

# MEMORANDUM

**Date:** March 25, 2024

To: Council

From: José Montañez, Staff

**Subject:** Golden Tilefish Catch Share Program Review – Issues and Potential Actions for the Council to Consider

The following documents are available for Council consideration on the above subject.

- Northern Economics, Inc. Golden Tilefish Individual Fishing Quota Program Twelve-Year Review, September 2023. The document can be found online at: <u>https://www.mafmc.org/tilefish</u>
- Summary of Public Comment on the Program Review (behind this tab)

### **Background**

On December 13, 2023, the Council received a presentation from Northern Economics, Inc. on the "Golden Tilefish Individual Fishing Quota Program Twelve-Year Review.<sup>1</sup>" This presentation started a 30-day public comment period that ended on January 12, 2024. The public comments were compiled and summarized. The Oversight Team met on January 23, 2024 to consider the findings of the review report and public comments received, and to develop a list of potential issues for the Council to consider for action to improve aspects of the Golden Tilefish Individual Fishing Quota Program.

At this April 2024 meeting, the Council will review the public comment received and consider potential actions identified by the Oversight Team provided below.

## Council Completion of Catch Share Review

The Council will formally submit the Program Review package via motion to NMFS and the review will be complete.

## **Oversight Team Recommendations**

After considering findings of the review report and public comments, the Oversight Team discussed potential recommendations to the Council. The Team agreed that the NEI report found that the Golden Tilefish IFQ program is working well and identified no problems or issues that the

<sup>&</sup>lt;sup>1</sup> <u>https://www.mafmc.org/briefing/december-2023</u> (Tab 11).

Council would need to immediately address. However, the Oversight Team recommended that the Council continue to support existing data sources for the fishery as well as the development of fishery-independent data sources. The Oversight Team also identified areas for improvement that the Council could consider.

## 1. GARFO's Fish Online Web Portal

Currently, paper forms are used to request a temporary or permanent transfer of golden tilefish IFQ between two persons or entities. Industry input indicates that since there is only one NOAA Fisheries employee dedicated to oversight of quota applications, allocation tracking, and allocation transfers, sometimes this makes communication with NOAA Fisheries regarding golden tilefish allocation issues challenging. It has been suggested that expanding the use of GARFO's Fish Online web portal to allow participants to track and transfer golden tilefish allocations may be beneficial. An electronic system such as Fish Online could increase the efficiency and timeliness of program resource distributions and transactions (i.e., such as transfers).

**Potential action:** The Council could encourage NOAA Fisheries to evaluate the possibility of expanding the use of the Fish Online web portal to track golden tilefish IFQ allocation transfers and track current allocation to assist with quota and program management.

## 2. Barriers to New Entry

The golden tilefish IFQ program has few share transferability rules, and in theory, it allows the entry of new entities into the fishery. However, according to interviewed industry representatives, as IFQ shares become more valuable (as golden tilefish prices increase) and other fishing portfolios become less valuable, it is increasingly harder for some fishermen (e.g., younger fishermen) to enter the IFQ fishery. Furthermore, industry members have also indicated that the bulk of the quota is caught by a few vessels from NJ north. An industry proposal to address this imbalance, could be to develop a system to allow young fishermen to get in as current participants "age out." Other participants have indicated that the current system is working well, and that IFQ system has made the fishery stable and provided an increase in ex-vessel price, and increase in price stability and product supply throughout the year. The Program Review also indicated that the program's goal to reduce overcapitalization and latent effort in the commercial fishery, as well as FMP objectives to prevent overcapitalization and limit new entrants have been met.

**Potential action:** The Council could consider what the specific impediments are to entry into this fishery and consider how changes to the IFQ program itself or other programs could support new entrants entering the fishery.

# 3. Data Confidentiality ("Rule of 3")

This issue was raised in the program review report. The small size of the fishery increasingly results in constrained data displays to prevent exposure of confidential data ("Rule of 3").

**Potential action:** The Council could recommend alternative metrics and indicators (including socioeconomic data) be developed for evaluating changes and assessing the health of the fishery.

# 5. NEI "The Contractor"

The Oversight Team discussed the benefits of the Council hiring a contractor to conduct this program review. Overall, the oversight team thought that hiring a contractor was beneficial given the savings of staff time and effort, and the ability of the contractor to efficiently conduct interviews and surveys of public.



# Golden Tilefish Catch Share program Review Public Comment Summary

# March 2024

At the December 2023 Council meeting, the Council received a presentation by Northern Economic Inc. regarding the Golden Tilefish Individual Fishing Quota Program Twelve-Year Review. This presentation (December 13) marked the beginning of a 30-day public comment period which ended on January 12. This document summarizes the public comments received during this period. All written comments received are included with this summary.

## List of Written Comments Submitted:

- 1. Bennett Mumford
- 2. Brady Lybarger
- 3. Arhtur Sherard
- 4. Austin Schwerzel
- 5. Fred Akers
- 6. Laurie Nolan

## Summary of Overall Themes from Written Comments:

1. Difficulty to enter the IFQ fishery, bulk of the quota caught by a few vessels from NJ North.

2. Difficulty entering the IFQ fishery given current program structure/regulations. Consider developing a system to allow young fishermen to get in as current participants "Age Out."

3. Keep fishery open and increase the catch limit.

4. The golden tilefish fishery is well managed.

5. Initial allocation disproportionately hurt Barnegat Light (New Jersey) vessels and favored Montauk vessels (New York). Lopsided allocation needs to be addressed to contribute to the long-term sustainability of golden tilefish and the well-being of the coastal communities depending on it.

6. Improve communication and transparency when tracking allocations and making allocations transactions and transfers.

a. Requesting that a FishOnline program be used to carry out allocation transfers and track current allocations to assist with quota management.

b. Such a system would improve administrative efficiencies.

7. Need to improve fishery-independent data collection. Relying on fishery-dependent data for stock assessment purposes is not ideal.

8. The program review did not highlight the marketing and distribution efforts being conducted at Viking Village (Barnegat Light, NJ). Viking Village has endeavored to introduce and distribute golden tilefish in many parts of the country.

9. Need an initial stock assessment for blueline tilefish in the mid-Atlantic.

10. Unexpected commercial blueline tilefish fishing closures are an issue. Instead of a complete closure, should consider dropping the trip limit to 100 pounds when 90% of the quota is projected to be taken.

11. Need to revisit the blueline commercial/recreational allocation (73%/27% split), as commercial quota too low. Should allow for a larger blueline commercial quota to help fishermen that cannot enter the golden tilefish IFQ fishery.

#### Montanez, Jose

Subject:

FW: Golden Tile 12 year review public comment

From: Ben Mumford <<u>mumfordshellfish@gmail.com</u>> Sent: Wednesday, December 13, 2023 6:25 AM To: Hart, Hannah <<u>hhart@mafmc.org</u>> Subject: Golden Tile 12 year review public comment

You don't often get email from mumfordshellfish@gmail.com. Learn why this is important

#### Good Morning Hannah;

I am having a hard time as to where to send my public comment for the 12 year review of the IFQ Golden Tile fishery in the MId-Atlantic and I am hoping I can send it to you so you could forward this for me or provide me with the correct email address to send it t.

Hello- My name is Bennett Mumford and I commercial fish out of Ocean City, MD. I am the youngest Owner/operator in this harbor and I would like to voice my opinion of the IFQ catch share system for Tllefish. What I have seen personally is that there is no way for myself to enter into the IFQ Golden Tlle fishery for several reasons as the bulk of the quota is caught on vessels from New Jersey north on a select few vessels. While Looking at the collapse of Blue Ocean fisheries it should be noted that one or several individuals having control over such a large poundage of one specific fishery has not ended well for the ground fish fisherman in New England- and likely won't for many other fisheries. There is virtually no way someone like myself can enter into this fishery the way the IFQ catch share program is currently set up.

I need to bring up that the stock for Blue Line Tilefish is extremely healthy and there has yet to be a stock assessment done in the MId Atlantic for Blue Line Tiles. I feel it appropriate to say that there is almost no new entrance into the Commercial Fishing business and there needs to be a system or way as Fisherman "Age Out" that someone that is young, with a new boat, can go to work . As an alternative to an IFQ catch share fishery the Council needs to develop a way to bring in more fishermen into the industry or allow us to work ourselves into the Tilefish industry and diversify the group that owns the quota. The IFQ system is not a fair system - especially when I look ahead to the fisheries I can pursue in the Ocean.

My last comment is that the Blue Tile fish fishery is so restrictive in terms of the commercial quota that is split 73 % recreational/forhire and 27% commercial and that our quota is so extremely low. If there is no way for fishermen like myself to enter into the Golden Tile IFQ fishery then we need to be given an opportunity in the Blue line tile fishery. This specific fish is in abundance from the boundary of the Mid Atlantic all the way past the Hudson Canyon and with the northern progression of almost all fish stocks, there are likely Blue Line Tilefish further north. Thank you for your time and I hope my comments are taken into consideration at the review.

Bennett Mumford 443.754.4984

From:	Scallop Shack Farms
То:	<u>Hart, Hannah; Montanez, Jose</u>
Subject:	Golden Tilefish IFQ Review
Date:	Wednesday, December 13, 2023 9:45:57 PM

Some people who received this message don't often get email from scallopshackfarms@gmail.com. Learn why this is important

My name is Brady Lybarger i fish out of my home port of Cape May,NJ. I feel that the BlueLine Tilefishery could use a closer look into our Mid Atlantic quota.

First we need a more directed survey from depths from 38-70ftm to get a better understanding of the biomass so we can hopefully increase are quota for upcoming years.

Secondly I wasn't a fan of when the season closed. It happened very quick and with very little notice. My understanding was that daily reports had to be submitted Daily and not Weekly so we would have a better idea of landings moving forward. Also I think that instead of a complete closure the remaining 10% should drop down to 100lbs for the remainder of the year.

Being that the rec and for hire have a much larger quota and really no way of knowing what is being landing really is an unfair split.

Thirdly I believe that the Commecial Blueline Tilefishery from my local fishing knowledge and talking to other fishermen is that there is a strong biomass and could easily be increased this year.

Brady Lybarger 16096021417

# Golden Tilefish IFQ Reviews

Name	Arthur Sherard
Email	ads4eternity@aol.com
Role	Charter/Headboat For-Hire Captain
Comments	Please keep the fishery open and increase the limit catch.
Name	AUSTIN SCHWERZEL
Email	austin@vikingvillage.net
Organization/Affiliation	Viking Village, Inc.
Role	Commercial Industry
Comments	Thank you again for a very well put together 12-year review and for all you and the GTF working group do for this fishery. Please feel free to reach out whenever, always happy to discuss my thoughts. My comments are attached. Take care and be well.
Attachment	vikingvillagecomments12yrgtfifqprogramreview.pdf pdf file added below
Name	Fred Akers
Email	fred.akers13@gmail.com
Role	Private Recreational Angler
Comments	The MAFMC does an excellent job of managing the commercial Golden Tile Fish fishery. The 2021 National Academies of Sciences LAPP Report 2021 came to the same conclusion.
Name	laurie Nolan
Email	tilefish1@optonline.net
Role	Commercial Industry
Comments	The Golden Tilefish IFQ Program Twelve -Year Review produced positive results across the board! The Reviewers were thorough, dug deep and spoke directly with many! Thanks for that!
	Goals & Objectives of the Golden Tilefish IFQ Program are being accomplished. Basically a 5 Star Review!
	It's nice to see a positive outcome of a Management Plan Review Good for

the resource, good for the industry, good for the consumers.

We have been full time Golden Tilefish commercial industry members since 1978. In my opinion, the Golden Tilefish IFQ Management Plan saved the resource and those dependent on the resource. Landing flexibility, safety at sea, business planning, job security, market stability, vessel maintenance, shoreside infrastructure, dependability, reliability, a life... to name a few, have been the outcome of the Golden Tilefish IFQ Management Plan.

Thanks for the opportunity to comment. Sorry I missed the December Council Meeting!

laurie nolan

Viking Village, Inc. Commercial Seafood Producers 1801 Bay View Avenue • PO Box 458 Barnegat Light, New Jersey 08006 609-494-0113 • FAX 609-361-9536 www.vikingvillage.net

January 9, 2024

Dr. José Montañez Mid-Atlantic Fishery Management Council 800 North State Street, Suite 201 Dover, Delaware 19901

# Request for Public Input on Golden Tilefish (GTF) Individual Fishing Quota (IFQ) Program Review

Dear Dr. Montañez,

I am writing to express my thoughts and concerns regarding the 12-year Golden Tilefish IFQ Program Review. As a concerned stakeholder in the fisheries community, I believe it is essential to provide input to ensure the sustainable and fair management of our marine resources.

Firstly, I want to thank the Mid-Atlantic Fishery Management Council and the Northern Economics team for meeting with us and putting this detailed report together. The IFQ system has proven to be effective by improving and stabilizing market prices, increasing profitability, and eliminating the derby-style fishing that existed prior to the IFQ program implementation. However, I would like to bring attention to certain aspects of the IFQ program that concern me.

1. Ongoing Lopsided Distribution of IFQ Allocations

It is my belief that at the start of the GTF IFQ program, the distribution of quota was mishandled leaving Barnegat Light, NJ at a major disadvantage in comparison to Montauk, NY. Addressing this problem is crucial for maintaining a balanced and fair fishery management program. As it stands, the New York permit holders have 74.6% of the overall quota, leaving the permit holders in New Jersey with just 25.4%. Historically the decision points used to allocate quota has much favored one port over another. Our vessels have been committed to reducing effort during stock rebuilding years over the past several decades.

This has never benefited the vessels in Barnegat Light and has only hurt them. I believe the permit holders in Barnegat Light have been punished in the name of sustainability and we are still feeling the effects of the decisions made at the start of the GTF IFQ program. By addressing the lopsided allocation of the GTF IFQ quota, fisheries management can contribute to the long-term sustainability of the resource and the well-being of the coastal communities dependent on it.

#### 2. Communication with NOAA Fisheries regarding GTF allocations

There is a noticeable gap in communication and transparency when it comes to tracking allocation and making allocation transactions and transfers. Seemingly, there is only one NOAA Fisheries employee dedicated to overseeing the quota applications, allocation tracking, and allocation transfers. I would like to see NOAA Fisheries allocate more resources to help bridge the gap by providing IFQ quota holders with monthly reports and/or updates. Further, I would like to request a FishOnline program to carry out allocation transfers and track current allocation to assist with quota management. Though it is effective to talk with NOAA Fisheries, their employees are not always available when information is needed quickly, and this would allow NOAA Fisheries employees to be more productive by reducing the number of emails and calls coming in to answer these questions from stakeholders.

#### 3. Data Poor Fishery

I believe that the GTF fishery has been well managed and maintained in the name of sustainability and generating economic benefits. Being involved in a multitude of fisheries, we are seeing drastic changes in our ocean affecting many species. My worry is that we will soon see these effects within the GTF fishery. I would like to see NOAA fisheries find new methods of data collection within the GTF fishery as there is no method of fishery-independent data collection at this time to protect those who are reliant on this fishery to make a living. I do believe the GTF working group has done a great job overlooking the data available, and my hope is to see more data available for them to protect the stock and the future of the fishery. 4. Geographic distribution of product

The 12-year GTF IFQ program review seemingly implies that the only marketplace for GTF occurs at New Fulton Fish Market (NFFM). Though a high volume of GTF ultimately ends up at NFFM, the efforts to spread the fish out that have taken place at Viking Village (Barnegat Light) have not been highlighted in the review. Viking Village has endeavored to introduce and distribute our GTF in many parts of the country. We have found success moving our product all over the nation to avoid the market getting backed up with product. We believe that our efforts will have lasting positive impacts on demand and price within the fishery and these efforts should have been highlighted in the 12-year review.

In conclusion, I appreciate the opportunity to provide input on the 12-year review of the Golden Tilefish Individual Fishing Quota Program Review. I trust that the council will carefully consider these concerns and suggestions in their decision-making process, prioritizing the long-term sustainability of the Golden Tilefish population and the overall health of our marine ecosystems.

Thank you for your dedication to responsible fisheries management.

Sincerely,

-Schyd

Austin Schwerzel // / Manager of Receiving and Compliance