ATTACHMENT 5

DRAFT

Snapper Grouper FMP Amendment 15
Purpose and Need and Proposed Alternatives

PURPOSE AND NEED

The ultimate goal of any fishery management program is to prevent overfishing while achieving the optimum yield (OY) from the fishery. The OY is the portion of the fish stock that provides the greatest economic, social, and ecological benefit to the nation. In a fishery where OY is not being achieved on a consistent basis, the full extent of social and economic benefits is not realized. In an effort to prevent overfishing and achieve OY in the snapper grouper fishery, fishery managers regularly review the best available scientific information and take action, as needed, to ensure their stewardship for the benefit of the Nation.

The overriding need, then, for the actions in Amendment 15 is to prevent overfishing and achieve OY from the South Atlantic snapper grouper fishery. These actions will be accomplished to satisfy five major objectives: Establishment of management reference points and status determination criteria for snowy grouper, golden tilefish, black sea bass, vermilion snapper, and red porgy recently assessed through SEDAR; modification of rebuilding schedules for snowy grouper and black sea bass; establishment of rebuilding strategies for snowy grouper, black sea bass, and red porgy; prohibition of the sale of recreationally-caught fishes; ensuring parity among users in different states by changing the golden tilefish fishing year; reducing discards of dead queen snapper by eliminating the 12-inch TL commercial and recreational minimum size limit; and easing the requirements for snapper grouper permit renewal and creation of family-owned corporations.

<u>Management Reference Points and Status Determination Criteria</u>

The Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), as amended by the Sustainable Fisheries Act (SFA), requires that each FMP define **management reference points** in the form of maximum sustainable yield (MSY) and OY, and specify objective and measurable criteria for identifying when the fishery is overfished and/or undergoing overfishing. MSY is the largest long-term average catch that can be taken continuously from a stock under prevailing ecological and environmental conditions. OY is usually some fraction of MSY. **Status determination criteria** are defined by 50 CFR 600.310 to include a minimum stock size threshold

(MSST) and a maximum fishing mortality threshold (MFMT). Together, these four parameters (MSY, OY, MSST and MFMT) allow fishery managers to measure the status and performance of each fishery in the fishery management unit. By evaluating stock biomass (B) and fishing mortality rate (F) in relation to MSY, OY, MSST, and MFMT, fishery managers can determine the status of a fishery at any given time and assess whether management measures are achieving established goals. Without them, it is difficult for fishery managers to know whether a fishery is overfished or undergoing overfishing, and whether current management measures are sufficient.

Amendment 11 to the Snapper Grouper Fishery Management Plan (FMP), which was contained within the South Atlantic Fishery Management Council's (the Council) *Comprehensive SFA Amendment*, specified MSY, OY, MSST, and MFMT for many species in the snapper grouper FMU. Amendment 15 will replace the definitions for five species from Amendment 11 with more recent scientific information derived by stock assessments for those five species.

Rebuilding Plans

Recent stock assessments have determined black sea bass, snowy grouper, and red porgy are overfished. This means that these fish stocks have declined to levels below those which support the MSY on a continuing basis. The Magnuson-Stevens Act requires fishery management councils to develop a **rebuilding plan** when a stock is identified as overfished. Rebuilding plans have two components: the timeframe in which the stock will be rebuilt (**rebuilding schedule**) and the total allowable catch (TAC) each year during the rebuilding timeframe (**rebuilding strategy**). Rebuilding strategies must have a 50% chance or greater chance of rebuilding the stock to the biomass at MSY within the timeframe designated by the rebuilding schedule. In this amendment, the Council is considering options for rebuilding schedules for snowy grouper, red porgy, and black sea bass, and options for rebuilding strategies for snowy grouper and black sea bass.

Regulations proposed in Amendment 13C to the Snapper Grouper FMP are intended to end overfishing of black sea bass, snowy grouper, and red porgy. Implementation of these regulations is anticipated in fall 2006. The anticipated reductions in fishing mortality, besides ending overfishing, are projected to allow black sea bass and snowy grouper to rebuild to a sustainable level over time. Without a rebuilding plan, however, the TAC for each year would not be designated ahead of time, and there would be no long-term plan for stock recovery. This lack of a rebuilding plan may lead to overly permissive regulations, especially as stocks rebuild, which would reduce the likelihood of stock rebuilding by the end of the rebuilding schedule. In contrast, overly restrictive regulations could result, which would reduce economic opportunities to fishermen as well as reducing the availability of a food source for the public. The absence of a rebuilding plan would, therefore, reduce the likelihood that the Council could achieve OY from black sea bass and snowy grouper.

Prohibition on sale of recreationally-caught snapper grouper species

Currently, recreational fishermen may sell up to the bag limit of snapper grouper species if they have a state-issued license. The sale of snapper grouper species caught by recreational fishermen cannot be accounted for, and its magnitude is unknown. With the recent introduction of more restrictive quotas on some snapper grouper species, some commercial fishermen are concerned that, when recreational fishermen sell their catch to dealers, catch is counted toward the commercial quota. In addition, a fish may currently be double-counted if it is reported through the Marine Recreational Fisheries Statistics Survey, then its sale to a dealer is reported. Therefore, the Council is considering options to prohibit the sale of recreationally caught snapper grouper species.

Changes to the golden tilefish fishing year and trip limit

The current golden tilefish commercial fishing quota is 1,001,663 lbs gutted weight; once this quota is met, commercial harvest and retention is prohibited. Amendment 13C to the Snapper Grouper FMP plans to reduce the golden tilefish commercial quota to 295,000 lbs gutted weight. Furthermore a trip limit of 4,000 lbs gutted weight would be reduced to 300 lbs gutted weight when 75% of the quota is taken on or before September 1. Although the trip limit is intended to extend the fishery throughout the year, there is a chance that the quota could be met during the year. Public testimony during the FMP Amendment comment periods indicated concern from some commercial fishermen that the quota reduction could result in significant, disproportionate economic impacts. In particular, some commercial fishermen off Florida harvest golden tilefish with hook and line gear from September through November. They are concerned the quota would be met before they got a chance to harvest golden tilefish during the time that has been historically best for them, and suggested changing the start of the fishing year from January 1 to September 1. Commercial fishermen requested the Council rescind the trip limit reduction to 300 lbs gutted weight if the fishing year is changed. Changing the fishing year would alleviate the concerns of commercial fishermen even if the fishery is no longer year round, because commercial hook and line fishermen would be not be impeded by a potential closure of golden tilefish in the fall and commercial longline fishermen cannot make a profit on a 300 lbs trip limit. The Council is investigating changes to the golden tilefish fishing year and trip limit to ensure regulations are fair and equitable to all users of the resource.

Changes to queen snapper management

Queen snapper make a up a minor portion of the commercial landings and there is no recreational take of this species as it occurs in deep water. This species is caught at depths greater than 200 m, and the estimated mortality following release is 100%. The Council feels the 12-inch TL commercial and recreational size limit implemented in 1992 through Amendment 4 to the Snapper Grouper FMP is an ineffective management measure because all the fish die regardless of size. They are considering rescinding the size limit to allow fishermen to retain all queen snapper.

Changes to permit renewal and transferability criteria

Currently, South Atlantic snapper grouper permits must be renewed within 60 days or they expire. Fishermen have reported to NMFS that personal circumstances have prohibited them from renewing their commercial permit within this period. The Council believes the 60-day requirement is overly restrictive and seeks to ease the burden of permit renewal for fishermen by extending the period within which to renew a snapper grouper permit.

In 1998, the Council established a program to limit initial eligibility for participation in the commercial snapper grouper fishery by requiring the purchase of two commercial snapper grouper licenses in exchange for one license. This requirement also applied to individual license holders that wanted to incorporate their businesses.

Some holders of individual snapper grouper unlimited access permits would like to incorporate their businesses and transfer their snapper grouper permits to the new corporations without the need to buy a second snapper grouper permit. There are significant tax and liability benefits from doing so, including: limited liability to the shareholder for the corporation's debt; the corporation pays taxes separate from its owners; and a business owner who works in his/her fishing operation as an employee may be eligible for reimbursement or deduction of many types of expenses, including life and health insurance. The Council seeks to promote family-owned fishing businesses and extend tax and liability benefits to fishermen by allowing them to transfer individual snapper grouper permits to family-owned corporations on a one-for-one basis.

ALTERNATIVES

MSY - Snowy grouper

Table 4-x. MSY alternatives under consideration for snowy grouper.

Alternatives	MSY equation	F_{MSY}	MSY Value
Alternative 1 (no action)	The yield produced by $F_{MSY.}$ $F_{30\%SPR}$ is used as the F_{MSY} proxy.	0.14	not specified
Alternative 2 (preferred)	The estimate produced and recommended by the most recent SEDAR.	0.05	313,056 lbs whole weight

OY – Snowy grouper

Table 4-x. OY alternatives under consideration for snowy grouper.
F_{MSY} equals 0.05 for Alternatives 2-4.

Alternatives	OY equation	F_{OY} equals	OY Value
Alternative 1 (no action)	OY equals the yield produced by F_{OY}. $F_{45\%SPR}$ is used as the F_{OY} proxy.	$F_{45\%SPR}$	not specified
Alternative 2	OY equals the yield specified by a recovery plan designed to rebuild the stock to SSB_{MSY} within the approved schedule. After the stock is rebuilt, OY = the average yield available on a continuing basis from applying F_{OY}.	(65%)(F_{MSY})	293,020 lbs whole weight
Alternative 3 (preferred)		(75%)(F_{MSY})	303,871 lbs whole weight
Alternative 4		(85%)(F_{MSY})	309,716 lbs whole weight

MSST – Snowy grouper

Table 4-x. MSST alternatives under consideration for snowy grouper.

Alternatives	MSST equation	MSST would equal	Based on
Alternative 1 (no action)	MSST equals SSB_{MSY}*((1-M) or 0.5, whichever is greater)	4,105,182 lbs whole weight	SSB_{MSY} =4,664,980 lbs whole weight and M= 0.12
Alternative 2	MSST equals SSB_{MSY}*0.5.	2,332,490 lbs whole weight	SSB_{MSY} =4,664,980 lbs whole weight
Alternative 3 (preferred)	MSST equals SSB_{MSY}*0.75.	3,498,735 lbs whole weight	SSB_{MSY} =4,664,980 lbs whole weight

1.1.1 Rebuilding Schedule – Snowy grouper

Alternative 1 (no action). A 15-year rebuilding schedule is currently in place, which began in 1991.

Alternative 2. The shortest possible period to rebuild in the absence of fishing mortality (T_{MIN}) (years). This would equal 13 years (SEDAR4 2004).

Alternative 3. Mid-point between shortest possible and maximum recommended period to rebuild (years). This would equal 23.5 years.

Alternative 4 (preferred). Maximum recommended period to rebuild if T_{MIN} > 10 years (years). This would equal 34 years (SEDAR4 2004 was the source of the generation time).

1.1.2 Rebuilding Strategy – Snowy grouper

Alternative 1 would not define a yield-based rebuilding strategy for snowy grouper (Table 4-x, see page x).

Alternative 2 would define a constant catch rebuilding strategy for snowy grouper (Table 4-x). TAC would be 185,188 lbs whole weight throughout the rebuilding period.

Alternative 3 would define a constant F rebuilding strategy for snowy grouper (Table 4-x, see page x).

Alternative 4 would define modified F during 2006-2008 followed by a constant F rebuilding strategy for snowy grouper (Table 4.6-x, see page x).

Table 4-x: Annual allowable biological catches (lbs whole weight) defined by Rebuilding Strategy Alternatives 1-4 for snowy grouper.

Year	Rebuilding Strategy Alt 1 (No Action)	Rebuilding Strategy Alt 2 (Constant Catch Strategy)	Rebuilding Strategy Alternative 3 (Constant F Strategy) F = Fmsy		Rebuilding Strategy Alternative 4 (Modified Constant F Strategy)	
Adjustment Interval	**None**	**1 Year**	**1 Year**	**5 Year**	**1 Year**	**5 Year**
2007		185,188	97,449	104,914	145,505	145,505
2008		185,188	103,670	104,914	104,914	104,914
2009		185,188	111,963	104,914	101,596	117,769
2010		185,188	120,257	104,914	109,890	117,769
2011		185,188	128,550	142,274	118,183	117,769
2012		185,188	132,697	142,274	126,477	117,769
2013		185,188	138,917	142,274	132,697	117,769
2014		185,188	147,211	142,274	136,844	161,627
2015		185,188	163,996	142,274	155,250	161,627
2016		185,188	172,743	189,798	163,996	161,627
2017		185,188	179,303	189,798	170,556	161,627
2018		185,188	190,236	189,798	181,489	161,627
2019		185,188	198,982	189,798	188,049	202,918
2020		185,188	207,729	189,798	196,795	202,918
2021		185,188	216,475	226,971	203,355	202,918
2022		185,188	220,848	226,971	209,915	202,918
2023		185,188	225,221	226,971	216,475	202,918
2024		185,188	231,781	226,971	223,035	239,921
2025		185,188	240,528	226,971	231,781	239,921
2026		185,188	247,088	261,553	240,528	239,921
2027		185,188	251,461	261,553	247,088	239,921
2028		185,188	261,610	261,553	257,175	239,921
2029		185,188	270,478	261,553	263,827	274,468
2030		185,188	277,129	261,553	268,261	274,468
2031		185,188	281,563	293,978	274,912	274,468
2032		185,188	288,214	293,978	279,346	274,468
2033		185,188	294,865	293,978	285,997	274,468
2034		185,188	299,299	293,978	290,431	300,629
2035		185,188	305,950	293,978	294,865	300,629
2036		185,188	305,950	311,493	301,516	300,629
2037		185,188	310,384	311,493	305,950	300,629
2038		185,188	312,601	311,493	310,384	300,629
2039		185,188	317,035	311,493	314,818	314,818

MSY – Golden tilefish

Table 4-x. MSY alternatives under consideration for golden tilefish.

Alternatives	MSY equation	F_{MSY}	MSY Value
Alternative 1 (no action)	The yield produced by F_{MSY}. $F_{30\%SPR}$ is used as the F_{MSY} proxy for all stocks.	0.38	not specified
Alternative 2 (preferred)	The estimate produced and recommended by the most recent SEDAR.	0.043	336,425 lbs whole weight

OY – Golden tilefish

Table 4-x. OY alternatives under consideration for golden tilefish.

F_{MSY} equals 0.043 for Alternatives 2-4.

Alternatives	OY equation	F_{OY} equals	OY Value
Alternative 1 (no action)	OY equals the yield produced by F_{OY}. $F_{40\%SPR}$ is used as the F_{OY} proxy.	$F_{40\%SPR}$	not specified
Alternative 2	OY = the average yield available on a continuing basis from applying F_{OY}.	(65%)(F_{MSY})	314,894 lbs whole weight
Alternative 3 (preferred)		(75%)(F_{MSY})	326,554 lbs whole weight
Alternative 4		(85%)(F_{MSY})	332,835 lbs whole weight

MSST – Golden tilefish

Table 4-x. MSST alternatives under consideration for golden tilefish.

Alternatives	MSST equation	MSST would equal	Based on
Alternative 1 (no action)	MSST equals SSB_{MSY}*((1-M) or 0.5, whichever is greater)	1,783,650 lbs whole weight	SSB_{MSY} =1,938,750 lbs whole weight and M= 0.08
Alternative 2	MSST equals SSB_{MSY}*0.5.	969,375 lbs whole weight	SSB_{MSY} =1,938,750 lbs whole weight
Alternative 3 (preferred)	MSST equals SSB_{MSY}*0.75.	1,454,063 lbs whole weight	SSB_{MSY} =1,938,750 lbs whole weight

1.1.3 Change in fishing year and trip limit – Golden tilefish

Alternative 1 (no action). Retain the annual commercial golden tilefish quota of 295,000 lbs gutted weight (331,000 lbs whole weight) and trip limit of 4,000 lbs gutted weight (4,480 lbs whole weight) until 75% of the quota is taken when the trip limit is reduced to 300 lbs gutted weight (335 lbs whole weight). Do not adjust trip limit downwards unless 75% of quota is captured on or before September 1. After the commercial quota is met, all purchase and sale is prohibited and harvest and/or possession is limited to the bag limit. Retain January 1 start date for fishing year.

Alternative 2. Change the start date for the fishing year to September 1. Retain annual quota of 295,000 lbs. gutted weight (331,000 lbs whole weight) and a commercial trip limit of 4,000 lbs gutted weight (4,480 lbs whole weight). Do not reduce the trip limit to 300 pounds gutted weight when 75% of the quota is captured. After the commercial

quota is met, all purchase and sale is prohibited and harvest and/or possession is limited to the bag limit.

Alternative 3. Change the start date for the fishing year to September 1. Retain the annual quota of 295,000 lbs gutted weight (331,000 lbs whole weight) and a commercial trip limit of 4,000 lbs gutted weight (4,480 lbs whole weight) until 75% of the quota is taken when the trip limit is reduced to 300 lbs gutted weight (335 lbs whole weight). Do not adjust the trip limit downwards unless 75% is captured on or before March 1. After the commercial quota is met, all purchase and sale is prohibited and harvest and/or possession is limited to the bag limit.

MSY – Vermilion snapper

Table 4-x. MSY alternatives under consideration for vermilion snapper.

Alternatives	MSY equation	F_{MSY}	MSY Value
Alternative 1 (no action)	The yield produced by F_{MSY}. $F_{30\%SPR}$ is used as the F_{MSY} proxy for all stocks.	0.35	not specified
Alternative 2 (preferred)	The estimate produced and recommended by the most recent SEDAR.	0.375*	1,873,929 lbs whole weight.

*F_{MAX} used as a proxy for F_{MSY}.

OY – Vermilion snapper

Table 4-x. OY alternatives under consideration for vermilion snapper.
F_{MAX} equals 0.375 for Alternatives 2-4.

Alternatives	OY equation	F_{OY} equals	OY Value
Alternative 1 (no action)	OY equals the yield produced by F_{OY}. $F_{40\%SPR}$ is used as the F_{OY} proxy.	$F_{40\%SPR}$	not specified
Alternative 2	OY = the average yield available on a continuing basis from applying F_{OY}.	(65%)(F_{MAX})	1,753,998 lbs whole weight.
Alternative 3 (preferred)		(75%)(F_{MAX})	1,818,948 lbs whole weight.
Alternative 4		(85%)(F_{MAX})	1,853,934 lbs whole weight.

*Note: F_{MAX} is used as proxy for F_{MSY} as recommended by the assessment review panel for SEDAR 2 (Second SEDAR Consensus Assessment Report April 18, 2003).

1.1.4 MSY – Red porgy

Table 4-x. MSY alternatives under consideration for red porgy.

Alternatives	MSY equation	F_{MSY}	MSY Value
Alternative 1 (no action)	The yield produced by F_{MSY}. $F_{35\%SPR}$ is used as the F_{MSY} proxy.	0.43	4,380,000 lbs whole weight.
Alternative 2 (preferred)	Estimate from the most recent SEDAR.	0.19	826,734 lbs whole weight.

OY – Red porgy

Table 4-x. OY alternatives under consideration for red porgy.
F_{MSY} equals 0.42 for Alternatives 2-4.

Alternatives	OY equation	F_{OY} equals	OY Value
Alternative 1 (no action)	OY equals the yield produced by F_{OY}. $F_{45\%SPR}$ is used as the F_{OY} proxy.	$F_{45\%SPR}$	not specified
Alternative 2	OY equals the yield specified by a recovery plan designed to rebuild the stock to SSB_{MSY} within the approved schedule. After the stock is rebuilt, OY = the average yield available on a continuing basis from applying F_{OY}.	(65%)(F_{MSY})	773,823 lbs whole weight
Alternative 3 (preferred)		(75%)(F_{MSY})	802,483 lbs whole weight
Alternative 4		(85%)(F_{MSY})	817,915 lbs whole weight .

1.1.5 Rebuilding Strategy – Red Porgy

Rebuilding Strategy Alternative 1 would not define a yield-based rebuilding strategy for red porgy (Table 4-x, see page x).

Rebuilding Strategy Alternative 2 would define a constant catch rebuilding strategy for red porgy (Table 4-x, see page x).

Rebuilding Strategy Alternative 3 (preferred) would define a constant F rebuilding strategy for red porgy (Table 4-x, see page x).

Table 4.x. Annual allowable biological catches (lbs whole weight) defined by Rebuilding Strategy Alternatives 1-3 for red porgy*.

Year	Rebuilding Strategy Alternative 2 (No Action)	Rebuilding Strategy Alternative 2 (Constant Catch)		Rebuilding Strategy Alternative 3 (Constant F)	
Adjustment Interval	None	3 year	5 year	3 year (preferred)	5 year
2005	Do not define a yield-based rebuilding strategy.	381,399	381,399	280,722	302,915
2006		381,399	381,399	280,722	302,915
2007		381,399	381,399	280,722	302,915
2008		381,399	381,399	346,125	302,915
2009		381,399	381,399	346,125	302,915
2010		381,399	381,399	346,125	399,477
2011		381,399	381,399	399,771	399,477
2012		381,399	381,399	399,771	399,477
2013		381,399	381,399	399,771	399,477
2014		381,399	381,399	455,621	399,477
2015		381,399	381,399	455,621	474,728
2016		381,399	381,399	455,621	474,728
2017		381,399	381,399	489,426	474,728

*assuming the preferred alternative for each of the previous actions for this species Projected yields are calculated using data from the Discard Sensitivity Run (which accounts for dead discards). Annual catch levels associated with 3-year and 5 year (average) adjustment intervals are presented.

MSY – Black sea bass

Table 4-x. MSY alternatives under consideration for black sea bass.

Alternatives	MSY equation	F_{MSY}	MSY Value
Alternative 1 (no action)	The yield produced by $F_{MSY.}$ $F_{30\%SPR}$ is used as the F_{MSY} proxy.	0.70	Not specified.
Alternative 2 (preferred)	The estimate produced and recommended by the most recent SEDAR.	0.43	2,777,825 lbs whole weight.

1.1.6 OY – Black sea bass

Table 4-x. OY alternatives under consideration for black sea bass.
F_{MSY} equals 0.043 for Alternatives 2-4.

Alternatives	OY equation	F_{OY} equals	OY Value
Alternative 1 (no action)	OY equals the yield produced by F_{OY}. $F_{40\%SPR}$ is used as the F_{OY} proxy.	$F_{40\%SPR}$	not specified
Alternative 2	OY equals the yield specified by a recovery plan designed to rebuild the stock to SSB_{MSY} within the approved schedule. After the stock is rebuilt, OY = the average yield available on a continuing basis from applying $F_{OY.}$	(65%)(F_{MSY})	2,689,640 lbs whole weight.
Alternative 3 (preferred)		(75%)(F_{MSY})	2,742,551 lbs whole weight.
Alternative 4		(85%)(F_{MSY})	2,766,802 lbs whole weight.

1.1.7 Rebuilding schedule - black sea bass

Rebuilding Schedule Alternative 1 (no action). A 10-year rebuilding schedule is currently in place for black sea bass, which began in 1991.

Rebuilding Schedule Alternative 2. The shortest possible time period to rebuild in the absence of fishing mortality (T_{MIN}) (years). This would equal 6 years (SEDAR Update #1 2005).

Rebuilding Schedule Alternative 3. Mid-point between shortest possible and maximum recommended time period to rebuild to B_{MSY} (years). This would equal 8 years.

Rebuilding Schedule Alternative 4 (preferred). Maximum recommended time period to rebuild to B_{MSY} (years) if $T_{MIN} < 10$ years. This would equal 10 years (SEDAR Update #1 2005).

1.1.8 Rebuilding Strategy – Black sea bass

Alternative 1 would not define a yield-based rebuilding strategy for black sea bass (Table 4-x, see page x).

Alternative 2 would define a constant F scenario where F is set at the maximum level (0.29) that will allow the stock to rebuild to B_{MSY} in 10 years (Table 4-x).

Alternative 3 would define a constant catch scenario where catch is set at the maximum constant landings that will allow the stock to rebuild to B_{MSY} in 10 years. (Table 4-x, see page x).

Alternative 4 would define a modified F scenario where $F=F_{MSY}$ for the first three years, followed by the maximum constant landings ($F<=F_{MSY}$) that allow rebuilding to B_{MSY} if T_{MIN} < 10 years. This would equal 10 years. (Table 4.6-x, see page x).

Alternative 5 would define a modified F scenario where F is decreased during 2007-2009, followed by the maximum constant landings ($F<=F_{MSY}$) that allow rebuilding to B_{MSY} in 10 years. (Table 4.6-x, see page x).

Table 4. x. Allowable landings (lbs whole weight) for black sea bass under five different rebuilding strategy alternatives*.

Rebuilding Strategy Alternative	Rebuilding Strategy Alternative 1 (No Action))	Rebuilding Strategy Alternative 2 (Constant F = 0.29)		Rebuilding Strategy Alternative 3 (Constant Catch)	Rebuilding Strategy Alternative 4 (Initial F=Fmsy then F<=Fmsy)		Rebuilding Strategy Alternative 5 (Modified F)
Year	None	1 year	3 year average	1 year	1 year	3 year average	1 year
2007	Do not define a yield-based rebuilding strategy.	348,330	647,424	1,159,631	493,835	847,309	1,159,631
2008		672,409	647,424	1,159,631	890,667	847,309	847,309
2009		921,532	647,424	1,159,631	1,157,426	847,309	912,713
2010		1,108,924	1,246,346	1,159,631	1,338,205	1,338,205	912,713
2011		1,238,997	1,246,346	1,159,631	1,338,205	1,338,205	912,713
2012		1,391,116	1,246,346	1,159,631	1,338,205	1,338,205	912,713
2013		1,552,053	1,703,437	1,159,631	1,338,205	1,338,205	912,713
2014		1,706,377	1,703,437	1,159,631	1,338,205	1,338,205	912,713
2015		1,851,882	1,703,437	1,159,631	1,338,205	1,338,205	912,713
2016		1,981,954	1,981,954	1,159,631	1,338,205	1,338,205	912,713
Year Overfishing Ends	Unknown	2007		2011	2007		2009

*Projected yields in Alternatives 2-5 are calculated using data from the Central Run of the age-structured model.

1.1.9 Queen snapper management

Alternative 1. (no action). Retain existing commercial and recreational 12" TL minimum size limit.

Alternative 2. Remove existing commercial and recreational 12" TL minimum size limit for queen snapper.

Alternative 3. Remove existing commercial and recreational 12" TL minimum size limit for queen snapper and require all queen snapper captured be landed.

1.2 Sale of recreationally caught fish

Alternative 1. (no action). Allow the sale of recreationally caught snapper grouper species, up to the bag limit, if the seller has a state-issued dealer's license.

Alternative 2. Require a Federal commercial snapper grouper permit to sell snapper grouper species in or from the South Atlantic EEZ. A charterboat operator with a commercial permit cannot sell fish caught on that charter under the recreational bag limit.

Alternative 3. Require a charter/headboat commercial snapper grouper permit to sell recreationally caught snapper grouper species.

1.3 Permit Renewal Period

Alternative 1. (no action). Retain the requirement that the Regional Administrator must receive an application for renewal within 60 days of the permit's expiration date.

Alternative 2. Extend the renewal period on commercial snapper grouper permits to 6 months after the permit expires.

Alternative 3. Extend the renewal period on commercial snapper grouper permits to one year after the permit expires.

1.4 Permit Transferability

Some holders of individual snapper grouper unlimited limited access permits would like to incorporate their businesses and transfer their snapper grouper permits to the new corporations without the need to buy a second snapper grouper permit. There are significant tax and liability benefits from doing so. The alternatives to the no action alternative considered below would allow them to transfer their snapper grouper permits to new corporations without purchasing a second permit, as long as all members of the corporation were immediate family members of the permit holder. The differences between Alternatives 2 and 3 relate to how the permit may be transferred **after** it is transferred to the family-owned corporation (Table 1). Automatic renewal of a permit for a family-owned corporation is not allowed. At the time of permit renewal, the

corporation must submit to NMFS a current annual report, which specifies all shareholders of the corporation. Four sub-alternatives are considered that evaluate different penalties to the permit holder, which would occur if the annual report shows a shareholder other than the shareholders listed in the original corporate documentation (Table 2).

Permit Transferability Alternative 1. (no action). A holder of an individual limited access transferable vessel permit must buy an additional individual limited access transferable vessel permit and exchange the two individual permits for one corporation permit in order to incorporate their business operation.

The applicable sections of the current snapper grouper limited access transfer regulations at 50 C.F.R. 622.18(e) are stated below:

"(e) Transfers of permits. A snapper grouper limited access permit is valid only for the vessel and owner named on the permit. To change either the vessel or the owner, an application for transfer must be submitted to the RA. (1) Transferable permits. (i) An owner of a vessel with a transferable permit may request that the RA transfer the permit to another vessel owned by the same entity. (ii) A transferable permit may be transferred upon a change of ownership of a permitted vessel with such permit from one to another of the following: Husband, wife, son, daughter, brother, sister, mother, or father. . . (iv) Except as provided in paragraphs (e)(1)(i), (ii), and (iii) of this section, a person desiring to acquire a limited access, transferable permit for South Atlantic snapper grouper must obtain and exchange two such permits for one new permit."

Permit Transferability Alternative 2 (preferred). Allow an individual to transfer his or her limited access transferable vessel permit to a corporation whose shares are all held by the individual or the individual and one or more of his or her immediate family members. Immediate family members include only the following: husband, wife, son, daughter, brother, sister, mother, or father. Such transfer may be done on a one to one permit transfer basis. *Following the initial transfer of a permit from an individual to his or her family-owned corporation, the current transfer restrictions specified in 50 C.F.R. 622.18(e) would apply (two for one permit transfer basis).* Automatic renewal of this permit is not allowed. At the time of permit renewal, the corporation must also submit to NMFS a current annual report, which specifies all shareholders of the corporation.

Permit Transferability Alternative 3. Allow an individual to transfer his or her limited access transferable vessel permit to a corporation whose shares are all held by the individual or the individual and one or more of his or her immediate family members. Immediate family members include only the following: husband, wife, son, daughter, brother, sister, mother, or father. Such transfer may be done on a one to one permit transfer basis. *Following the initial transfer of a permit from an individual to his or her family-owned corporation, further transfer of this permit shall only be allowed on a two for one permit transfer basis, except that transfer back to an individual immediate family member shall be allowed on a one to one permit transfer basis.* Automatic renewal of this permit is not allowed. At the time of permit renewal, the corporation must also

submit to NMFS a current annual report, which specifies all shareholders of the corporation.

Table 1: Permit transferability alternatives.

Alternative	Transfer To Immediate Family		Transfer to Others	
	Initial	Subsequent	Initial	Subsequent
1 – no action	2 for 1	2 for 1	2 for 1	2 for 1
2 - preferred	1 for 1	2 for 1	2 for 1	2 for 1
3	1 for 1	2 for 1, but 1 for 1 if transfer back to an immediate family member of the original permit holder	2 for 1	2 for 1

There is concern the proposed actions outlined above, if adopted, would create a loophole circumventing the two-for-one permit transfer requirement. When a corporation is sold to another individual or corporation, the purchaser obtains the liabilities assets, including the permit. As this does not constitute a permit transfer, the permit transfer occurs on a one for one basis. There is concern corporations (along with the permits) could be bought and sold in this manner in order to circumvent the two-for-one permit transfer requirement.

Part of the possible solution requires the corporation, at the time of the annual permit renewal, must submit to NMFS a current annual report specifying all shareholders of the corporation. Another part of the possible solution is to penalize the corporation when the annual report shows a shareholder other than the shareholders listed on the original corporate documentation. The four sub-alternatives listed below specify agency action based on the contents of this report.

Permit Transferability Sub-Alternative A. Permit is renewed or not renewed as usual, regardless of whether new shareholders have been added as reflected in the annual report.

Permit Transferability Sub-Alternative B. If the annual report shows a shareholder other than the shareholders listed in the original corporate documentation, the permit shall not be renewed.

Permit Transferability Sub-Alternative C. If the annual report shows a shareholder other than the shareholders listed in the original corporate documentation, the permit shall not be renewed on a one to one permit basis; the corporation must obtain another limited access, transferable snapper grouper permit, and exchange those two such permits for one new permit.

Permit Transferability Sub-Alternative D. If the annual report shows a shareholder other than the shareholders listed in the original corporate documentation, the permit shall not be renewed unless such new shareholder is an immediate family member of the individual who originally transferred his or her permit into the corporation whose shares

are all held by the individual or the individual and one or more of his or her immediate family members.

Table 2: Permit transferability sub-alternatives.

Sub-Alternative	**If the annual report includes shareholder not listed on original application…**
A	permit is renewed or not renewed as usual, regardless of whether new shareholders have been added as reflected in the annual report.
B	permit is not renewed.
C	permit is not renewed, must do 2 for 1.
D	permit is not renewed, must do 2 for 1, BUT can transfer back to individual immediate family member of the original individual license holder on 1 for 1 basis.

Permit Transferability Alternative 4. Repeal the 2 for 1 permit transfer provision as described at 50 C.F.R. 622.18(e)(1)(iv):

"(iv) Except as provided in paragraphs (e)(1)(i), (ii), and (iii) of this section, a person desiring to acquire a limited access, transferable permit for South Atlantic snapper grouper must obtain and exchange two such permits for one new permit."

Rationale for the inclusion of Alternative 4 as a reasonable alternative: The 2 for 1 permit transfer was established to "gradually" reduce the number of permits over time. Even though we do not have the results of the NMFS Capacity Study we know we currently have too many vessels/permits in the fishery. Therefore, a much more rapid reduction in the number of permits is needed than can be provided for the 2 for 1 permit transfer due to economic and biological reasons:
A. Economic – there too many vessels/permits and SEDAR Assessments indicate low long-term yield for many snapper grouper species. Therefore a much more rapid reduction in the number of vessels/permits is needed than can be obtained from just the 2 for 1 permit transfer.
B. Biological – results of the NMFS Discard Logbook and the Electronic Logbook Pilots indicate there are many regulatory discards of snapper grouper species. High release mortality rates for many species may have diminished the biological benefits of previous management actions. Most of the fishery uses hook and line gear and the only effective way to reduce bycatch/discards is to reduce effort (i.e. the number of vessels/permits). This reduction needs to be large. If the number of vessels/permits is reduced to around 200 as an example, fishermen could be required land everything they catch. These data would enable biologists to determine what is actually being caught and the impact the fishery is having on the species and ecosystem. All these details would be specified in a separate amendment, which will address controlled access in the snapper grouper fishery.

Two proposed actions that Dr. Louis Daniel suggests be added to Amendment 15:

Problem – Monroe County, Florida catch data is not being recorded in the recreational and commercial data programs in such a manner that catches can be easily separated by Council boundary. The Boundary between the South Atlantic and Gulf Councils was finalized 26 years ago and various attempts to have the data programs changed have not produced any results.

Alternative 1. No action.

Alternative 2. Require the MRFSS methodology be changed to collect data by the Council boundary.

Alternative 3. Require the NMFS landings data programs be changed to report data by Council boundary.

Alternative 4. Others?

Problem – The landings programs still allow reporting of unclassified species (e.g., unclassified groupers). This complicates data compilation for stock assessments.

Alternative 1. No action.

Alternative 2. Require the NMFS landings data programs be changed to report data by species.

Alternative 3. Others?