

# Allocation Review and Triggers Policy

June 2019

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## 1. Introduction

The allocation of fishery resources between competing user groups constitutes one of the most challenging management responsibilities of the South Atlantic Management Council (Council). To assist councils in their efforts to review existing fisheries allocations and reallocate resources, NMFS, in conjunction with the Council Coordination Committee (CCC) developed a Fisheries Allocation Review Policy (NMFS Policy Directive 01-119) and associated procedural directives addressing criteria for initiating allocation reviews (NMFS Procedural Directive 01-119-01) and recommended practices and factors to consider when reviewing and making allocation decisions (NMFS Procedural Directive 01-119-02). This current document provides background information to the Council as it begins the process of determining how to establish a policy for reviewing allocations and the triggers that will initiate such allocation reviews. The Council will need to complete its work on this policy no later than the June 2019 Council meeting in order to meet the August 2019 (or “as soon as practicable”) deadline established by the CCC and NMFS through the above policy/directive documents.

On December 31, 2018 President Trump signed S. 1520, “Modernizing Recreational Fisheries Management Act of 2018”. This bill requires the Comptroller General of the United States to conduct a study within one year of the passage of the act in the GMFMC and SAFMC jurisdictions that will:

1. Recommend criteria that could be used for allocating/reallocating fishing privileges.
2. Identify sources of information that could support the used of the above criteria.
3. Assess the budgetary requirements for performing periodic allocation decisions.
4. Develop recommendations of procedures for allocation reviews and potential adjustments in allocation.

Additionally, S. 1520 directs the Comptroller General of the United States to consult with NOAA, the SAFMC and GMFMC, the Councils’ SSCs, state fishery management agencies, fishery participants from all sectors, and other stakeholders, as much as is possible. It is reasonable to expect that the Comptroller’s Office will be contacting the SAFMC regarding allocation triggers and allocation policies. While the August 19, 2019 deadline of getting the Council’s Allocation Trigger Policy may no longer be necessary, it may be in this Council’s best interest to continue the development of the policy to provide as input to the Comptroller’s Office for the benefit of their study.

### Previous, Relevant Work

In Snapper Grouper Regulatory Amendment 13 (2013) the SAFMC adjusted ACLs for many species based on the last time MRIP numbers changed. The criteria used for the allocations did not change, but with the new MRIP numbers at that time the percent allocations between recreational and commercial sectors were adjusted. In 2018, MRIP numbers were recalibrated once again. However, the new MRIP values as modified by the SEFSC are not yet available. Once the SEFSC revisions are complete the Council will be able to look at adjustments for vermilion snapper, black sea bass, red grouper, and blueline tilefish, the species for which assessment updates will be available. Hopefully, those data will be available for March 2019.

One suggestion from the CCC guidance was for the Council to review and modify as necessary, the goals and objectives for those FMPs where more than one sector participated in the fishery. For the SAFMC, that includes the Snapper Grouper, Coastal Migratory Pelagics, and Dolphin Wahoo FMPs. The Council worked on the Goals and Objectives for the Snapper Grouper Fishery during the Visioning process, however, those modifications were never formally adopted. Council staff will be presenting those modifications to the Council and ask for further guidance. Additionally, the goals and objectives for the Dolphin Wahoo FMP are being reviewed as a part of Amendment 10. Goals and objectives for the Coastal Migratory Pelagics FMP will be reviewed/modified, as necessary, as part of the next regular plan amendment.

## 2. Fisheries Allocation Review Policy

In the Allocation Review Policy (policy), a fishery allocation (or “assignment”) of fishing privileges is defined by NMFS as a “direct and deliberate distribution of the opportunity to participate in a fishery among identifiable, discrete user groups or individuals.” 50 CFR 600.10; see also National Standard (NS) 4 Guidelines, 50 CFR 600.325(c)(1). A further description of the scope of this definition and examples of allocations of fishing privileges and provided in NS 4. Because the policy covers only allocations that distribute specific quantities to identifiable, discrete user groups or individuals, the scope of allocations covered by this policy is narrower than the scope of allocations under the NS 4 guidelines. The policy provides an iterative process that would assist fishery management councils in the periodic evaluation of fisheries allocations.

The policy recommends the use of adaptive management in fisheries allocation reviews. Adaptive management is defined (NMFS Policy Directive 01-119), “as the on-going process of evaluating if management objectives have been met and adjusting management strategies in response. The process includes periodical re-evaluation and updating of the management goals and objectives to ensure they are relevant to current conditions and needs.” The policy delineates authorities and responsibilities of Fisheries Management Councils, NMFS Regional Offices, and Science Centers. Fishery Management Councils are responsible for selecting the criteria for initiating fisheries allocations reviews, i.e., for establishing the review triggers for each fishery management plan including fisheries allocations. Triggers suggested include time-based, public interest-based, and indicator-based criteria. Additionally, for indicator-based criteria, Councils must lay out the process to follow for assessing whether the trigger is met. The policy also recommends Councils identify their allocation review triggers within three years of the finalization of the policy (by August 2019) or as soon as practicable. NMFS Regional Offices and Science Centers will support the Councils in their efforts to identify triggers for their fisheries and are expected to assist Councils conduct allocation reviews as needed.

The adaptive management approach recommended for allocation reviews is an iterative process that includes the following three steps:

Step One: A trigger is met. There are three main categories of triggers: public input, time, or indicator-based. For example, a significant change in landings (e.g., an increase/decrease greater than one to two standard deviations within a three-year timeframe, etc.) may be identified as an indicator-based trigger for initiating a review of an allocation decision. If the trigger is indicator-based, or time-based, then proceed immediately to step 2: fisheries allocation review. If the

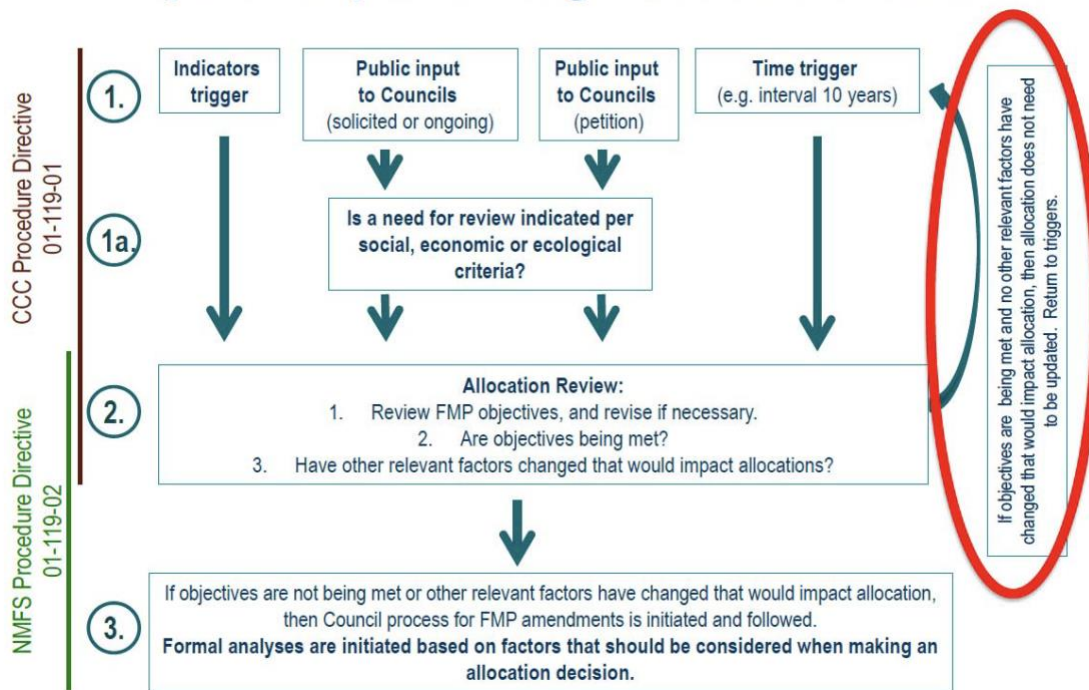
trigger is based on public input to the Councils, then a check for changes in social, ecological, or economic criteria is required (Step 1a in **Figure 1** below) to ensure assessment of the fisheries allocation is an appropriate use of Council resources. At this stage, in depth analyses are not required.

Step Two: Fisheries Allocation Review. Councils should complete a review of the fisheries allocation in question. This review will assist the Councils in determining whether or not the development and evaluation of allocation options is warranted, and is not, in and of itself, a trigger to initiate an FMP amendment (or framework adjustment, if appropriate) to consider alternative allocations. This step is discussed in more detail in the CCC triggers document (Procedural Directive 01-119-01) and overlaps with the NMFS fisheries allocation factors document (Procedural Directive 01-119-02). The review should consider the FMP objectives along with other relevant factors that have changed and may be important to the fisheries allocation. Relevant factors are described in the NMFS fisheries allocation factors document (Procedural Directive 01-119-02). At this stage, in depth analyses are not required; however, to ensure transparency, a clear articulation of how the objectives are or are not being met, and a clear rationale on relevant factors considered should be included in the record. This fisheries allocation review informs whether or not a consideration of new allocation alternatives is warranted.

Step Three: Evaluation of Fisheries Allocation Options for an FMP amendment. Based on Step Two, if a Council decides that development of allocation options is warranted, a Council will proceed with formal analyses, and follow its amendment process for identifying alternatives, soliciting public input, etc. If the Council determines that the FMP objectives are not up-to-date, then the Council should discuss, evaluate, and if necessary, revise the objectives. During the identification of alternatives, Councils should consider the factors in the Procedural Directive 01-119-02. All of the factors do not need to be analyzed for each fisheries allocation decision. If a factor is not relevant for a given decision, no formal analysis for that factor is needed; however, the record should clearly document the rationale for that determination.

The complete adaptive management of allocations review process is illustrated in **Figure 1**.

## Steps in Adaptive Management of Allocations



**Figure 1.** Steps in adaptive management of allocations – (Fisheries Allocation Review Policy. NMFS Policy Directive 011-19)

### 3. Developing Triggers for Initiating Allocation Reviews

At this stage in the process, the Council needs to begin work on developing allocation review triggers for fisheries subject to the policy. The review policy and its supporting documents discuss three types of triggers: 1) public interest-based triggers; 2) time-based triggers; and 3) indicator-based triggers. Use of public interest or time-based criteria for triggering allocation review is not mutually exclusive to ongoing formal and informal evaluation of fishery performance and outcomes. This section provides excerpts from the procedural directive on allocation review triggers (NMFS Procedural Directive 01-119-01).

#### 3.1. Indicator-based criteria

The MSA requires that fisheries be managed for Optimum Yield (OY), which is Maximum Sustainable Yield (MSY) as reduced by relevant social, economic and ecological factors. In defining OY, the NSI guidance provides that these factors should be “quantified and reviewed in historical, short term and long term contexts.” Furthermore, it recommends that each FMP should contain a mechanism for periodic review of the OY specification, in order to respond to changing conditions in the fishery. In establishing indicator-based metrics for review of allocations – whether among sectors (e.g., commercial, recreational, for-hire, gear, international, etc.), within a sector (e.g., among catch share recipients), or for purposes such as bycatch accounting –it is logical to apply similar parameters to an allocation review as to an OY review, particularly if the goals and objectives of an FMP specifically address these items. In support of

such an approach, the NS4 guidance states that allocation decisions should be “rationally” linked to attaining OY, and/or to the objectives of an FMP. It follows that selection of indicator-based criteria to trigger an allocation review should inherently be linked to those same objectives. In the interest of public transparency and clarity, councils may even consider establishing an objective that is specific to allocation within an FMP.

A time component is inherent in any indicator-based criteria for review of allocations, whether explicitly included (e.g., achieving a desired economic efficiency within XX years) or not. Evaluating a criterion used in establishing an allocation, particularly if it requires the addition of ensuing years of data to a quantitative analysis, indirectly applies a timeframe for review. There are several categories of indicator-based criteria to consider as triggers for initiating review of allocations, all stemming from the definition of OY: economic, social, and ecological. Ideally, the rationale for an initial allocation decision would consider a mix of criteria from all categories, although data limitations may preclude quantitative consideration. This could impact the ability to set an objective, specific review trigger for a particular criterion. It follows that use of several criteria, either singly or in combination, and across multiple categories, may be optimal when using indicator-based criteria as a trigger for an allocation review. For example, a council may select one social, one ecological and one economic criterion as indicators, and define the “trigger” for review as any two of the three criteria meeting predetermined limits. This clearly defines the minimum threshold to trigger an allocation review. Taking this example to Step 2, consideration of allocation alternatives may occur if the selected indicators meet established limits within a particular timeframe, effectively combining indicator- and time-based triggers in order to ensure an adaptive management approach. As noted above, it may be difficult to set measurable values as triggers for indicator-based criteria and use of quantitative thresholds is likely to be more the exception than the norm. In such cases, qualitative triggers should be considered to ensure that FMP goals and objectives are addressed.

In selecting indicator-based criteria, it is important to recognize there are factors that are not in and of themselves measurable metrics for a particular criterion or set of criteria; however, they may impact selected criteria and thus influence the “triggering” of a review. These factors may include acquisition of new data, natural disasters, etc. that are not necessarily measurable on their own, but can impact measurable criteria from any of the three categories. Finally, while there is overlap in the discussion of indicator-based criteria in this document with the NMFS guidance document, the purpose of the two documents is different. The latter document refers to the indicators below as “factors” (in addition to many others) to be considered by councils in the context of establishing initial allocations, or if a re-allocation action is undertaken. The CCC document discusses their use as one of three possible types of triggers for an allocation review. While some overlap is inevitable, the context in which that overlap occurs is important.

#### Economic Criteria

While the quality and quantity of fisheries economic information has improved over the years, there may be instances in which a disparity exists in the available data for one or more industry sectors, user groups or communities impacted by an allocation decision. This should be explicitly noted and accounted for should quantitative economic criteria be selected by councils as a trigger for allocation review. Because economic outcomes are often closely tied to social outcomes,

links between economic and social triggers should also be acknowledged (Jepson and Colburn 2013).

The NS5 regulations prohibit the establishment of allocations for economic purposes alone; however, economic efficiency “shall” be considered where practicable. Multiple economic tools are available to assist in establishing indicator-based triggers for review: cost-benefit analysis, economic impact analysis, and economic efficiency (Edwards 1990; Plummer et al. 2012). It should be noted that public understanding of the differences between and proper use of these tools is often limited.<sup>1</sup> Whatever the economic triggers are for an allocation review, it will be of utmost important to explain the tool(s) used in plain language that stakeholders can understand. Although not all sectors of the public may agree with the criteria or trigger value, public understanding of the tool is critical to its acceptance as a means of informing both an initial allocation decision and its subsequent review. For example, failure to achieve a desired economic efficiency within a particular timeframe, and unanticipated or greater than anticipated/analyzed costs are examples of triggers for initiating a review of allocation decisions.

### Social Criteria

As noted above, social and economic impacts are often linked, and changes in social criteria may lead to changes in economic criteria and vice versa. NS8 requires that management measures account for social and economic impacts to communities, as well as provide for “sustained participation.” This is defined in the NS8 guidelines as “continued access” to the resource, depending on resource condition.

A number of studies and technical memoranda have been published detailing the development and measurement of social metrics such as community resilience, vulnerability and well-being. Jepson and Colburn (2013) describe categories of indices --social, gentrification, fishing dependence-- that can be used to estimate social impacts of management decisions at the community level and are currently used to describe the social environment in FMP amendments. Councils may choose to select several indices among the above categories or an entire category of indices as indicator-based criteria to trigger an allocation review. The methods used in Jepson and Colburn provide a quantifiable means of tracking the potential social impacts of an allocation decision. As alluded to earlier, setting a minimum threshold (e.g., a 0.5 standard deviation change in a social index score, etc.) or a timeframe (e.g., every three or five years) for undertaking a review of selected criteria will ensure that a fishery is not in a constant state of “allocation flux,” again illustrating the inter-relationship of the various criteria discussed in this document. While councils may lack a quantitative means of developing social criteria, use of public-interest based criteria may provide a means for doing so (e.g., public input regarding loss of processing capacity or tackle shops in a community), or for establishing qualitative criteria.

Finally, for many communities, social change can be closely linked to ecological change (i.e., a sudden harvest moratorium as a result of a stock assessment; Jepson and Colburn 2013). While ecological criteria for allocation review are addressed in the following section, this relationship is

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<sup>1</sup> For example, constituents often cite the results of economic impact analyses as justification for allocation of resources to a particular user group. However, the peer-reviewed economic literature indicates that cost-benefit analyses, not economic impact analysis, are the appropriate tool for informing allocation decisions.



worth noting as it further demonstrates that the categories of indicator-based criteria do not exist independent of one another.

### Ecological Criteria

Ecological criteria may be considered some of the most self-evident criteria for triggering an allocation review. Changes in fishery status resulting from a stock assessment, previously undocumented sources of mortality (fishing or otherwise), increases in discards, and changes in species distribution and food web dynamics are all examples of factors that may influence an allocation review. However, as noted previously, not all of these factors are necessarily measurable, indicator-based metrics that the councils have any control over. Measurable criteria that could be considered are failure to end overfishing within a specified timeframe, failure to achieve or rebuild to a certain level of abundance, a significant increase in discard mortality from a particular sector, significant changes in landings (e.g., an increase/decrease greater than one to two standard deviations within a three-year timeframe, etc.). As with social metrics, public interest based criteria may at least provide a means of establishing qualitative ecological criteria (e.g., anecdotal evidence of changes in distribution, discards, size of fish, etc.).

### 3.2. Public interest-based criteria

If the Council develops effective indicator or time-based allocation review mechanisms, then a public-interest review trigger mechanism may not be necessary. However, if those review mechanisms are not established, or if they are not responsive to changing conditions within a fishery, then a public-interest review mechanism could be used to trigger an allocation review. The U.S. regional fishery management council system is transparent and open to public input throughout the process. Councils implement extensive work plans throughout the year, and manage some regulatory initiatives, including plan amendments, over the span of several years. Managing to meet the councils' statutory requirements and other competing priorities requires effective planning, which typically includes an annual priority-setting process. Ideally, public input on the need to review a specific fishery allocation would feed into this process to enable an orderly consideration of the question, in the context of competing priorities and organizational resources. This guidance addresses the solicitation or consideration of statements of public interest at three different levels within the regional fishery management council process:

1. Ongoing public input on fishery performance
2. Solicitation of public comment regarding allocation review
3. Formal initiatives

#### Ongoing public input on fishery performance

As noted above, the council process is open, transparent, and offers frequent opportunities for public comment and input. This dynamic establishes a feedback loop between the council and the public in regard to both the specific issues under the council's consideration and broader indicators of fishery performance. Given the extent to which the impacts of allocation decisions are associated by the public (both through direct observation and perception) with fishery performance, public interest in allocation review is likely to be expressed at many points within the council process and in reference to a variety of fisheries management issues.

This feedback loop of ongoing public comment is a valuable opportunity for the public to express interest in allocation review, and for the council to gauge how effectively allocation objectives are being met. It also serves as an opportunity for the Council to understand and evaluate the extent to which allocation lies at the root of fisheries management challenges, and the need to initiate allocation review may be indicated through this process.

#### Solicitation of public comment regarding allocation review

The Council may choose to engage in allocation review “scoping discussions” with stakeholders and other interested parties. Unlike the collection of feedback through ongoing public comment described above, this process is deliberate and specifically targets public input on the need for allocation review. The Council relies on outreach and information-gathering mechanisms to achieve public input including the solicitation of written comments, scoping discussion at council meetings, and port meetings and other community engagement strategies.

One of the benefits of this approach to consideration of triggering allocation review is that it is focused directly on the allocation and the necessity for potential review rather than on the secondary and tertiary impacts of the allocation. An additional benefit to this strategy is the council’s ability to dictate a schedule. While more demanding of time and resources than identification of allocation review triggers in the course of ongoing public comment, the process for soliciting, receiving, and considering public input can be designed by the council and scheduled in a manner that does not conflict with other council initiatives and priorities.

When considering the solicitation of public input regarding allocation review, the Council should be aware of, and sensitive to, the expectations among stakeholders that could develop as a result of the council indicating interest. The Council should carefully consider its ability (resources and capacity) and willingness to follow through with an allocation review if warranted before reaching out to the community for focused input.

#### Formal petition mechanism

The first two approaches to gathering, evaluating, and responding to public input are already possible within the current regional fishery management council system. In both cases, the decision to initiate the review would rest with the Council. A stronger public interest review mechanism could include a provision for a stakeholder request or petition requesting review, together with a requirement for the Council to initiate an allocation review within a reasonable period of time. Such a provision would have more potential to impose a cost on the Council’s established work plan and priorities but would provide another mechanism to ensure that allocations receive due consideration in response to public concern. If such a mechanism is established, it may be appropriate to incorporate indicator-based criteria to establish a minimum threshold for initiating review.

Any petition-based review process should establish requirements that identify specific conditions or outcomes upon which such requests may be based. In addition, councils should include establishment of guidelines for petitions. While a council has discretion to determine whether or not to move forward with an allocation review as per the requirements it establishes under a petition-based process, it should at least respond to the request for a review under this process. This response could be as simple as a letter to the petitioner(s), explaining the Council’s rationale

for its decision (e.g., petition did not meet conditions for consideration, lack of standing by petitioners, etc.).

### 3.3. Time-based criteria

The establishment of a time-based trigger has figured prominently in recent discussions regarding allocation review, including provisions for periodic allocation review in several MSA re-authorization drafts. In several respects, periodic allocation review on a set schedule is the most simple and straightforward criterion for triggering an allocation review; the approach is unambiguous and less vulnerable to political and council dynamics. That said, the attributes of simplicity and the mandate of a strict schedule render time-based criteria less sensitive to other council priorities and the availability of time and resources to conduct an allocation review.

Time-based triggers for initiating allocation review might be most suitable for those fisheries or FMPs where the conflict among sectors or stakeholder groups make the decision to simply initiate a review so contentious that use of alternative criteria is infeasible. In such a situation, a fixed schedule ensures that periodic reviews occur regardless of political dynamics or specific fishery outcomes. Given the inflexible nature of time-based triggers, however, it is recommended that they be used only in those situations where the benefit of certainty outweighs the costs of inflexibility.

The inflexible nature of time-based triggers can impact both the work and effectiveness of the Council as well as the outcomes of the allocation process itself. As noted above, fixed, time-based triggers for review may conflict with other council priorities. To the extent that those priorities include consideration of actions to mitigate significant social, economic, or conservation concerns, adherence to a fixed review schedule may prevent a council from achieving significant and beneficial management outcomes while achieving at best marginal improvements through allocation review. Given the fact that there is potentially no relationship between the pace at which fishery performance evolves and a fixed schedule for allocation review, use of such a trigger creates the potential of a significant expenditure of council time and resources with little need for review or likely improvement in fishery performance.

Time-based triggers for review may impede stability in subject fisheries. To the extent that reviews are conducted on a regularly scheduled basis, there is an incentive for sectors receiving allocations to continuously employ operational and political tactics to improve their allocation at the next review. The assurance of a “new” allocation review may as well encourage speculative entry into subject fisheries. When considering the adoption of a time-based review trigger, care should be taken to identify if and to what extent the process is likely to be manipulated or “gamed”, and measures to minimize that activity should be considered.

The selection of review intervals using time-based triggers should be informed by fishery characteristics, data availability, and Council resources. Newly developed or rapidly changing fisheries may warrant more frequent review, while established fisheries with stable participation and performance can likely be reviewed less frequently. Whether following an initial allocation or a re-allocation, the timing of further review should accommodate the collection and analysis of a data series from which meaningful and accurate review and analysis can be achieved. The

five-year initial review and subsequent reviews every (up to) seven years of limited access privilege programs (LAPPs) as required under Section 303A of the MSA may indicate a desirable minimum interval between reviews. Similarly, the 10-year durability of most LAPP permits may suggest a maximum interval for time-based review triggers.

#### 4. Fisheries Allocations in the South Atlantic

The identification of the fisheries allocations that would be subject to review under the guidelines set by the allocation review policy constitutes a prerequisite to implementing the policy in the South Atlantic. Current fisheries allocations that may be subject to review according to the policy are discussed in this section.

The Council has apportioned (or is considering the allocation of) fisheries resources between various user groups, including:

- (a) allocations between the commercial and recreational sectors;
- (b) allocations by gear type within the commercial sector;
- (c) jurisdictional apportionments between the Gulf and South Atlantic; and
- (d) allocations between regions within the South Atlantic Council’s jurisdiction.

**Table 1** below lists the current recreational and commercial allocations for snapper grouper, coastal migratory pelagic, and dolphin/wahoo species.

**Table 1.** Commercial and Recreational Allocations in the South Atlantic as of December 2018.

Species	Commercial Allocation	Recreational Allocation	Allocation Date
Atlantic Spadefish	18.53%	81.47%	2013 (RA13)
Bar Jack	21.25%	78.75%	2013 (RA13)
Black grouper	36.88%	63.12%	2012 (A25)
Black sea bass	43.00%	57.00%	2006 (A13c)
Blueline Tilefish	50.07%	49.93%	2011 (A25)
Gag	51.00%	49.00%	2009 (A16)
Golden tilefish	97.00% (25% hook and line, 75% longline)	3.00%	2011 (A25)/ 2013 (A18B - gear alloc.)
Gray Triggerfish	43.56%	56.44%	2015 (A29)
Greater amberjack	40.66%	59.34%	2011 (A25)
GA-NC Hogfish	69.13%	30.87%	2017 (A37)
FLK/EFL Hogfish	9.63%	90.37%	2017 (A37)
Mutton Snapper	17.02%	82.98%	2011 (A25)
Red grouper	44.00%	56.00%	2011 (A24)
Red pogy	50.00%	50.00%	2008 (A15b)
Red snapper	28.07%	71.93%	2011 (A25)

<b>Species</b>	<b>Commercial Allocation</b>	<b>Recreational Allocation</b>	<b>Allocation Date</b>
Scamp	65.34%	34.66%	2013 (RA13)
Snowy grouper	83.00%	17.00%	2015 (RA20)
Speckled hind	65.59%	34.41%	2011 (A25)
Warsaw grouper	17.79%	82.21%	2011 (A25)
Vermilion snapper	68.00%	32.00%	2009 (A16)
Wreckfish	95.00%	5.00%	2011 (A25)
Yellowtail Snapper	52.56%	47.44%	2011 (A25)
<b>Deepwater Complex</b>			
Yellowedge Grouper	90.77%	9.23%	2013 (RA13)
Silk Snapper	73.95%	26.05%	2013 (RA13)
Misty Grouper	83.42%	16.58%	2013 (RA13)
Sand Tilefish	22.17%	77.83%	2013 (RA13)
Queen Snapper	92.50%	7.50%	2013 (RA13)
Blackfin Snapper	29.91%	70.09%	2013 (RA13)
<b>Jacks Complex</b>			
Almaco Jack	48.70%	51.30%	2013 (RA13)
Banded Rudderfish	26.01%	73.99%	2013 (RA13)
Lesser Amberjack	46.07%	53.93%	2013 (RA13)
<b>Snappers Complex</b>			
Gray Snapper	24.23%	75.77%	2013 (RA13)
Lane Snapper	14.75%	85.25%	2013 (RA13)
Cubera Snapper	19.57%	80.43%	2013 (RA13)
<b>Grunts Complex</b>			
White Grunt	31.59%	68.41%	2013 (RA13)
Sailor's Choice	0.00%	100.00%	2013 (RA13)
Tomtate	0.00%	100.00%	2013 (RA13)
Margate	18.88%	81.12%	2013 (RA13)
<b>Shallow-Water Groupers Complex</b>			
Red Hind	73.60%	26.40%	2013 (RA13)
Rock Hind	60.90%	39.10%	2013 (RA13)
Yellowmouth Grouper	1.10%	98.90%	2013 (RA13)
Yellowfin Grouper	52.70%	47.30%	2013 (RA13)
Coney	24.45%	75.55%	2013 (RA13)
Graysby	15.74%	84.26%	2013 (RA13)
<b>Porgy Complex</b>			
Jolthead Porgy	4.15%	95.85%	2013 (RA13)

Species	Commercial Allocation	Recreational Allocation	Allocation Date
Knobbed Porgy	51.18%	48.82%	2013 (RA13)
Saucereye Porgy	0.01%	99.99%	2013 (RA13)
Scup	0.00%	100.00%	2013 (RA13)
Whitebone Porgy	1.05%	98.95%	2013 (RA13)
<b>Coastal Migratory Pelagics</b>			
Atlantic Group King Mackerel	37.1%	62.9%	1985 (A1)
Atlantic Group Spanish Mackerel	55.00%	45.00%	2000 (Fwrk)
Gulf Group Cobia- FL East Coast Zone	8.00%	92.00%	2011 (A18)
<b>Dolphin/Wahoo</b>			
Dolphin	10.00% %	90.00% %	2015 (A8)
Wahoo	3.93% %	96.07% %	2013 (A5)

## 5. Council Decisions

The Council discussed the Allocation Trigger Review Policy at its December 2018 meeting. The remainder of Section 5 of this document is a description of the policy based on those discussions.

### **Council decisions made in December 2018**

#### *Selected Trigger Criteria*

The Council discussed applying two of the three criteria to determine when allocations ought to be reviewed – 1) Indicator-based; and 2) Time-based. The Public Interest-based criterion was not included as the Council decided that they already receive significant input from the public on fisheries management issues through other forums such as solicited and unsolicited public comment opportunities.

Indicator-based criteria considered by the Council:

- Either or both sectors exceed their sector’s allocation.
- Continued under harvest of a sector’s allocation
- Something comes out of a stock assessment or Fishery Performance Report could indicate a need for an allocation review

Time-based criteria that would be used are:

- If a period of time passes without a review of allocations, a review would be automatically begun
- Institute a shorter period of time for the top 10 or 15 species to be considered for allocation review
- Institute a longer period time for the remaining species to be considered for allocation review

*Criterion for excluding species inclusion from an allocation review*

Discussion was held on whether or not the Council should review allocations for a species undergoing rebuilding. There was support expressed on both sides of the argument at the December 2018 Council meeting. Some advocated that reallocating the stock could affect rebuilding, while others indicated for some species in a very long rebuilding plan such as red snapper could go for a very long time without having sector allocations being reviewed.

#### *Caveats*

- No species should have its allocation reviewed more frequently than every XX years whether by indicator or time-based criteria. For example, if a species had its allocation reviewed because of a sector exceeding its allocation, would the species allocation be reviewed again in three years because it meets the time period requirement?

#### Council decisions made in March 2019

- The Council will revisit allocations for species each time a stock assessment for a species is accepted.
- The default review for allocations will occur every 7 years.
- To avoid reviewing all allocations potentially every 7 years, the Council wants managed species to be sorted into 3 bins: 1) species that have an allocation in effect in any year prior to 2013; 2) species that last had their allocation set in 2013; and 3) species that had their allocations set in 2014 or later. The Council will review these groupings the next time they review the amendment.
- A sector would need to exceed its allocation 3 out of 5 years to trigger an allocation review.
- A sector would need to under harvest at least 50% of its sector ACL for 3 out of 5 years to trigger an allocation review.
- The Council will review at a later date the information they would like to have to help them in determining whether or not sector allocation is warranted.
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#### Additional information needed

- Does the Council want to specify a minimum number of years that must elapse between allocation reviews before it reviews them again? For example, say black sea bass is reviewed in 2022 and the assessed species are scheduled to have their allocations reviewed in 2024, should black sea bass be exempted from the 2024 review?

## 6. Next Steps

1. During the Council's initial review and discussion of the allocation review policy and associated procedural guidelines, the Council would determine the fisheries allocations subject to the policy.
2. Evaluate and, if necessary, revise the objectives of the corresponding FMPs.
3. Continue discussion and identification of allocation review triggers.
4. Continue to determine the appropriate implementation method for its allocation review process. The review policy affords councils ample flexibility in this determination.
5. By August 2019 (or as soon as practicable), the Council would send a letter or memo indicating fisheries subject to the policy, its review process, and selected triggers.

6. After the Council sends its letter indicating fisheries subject to the policy, an official policy document outlining its allocation review process that will be posted to Council's website.
7. Once all of these steps are completed, the Council will begin its review of allocations according to the published plan.

## 7. Proposed Timing

June 2019	Final review of triggers, implementation plan, and policy statement.
NLT August 2019	Memo to NMFS indicating fisheries subject to the policy, its review process, and selected triggers.
September 2019	Begin drafting allocation policy statement
March 2020	Finalize and publish draft allocation policy statement (tentative)



## 7. References

- Edwards, Steven F. 1990. An Economics Guide to Allocation of Fish Stocks Between Commercial and Recreational Fisheries. U.S. Dept. of Commerce, NOAA Technical Report NMFS 94, 29 p.
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- Plummer, M.L., W. Morrison, and E. Steiner. 2012. Allocation of fishery harvests under the Magnuson-Stevens Fishery Conservation and Management Act: Principles and practice. U.S. Dept. Commerce, NOAA Tech. Memo. NMFS-NWFSC-115, 84 p.