are out now, but if people only had one permit and that was it, would that help fix some of this?

Mr. Williams: It may. There's still going to be a certain amount of confusion, but what I read on your motion and you can correct me if I'm wrong, maybe I read it wrong, was if a vessel is only allowed to have one permit, are you talking about the endorsement will be allowed to fish North Carolina all the way through? That was my concern and I must have read it wrong. It appeared that you were restricting the endorsements to outside of North Carolina and South Carolina.

Dr. Crabtree: If you had the endorsement, you would be able to fish the whole area, but if you only have the permit, you would only be able to fish North Carolina and South Carolina. If you

have that endorsement, which is the limited entry permit, you can fish anywhere.

Mr. Williams: That would certainly help, I believe, I really do.

Dr. Crabtree: That's something, John, I would -- I don't think any of us are too happy about what we're calling them and I thought about could we call the open access an area restricted permit and then call the limited entry one a something else? We probably don't have to fix that right now, but if you could think about ways to fix that and help address the confusion, we could come back in before we take final action and make some tweaks to the names of it.

Mr. Williams: I'll be glad to. I'll get with a lot of the fishermen and see how they feel about it and what would be less confusing for them and I'll come back to it.

Dr. Crabtree: I appreciate that, John, and I thank you for all your help on this.

Mr. Cupka: Thank you, John. Gregg, do you want to move us on to the next action?

Mr. Waugh: Action 2 deals with endorsements lost due to not meeting the 15,000-pound rock shrimp landing requirement. We had a couple of questions for clarification here. The first dealt with whether that four-year period was to be extended each time a permit is transferred. I think that's taken care of now, with making your preferred to get rid of the 15,000-pound endorsement.

The second was to clarify whether you want this endorsement or limited entry permit and we've added a new action to deal with that and so those are taken care of. Dealing with what we do with those who didn't meet the requirement thus far, Alternative 1 is to not instate endorsements. Alternative 4 is to reinstate all endorsements lost due to not meeting the landings requirement of 15,000 pounds. Those are the two alternatives we had previously.

The team is recommending two new alternatives. Alternative 2 is to reinstate endorsements lost due to not meeting the 15,000-pound rock shrimp landings in one of four years for those vessels that landed at least one pound of rock shrimp. Alternative 3 would be the same, with the 7,500-pound requirement. It's just bringing that one-pound and 7,500-pound requirement, as they suggested, for the previous.

Under Alternative 2, ten vessels with active or renewable permits would have their endorsements reinstated under that. Alternative 3 is less than ten vessels could have their endorsements reinstated and under Alternative 4, thirty-six vessels with active or renewable endorsements could have their endorsements reinstated under Alternative 4.

Mr. Cupka: Gregg, let me ask you, did the team add those two alternatives because of concern about the number of alternatives there relative to NEPA or why were those --

Mr. Waugh: I believe that was part of the reason, yes.

Mr. Cupka: Questions or discussion?

Ms. Shipman: I have just a question. Am I interpreting this correctly? For instance, under Alternative 4, that all of those did have permits? They may have been considered, quote, inactive permits, but they did at least renew their permit?

Mr. Waugh: I believe so, but we'll make sure and clarify that.

Mr. Cupka: Other questions or comments? What's the committee's desire relative to this action?

Dr. Crabtree: I want to reinstate the permits that are lost because they don't meet the requirement. If we decide the requirement is not necessary, the timing on when this goes into effect, some people are going to have lost their permits and if we've decided that's unnecessary, then I don't think we have any justification for not giving them back their permits. That's my view on it.

Ms. Shipman: **I would move that Alternative 4 be our stated preferred alternative.**

Mr. Cupka: We have a motion. Is there a second? Second by Mr. Wallace. Again, this was the AP's recommendation as well. Any comments or questions regarding the motion? **Is there any objection to the motion? Seeing none, that motion is approved.**

Mr. Waugh: The next item begins on page 18. This deals with endorsements lost through failure to renew the rock shrimp limited entry endorsements. Alternative 1 is do not reinstate lost endorsements. Seventeen vessels could lose their rock shrimp endorsements under that alternative. Reinstate all endorsements lost through failure to renew the rock shrimp limited entry endorsements and this would nullify the regulations as they current exist and seventeen vessels with non-renewable endorsements could have their endorsements reinstated.

Another alternative that the -- I believe this is a new one that the team is recommending we add, is to extend the time allowed to renew rock shrimp endorsements to one calendar year after the effective date of this amendment getting implemented. Those are the three alternatives.

Mr. Cupka: Again, with your indulgence, let me go back to Action 2, because I think I left that a little bit too soon. Are there any of those alternatives there that we want to move that would help with the analysis of this document or not? That's the 7,500-pound requirement or the one-pound requirement.

Mr. Waugh: The team recommended this new Alternative 3 so that we would have three alternatives.

Mr. Cupka: I'm back on Action 2, Gregg, about the -- I'm sorry, but I said I wanted to go back to that one, because I think I left it too early. There are four alternatives there, under Action 2, and picked Number 4 as our preferred and I had asked you about those other ones, if they were put in there for NEPA requirements and all. Are there any of those that we could reduce the

number of alternatives if we moved them?

Mr. Waugh: The team has recommended those two new alternatives, Alternatives 2 and 3. From the team's perspective, no, they would rather not see them go to the appendix, because they suggested that they be analyzed, but it's up to you all.

Ms. Shipman: In essence, the paragraph there, the narrative that goes with it, is sort of the analysis. Will there be much more work involved if we leave them in?

Mr. Waugh: No, I don't think there will be a lot more, because these data have to be updated through December of 2007 anyway. Again, this is a recommendation coming out of the team and so they feel they can do these analyses.

Mr. Cupka: That's fine. I just wanted to make sure we weren't overlooking something there, if we wanted to take some action on that.

Ms. Shipman: The one pound thing to me is -- If we were going to remove one, that would be the one I would suggest we remove, because that's almost the same as keeping the requirement in. It's either an all or nothing type thing. You either landed shrimp or you didn't land shrimp and so I would -- **If you want, I'll move that we move Alternative 2 to the appendix.**

Mr. Cupka: We have a motion to move Alternative 2 to the Considered but Rejected Appendix. Do we have a second? John Wallace seconds. Is there discussion on the motion? **Is there any objection? Seeing none, that motion is approved.** That will bring us back to Action 3 then. I'm sorry for the digression, but I wanted to get that cleared up.

Action 3 deals with those endorsements that were lost because of confusion. We have one new alternative that the team has suggested. Is there any comments or questions regarding these alternatives? Can we perhaps have a motion to have a preferred alternative?

Ms. Shipman: I would be interested actually in modifying Alternative 2, to say reinstate them lost through failure to renew the limited entry endorsement, but which renewed their permit, which, to me, indicates they intended to stay in the industry.

Mr. Cupka: Other comments? Do you want to make a motion to make that change?

Mr. Wallace: To that, if -- I don't know if it even happened, but if I had lost my permit three or four years ago because I did not -- I had lost my endorsement because I did not renew it three or four years ago and then why would I renew my permit during this year?

Ms. Shipman: Just to clarify, John, I agree with you. I think we would want to say something about which renewed their permit in the year in which they lost their endorsement or failed to renew the endorsement. It's giving a signal that they intended to stay in that industry and that they were confused, as Mr. Williams was telling us, someone that got the endorsement paperwork and thought, well, I've already done this.

Mr. Cupka: Is there further discussion? Do we need a motion to amend that? Yes. Susan, do you want to make the motion then?

Ms. Shipman: Yes, I would. **I would move modification to Alternative 2, to add the language after the word “endorsement”, “but which renewed their permit in the year in which they failed to renew the endorsement”.** You can clean up that language. It’s probably not good syntax there, but basically what my intent is is to reinstate the endorsements that were lost when the applicant failed to renew their limited entry endorsement, but the applicant had renewed the permit for that year, the rock shrimp permit, I should say.

The motion is to reinstate all endorsements for those who renewed their permit in the year in which they lost their endorsement or failed to renew their endorsement, which resulted in them losing their endorsement. Whatever works.

Mr. Cupka: The motion actually is to modify Alternative 2 to include that wording. I don’t want to put words in your mouth, but was it also your intent to make that preferred?

Ms. Shipman: **I would just, for purposes of discussion, move that that be our preferred alternative.**

Mr. Cupka: We have a motion by Ms. Shipman. Is there a second? Second by Mr. Wallace.

Ms. Smit-Brunello: Knowing how important these records are when you go back five years later to try to make sure you covered everything, it’s your intent then for someone who just didn’t renew their open access or their rock shrimp endorsement -- They’re not covered under this and they lose it?

Ms. Shipman: That’s correct. If they did not renew their open access rock shrimp permit, it would indicate to me they had intended to drop out of the industry or they may have forgotten, but nonetheless, there was a responsibility there to renew that permit.

Mr. Cupka: Further discussion?

Dr. Crabtree: Of course, my concern is that we have other fisheries where people haven’t renewed their permits and they may feel like why aren’t you allowing everybody to come back in? The distinguishing factor here is that, to my knowledge, this is the only fishery we have where we have two permits that they were required, a permit and an endorsement that applied to a single species.

I think that’s true even including the Gulf of Mexico. We have fisheries, for example, the old red snapper, where you had to have a red snapper license and a Gulf reef fish permit, but one was a multispecies permit and clearly different than the single species, but I don’t believe there’s any other fishery in the Southeast where we require that you have two permits, or a permit and an endorsement, that applied only to one species.

That's the distinction here and that's why we're treating this differently than, for example, the snapper grouper permit, where you only had one permit and I think no vessel could have had both the limited and unlimited snapper grouper permit. You had to have had one or the other.

I just want to be clear that there's a difference here and we need to be careful with that, but I think all of you need to understand that we have had a lot of people come in to us and asking us, particularly with snapper grouper permits, to find a way to let them back in and this may heighten their desire for us to look at that.

Mr. Cupka: Thanks, Roy, for getting that on the record.

Mr. Wallace: While these people may have lost their permit also now, because they did this, wouldn't the other motion of making it only a one permit, whether it was limited access or open access, would that address this? Instead of just reinstating all endorsements, it would allow this new limited access to become the endorsement, per se? It's getting more and more confusing, I'm afraid.

Dr. Crabtree: That applies to the future and not the past and I want to -- Let me ask you a couple of questions about intent here. The intent would be that my office would just go through and look who lost it and send them one, whereas I think it's Alternative 4 -- Wasn't there one, Gregg, that had a one-year opportunity and they would have to apply?

Mr. Waugh: Alternative 3.

Dr. Crabtree: The reason you're picking Alternative 2, rather than Alternative 3, is because you don't want to have them have to apply, because you're afraid some of them won't apply or some of them will miss the one-year application by one day and come back before you asking you to extend that again and you want me just to go through and figure out who lost it and mail them a new permit and they're in?

Mr. Wallace: To that, it would be the permit and the endorsement, if they had lost it.

Dr. Crabtree: You can't lose the permit. It's open access. You can only lose the endorsement and so we would just -- They would have had to have renewed their permit and so we would just go back in and identify those folks who had an endorsement and mail them one, right?

Ms. Shipman: To me, they're sort of separate. My intent on Number 2 is you have to have maintained that permit in the year you lost the endorsement, because you meant to participate in the fishery and then once you lost your endorsement, you lost the permit and I guess the agency quit sending you applications for the permit and you went, eureka, I'm out of the fishery. They may have thought I can't get back in and so they may not have applied for a permit.

Now, there's a way we can combine something like a measure of Alternative 3, that if we identify them and you would send them an application, they would have to fill it out and

resubmit it to you. I don't mind Alternative 3, coupling that in some way, if that would help you all out.

Dr. Crabtree: Just from experience though, I can tell you that some of them will be confused by that and somebody won't fill out the application and send it back in, but then he'll find out that somehow that he could have and then he may come back. It is a difference whether we just determine who ought to have it and mail it to them and they don't even have to apply and that's it or whether we send them all an application and say fill it out and apply. It's a small number of people. Maybe we can make sure that no one gets confused and that they all apply and I don't know which is the better way to do it, honestly.

Ms. Shipman: To Roy's point, the only thing, Roy, is I'm not sure I would want to send them a permit if they decided I'm just going to sell the boat and I'm out of this fishery and whatever. If those boats are out of the fishery, but yet your records show that in 2005 that they were in the fishery, I'm not sure we want to just send them the permit.

Dr. Crabtree: In that case then, I think you ought to built off of Number 3, where we determine which vessels would be eligible and we mail them an application and they then have to fill out the application and send it back to us and they have one year to get that done, because we need to have a time certain that they have to do this. If that's what you want to do, then I think you need to work off of Alternative 3, probably, rather than 2, or you need to modify 2, either way you want to do it. Do you see what I'm saying, Gregg?

Ms. Shipman: Yes, make a companion caveat to 2.

Dr. Crabtree: If 2 is going to be the way you go, they're going to have -- We're going to send them an application and they're going to apply and they have one year to get that done after the effective date of the final rule, I guess, or the publishing date of the final rule.

Mr. Cupka: We either need to modify the motion or further modify the alternative, but I agree with Roy. If you look at the analysis, there are clearly some vessels who have left this fishery and who are doing nothing else and I suspect wouldn't even come back into it, because they're off doing other things and if you just automatically mail them a permit, then they've got a permit they could transfer and so they probably would never use it.

Ms. Shipman: **I've got a motion then to amend my motion, if my seconder would agree, to require rock shrimpers eligible to have their endorsement reinstated to apply for the limited access permit within one calendar year after the effective date of this amendment.**

Dr. Crabtree: Just some wordsmithing, maybe. **I think, Gregg, it should say "to apply for a limited access endorsement", because it is still an endorsement, rather than a permit. I think it should say "within one year after the effective date of the final rule" and not the amendment.**

Mr. Cupka: Does the seconder agree to the modification? All right. Susan, do you want to read

that?

Ms. Shipman: I would just note that Dr. Crabtree is just brilliant this morning and we appreciate your wordsmithing. **The motion now is a revised Alternative 2, to reinstate all endorsements for those who renewed their permits in the year in which they failed to renew their endorsement. Require rock shrimpers eligible to have their endorsement reinstated to apply for a limited access endorsement within one year after the effective date of the final rule for this amendment.**

Mr. Cupka: Any further discussion on the motion? **Is there any objection to the motion? Seeing none, then that motion is approved.**

Ms. Smit-Brunello: I have a question as to your intent. I recall at least one situation, and there may have been more, in which when we were going through the initial issuance of these limited access endorsements that at least one individual who had been in the fishery for a long time applied for his open access rock shrimp permit and failed to apply for the initial limited access endorsement, but I would like to know whether it's your intent to go back that far, to include those people in getting a limited access endorsement or -- There's a distinction. They never had one in the first place and these individuals had one and then they made the mistake and failed to renew. Maybe we could have a little bit of discussion on that.

Ms. Shipman: If I may, Mr. Chairman, no, it would not be my intent to include them. There was an appeals panel who heard their case and made the decision not to issue, or made the advisement to the RA not to issue that permit and so I would say -- That's why I used the word "renew".

Dr. Crabtree: I think what we need to say here is that for this to apply that they had to have had the endorsement and I think that's implicit in the statement of "failed to renew their endorsement". That means they had to have been issued an endorsement or they could not have failed to renew it.

Ms. Shipman: We could even discuss it.

Dr. Crabtree: That fixes that, because the people you're talking about never would have had an endorsement. I think that's clear enough.

Mr. Cupka: It's hard to reinstate something if you've never had it.

Dr. Crabtree: Right, but I just wanted to be real clear.

Mr. Waugh: The next action deals with requiring all shrimp permit holders to provide economic data. This is shown on page 20. At this time, there's a lack of data regarding cost and profitability associated with the South Atlantic shrimp vessels harvesting activities and currently, there exists no regulatory authority implementing a data collection program for the South Atlantic shrimp fisheries.

NOAA Fisheries attempted to collect data on a voluntary basis in 2005. However, response rates were not sufficient enough to yield statistical estimates with a high level of confidence. To remedy this lack of economic fishery data, Action 4 proposes to require vessels with South Atlantic rock shrimp permits and South Atlantic penaeid shrimp permits to provide economic data upon request.

Alternative 1 is no action. Alternative 3 is the action we had before, which is to require all South Atlantic shrimp permit holders to provide economic data if selected to do so and the team is recommending a new Alternative 2, which would require all South Atlantic shrimp permit holders to provide economic data.

Mr. Cupka: Thank you, Gregg. It's important to notice too that this isn't just rock shrimp. This is all shrimp covered in the plan for which there's a permit associated with it. Any discussion on this action? Anyone wish to make a motion on this action?

Ms. Shipman: I'll be glad to do that and I would like to move Alternative 3, I think. I really would like to hear some discussion about that. I would like to know the capacity of the region to deal with the economic data, were we to require it of everyone. I just know from our experience in the state of just trying to get the trip ticket information reported and the statistical areas reported for catch how difficult that is. I'm really not ready to make a motion, because I want to hear some discussion on it.

Mr. Cupka: I can understand that. I had the same question for Roy, whether they could even handle that.

Dr. Crabtree: I believe that Alternative 3 is the preferable alternative. That gives us flexibility. I don't know really that we need or want economic data from everyone and so that gives us the flexibility though. We could, if we decided we did need it from everyone, we could just select everybody, but if the decision is that we can get by with 50 percent, then that saves administrative costs and burden on fishermen and so I think Alternative 3 is the better way to go.

Mr. Cupka: As you point out, Alternative 3 really includes Alternative 2. You could just select everyone and so Alternative 3 gives you a lot of flexibility in regard to how many.

Dr. Crabtree: **I would be willing to make a motion to adopt Alternative 3 as the preferred.**

Mr. Cupka: I have a motion by Dr. Crabtree and is there a second? I have a second by Mark Robson. Is there discussion on the motion? **Is there any objection to the motion? Seeing none, then that motion is approved.**

Ms. Shipman: Can we go back to 3 for just a minute? This is a question for Monica. We've collapsed Alternatives 2 and 3 together and modified it and I'm wondering if we need to leave Number 2 as originally stated, so that we would have that third alternative.

Ms. Smit-Brunello: A reasonable range of alternatives, I guess, is probably better than the third alternative.

Ms. Shipman: Yes, thank you, so that we would have a reasonable range of alternatives.

Ms. Smit-Brunello: I would suggest you leave it in. Gregg, wasn't there some discussion with the team that it would be better to leave the three alternatives in, to cover the reasonable range?

Mr. Waugh: Yes, but one member of the team did reserve their right to continue to argue for two being sufficient alternatives.

Ms. Shipman: Since I modified and made a new 2, could this be 2B or something, as we see it in the document prior to the amendment?

Mr. Waugh: I think we can do -- The team will break this out and either keep it as a separate alternative or a sub-alternative, so there's another one.

Mr. Cupka: Gregg, is there any other action we need to take?

Mr. Waugh: Just coming back to Action 4 for a moment, the team did recommend inserting Alternative 2, but it seems it's redundant of Alternative 3, but if we need it there so that we have three alternatives we can, but -- If you have no intention of selecting it, there doesn't seem to be much sense in including it.

Ms. Smit-Brunello: Maybe you could allow the team some latitude when we go back and discuss this further, to see whether it's really necessary or not. You've had some good arguments here that it's, in essence, very much like Alternative 3.

Mr. Cupka: I guess we could do that.

Dr. Crabtree: That's fine with me. I do think that Alternative 2, in essence, is a subset of Alternative 3. If everyone is comfortable with letting the team decide whether we need it or not and if they decide we don't to take it out, I'm fine with that.

Mr. Cupka: Anything else, Gregg?

Mr. Waugh: No, that's it. We would expect to bring this back to you in a format that the SSC would review it at the June meeting and you would approve it for public hearings at the June meeting.

Mr. Cupka: Thank you and that brings us down then to Other Business. I mentioned earlier I had a pink shrimp issue that I wanted to mention to you. You'll recall that -- I guess it was in Amendment 6 to the Shrimp FMP that we established stock status determination criteria for the penaeid shrimp and one of those determinations regarding overfishing was based on data that we got from the SEAMAP program.

You'll recall that last year we had to convene a shrimp review panel because the SEAMAP data for 2006 indicated that overfishing was occurring, according to our status determination criteria. We convened a shrimp review panel that consisted of council staff members, NMFS staff, state shrimp biologists from the four states, and also representation from the Scientific and Statistical Committee. Carolyn Belcher was a part of that.

They reviewed the situation and came to the conclusion that what had happened was not a result of increased fishing effort, but rather environmental conditions. If I'm not mistaken, when the annual report to Congress on the status of the stocks was submitted, there was actually a footnote in there that summarized the findings of this review panel, stating that it was not due to fishing effort, but rather environmental issues.

Jack McGovern recently looked at the results of the 2007 SEAMAP sampling and again, the pink shrimp CPUE was below the trigger level, which is 0.46. Again we're faced with this situation of having an overfishing condition in pink shrimp.

I met with Monica and Gregg and Roy to try and address this and the consensus was what we should consider is reconvening this review panel by means of a conference call and having them review the report and see if they want to reaffirm that report, based on the latest information, or if they want to modify it.

Then we would get the report to the Scientific and Statistical Committee to review during their June meeting and so that's basically where we are with this issue and I'll ask Monica or Roy if they want to make any comments on it or see if there are any questions on it, but that would be our recommendation at this point, is that we reconvene the review panel and have them look at the new data and come back to us and to the SSC with a report on what their findings are and see if any additional action has to be taken.

Of course, it's hard to take action on an annual stock, but I think we still need to do that, at the minimum, because it has been determined that overfishing is occurring, based on the criteria that we adopted in Amendment 6. Monica, do you have something?

Ms. Smit-Brunello: I just concur with what you said. We went back and looked at Amendment 6 and the process that the council set up and I think that's appropriate, to reconvene the panel and then have them report back, if they're able to, by the June meeting.

Mr. Cupka: Is there further discussion? I don't guess we'll need a motion for that. We'll just direct staff to do that and wait until we hear back from them. Is there any other issues to come before the committee? Seeing none, then the meeting is adjourned. I thank all of you for your input.

(Whereupon, the meeting adjourned at 11:35 o'clock a.m., March 6, 2008.)

Shrimp Committee
Jekyll Island, GA
March 6, 2008

Certified By: _____ Date: _____

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South Atlantic Fishery Management Council
2007- 2008 Council Membership

COUNCIL CHAIRMAN:

George J. Geiger
566 Poñoka Street
Sebastian, FL 32958
772/388-3183 (ph)
georgegeiger@bellsouth.net

COUNCIL VICE-CHAIRMAN

Charles Duane Harris
105 Demere Retreat Lane
St. Simons Island, GA 31522
912/638-9430 (ph)
seageorg@bellsouth.net

Deirdre Warner-Kramer
Office of Marine Conservation
OES/OMC
2201 C Street, N.W.
Department of State, Room 5806
Washington, DC 20520
202/647-3228 (ph); 202/736-7350 (f)
Warner-KramerDM@state.gov

Robert H. Boyles, Jr.
S.C. Dept. of Natural Resources
Marine Resources Division
P.O. Box 12559
(217 Ft. Johnson Road)
Charleston, SC 29422-2559
843/953-9304 (ph)
843/953-9159 (fax)
boylesr@dnr.sc.gov

Representative WILSON LANEY
U.S. Fish and Wildlife Service

Dr. Brian Chevront
N.C. Division of Marine Fisheries
P.O. Box 769 (3441 Arendell St.)
Morehead City, NC 28557
252/726-7021 Ext. 8015 (ph)
252/726-6187
brian.chevront@ncmail.net

Dr. Roy Crabtree
Regional Administrator
NOAA Fisheries, Southeast Region
263 13th Avenue South
St. Petersburg, FL 33701
727/824-5301 (ph); 727/824-5320 (f)
roy.crabtree@noaa.gov

EILEEN DOUGHERTY

David M. Cupka
P.O. Box 12753
Charleston, SC 29422
843/795-8591 (hm)
843/870-5495 (cell)
dkcupka@bellsouth.net

Benjamin M. "Mac" Currin
801 Westwood Drive
Raleigh, NC 27607
919/881-0049 (ph)
mcurrin1@bellsouth.net

Anthony L. Iarocci
236 Guava Avenue
Grassy Key, FL 33050
305/743-7162 (ph); 305/743-2697(f)

Rita G. Merritt
38 Pelican Drive
Wrightsville Beach, NC 28480
910/256-3197 (ph); 910/256-3689 (f)
miridon@ec.rr.com

John V. O'Shea
Executive Director
Atlantic States Marine Fisheries
Commission
1444 Eye Street, N.W., 6th Floor
Washington, D.C. 20005
202/289-6400 (ph); 202/289-6051 (f)
voshea@asmfc.org

Lt. Brian Sullivan
U.S. Coast Guard
Brickell Plaza Federal Building
909 S.E. First Avenue
Room 876/ DRE
Miami, FL 33131-3050
305/415-6781 (ph)
305/415-6791 (f)
Brian.A.Sullivan@uscg.mil

Mark Robson
Director, Division of Marine Fisheries
Florida Fish and Wildlife
Conservation Commission
620 S. Meridian Street
Tallahassee, FL 32399
850/487-0554 (ph); 850/487-4847(f)
mark.robson@myfwc.com

TRACY DUNN
OTHA EASLEY
DAVE AUCTION

Susan Shipman
Director, Coastal Resources Division
GA Dept. of Natural Resources
One Conservation Way, Suite 300
Brunswick, GA 31520-8687
912/264-7218 (ph); 912/262-2318 (f)
sshipman@dnr.state.ga.us

Tom Swatzel
P.O. Box 1311
Murrells Inlet, SC 29576
(C/O Capt. Dick's Marina
4123 Hwy 17 Business,
Murrells Inlet, SC 29576)
843/357-1673 (ph)
tom@capticks.com

John A. Wallace
5 Buddy Beckham Road
P.O. Box 88
Meridian, GA 31319
912/437-6797 (ph); 912/437-3635 (f)
Ga_shrimp@darientel.net

JOE KIMMEL
JACK MCGOWEN
TOM JAMIR
TOM MCILWAIN
PHIL STEELE
MONICA SMIT-BRUNELLO
BONNIE POWITH
JOE GROWAN
SARAH FANGMAN
MARGOT STILES
BUFFY
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3

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John Wallace
Staff contact: Gregg Waugh

** Members will be appointed to the Bluefish, Calico Scallop, and Dolphin/Wahoo Committees, if these committees need to meet during the year.

South Atlantic Fishery Management Council Staff

Executive Director

Robert K. Mahood
robert.mahood@safmc.net

Deputy Executive Director

Gregg T. Waugh
gregg.waugh@safmc.net

Public Information Officer

Kim Iverson
kim.iverson@safmc.net

Senior Fishery Biologist

Roger Pugliese
roger.pugliese@safmc.net

Staff Economist

Kathryn (Kate) Quigley
kate.quigley@safmc.net

Cultural Anthropologist

Open Position

Environmental Impact Scientist

Rick DeVicor
richard.devicor@safmc.net

Science and Statistics Program Manager

John Carmichael
john.carmichael@safmc.net

SEDAR Coordinators

Julie Neer - Julie.Neer@safmc.net
Dale Theiling - Dale.Theiling@safmc.net

Fishery Biologist

Andi Stephens
Andi.Stephens@safmc.net

Coral Reef Biologist

Myra Brouwer
myra.brouwer@safmc.net

Administrative Officer

Mike Collins
mike.collins@safmc.net

Financial Secretary

Debra Buscher
deb.buscher@safmc.net

Admin. Secretary /Travel Coordinator

Cindy Chaya
cindy.chaya@safmc.net

Purchasing/Adm. Assistant

Julie O'Dell
julie.odell@safmc.net

SEDAR/ Staff Administrative Assistant

Rachael Lindsay
rachael.lindsay@safmc.net

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Shrimp Committee
Jekyll Island, GA
Thursday, March 6, 2008

NAME &
ORGANIZATION

AREA CODE &
PHONE NUMBER

P.O. BOX/STREET
CITY, STATE & ZIP

Melinda Vendett, SSA

914-222-8796

Glen Delaney "

202-434-8220

WASH DC

John Williams

727-934-5090

Dave Allison Oceana

202-833-3900

WASH. D.C.

Libby Felnersten

OC-FL

Dick Bram

910-338-0012

WILMINGTON, NC

BUFFY BAUMANN, OCEANA

202.833.3900

OCEANA, DC

Tony DePallo

503-234-3505

MFCN, PORTLAND, OR

Keren Raine GEEFFE

727 ~~824~~ 824 5360

St Pete, FL

South Atlantic Fishery Management Council
4055 Faber Place Drive, Suite 201
North Charleston, SC 29405
843-571-4366 or Toll Free 866/SAFMC-10

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Jekyll Island, GA
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NAME &
ORGANIZATION

AREA CODE &
PHONE NUMBER

P.O. BOX/STREET
CITY, STATE & ZIP

TONY DEPALCO, MFCW

507-234-3005

4189 SE Divisadero, P.O. Box 97212

Darden Rice, Oceana

727-560-2479

110 18th Ave S St. Pete FL 33705

Dick Braun

Whitney Robinson, EDF

202 572 8365

Sera Harold MFCN

910 762-4401

Wilmington, NC

Keren Raim GCEP/EE

727 824 5860

St Pete

D.N. Pod

919-881-2915

EDF - Polk, NC

BUFFY BAUMANN, OCEANA

202. 833. 3900

OCEANA, DC

MARGOT STILES, Oceana

202 833 3900

Oceana Wash, DC

South Atlantic Fishery Management Council
4055 Faber Place Drive, Suite 201
North Charleston, SC 29405
843-571-4366 or Toll Free 866/SAFMC-10

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**NAME &
ORGANIZATION**

**AREA CODE &
PHONE NUMBER**

**P.O. BOX/STREET
CITY, STATE & ZIP**

Debra Lambert/NOAA/NMFS

301-713-2341

East-West Highway Silver Spring MD 20910

Tess Geers, Oceana

231-519-1276

Washington, DC

**South Atlantic Fishery Management Council
4055 Faber Place Drive, Suite 201
North Charleston, SC 29405
843-571-4366 or Toll Free 866/SAFMC-10**