

**RI Marine Fisheries Council
Summary of Meeting Minutes of the
Industry Advisory Committee
July 10, 2012 - 6:00 PM**

URI/GSO Campus, Coastal Institute Building, Large conference room
South Ferry Road, Narragansett, RI

<u>There were 16 people present (* IAC member)</u>		
Rick Bellavance, Chair	Carl Grandquist*	Nancy Scarduzio, RIDEM
Robert Smith *	Aaron Gewirtz*	Margaret McGrath, RIDEM Boat Registration/Licensing
Eric Reid*	Stephen Parente	Bob Ballou, RIDEM
Jerry Tremblay *	Jerry Carvalho*	Jason McNamee, RIDEM
Lanny Dellinger*	Alfonse Forgione	
Michael Roderick*	Jeff Gonzalez	

IAC Members Absent: Mike McGiveney and Robert Mattiucci.

1. Discussion on new commercial license opportunities for 2013:

Licensing Overview

N. Scarduzio handed out and reviewed a summary of license and endorsement data from 2003-2012. She explained this was back-up information that summarized the changes in licensing and the Department now had nine years worth of licensing information, supplemented with SAFIS data for the last few years.

Shellfish Sector – Quahaug exit/entry ratio

N. Scarduzio reviewed a hand-out on licensing summary from 2003-2012 for the quahaug fishery. The data available over the nine-year period (2003-2012) indicated that the total number of eligible licensees -- multipurpose (MPL), principal effort licenses (PEL) with quahaug endorsements, over 65 Shellfish, and Student Shellfish -- had declined by 25%, from 2,272 in 2003 to 1,698 total licenses in 2012.

The data for 2012 indicated that of 15 multipurpose licenses “retired” or did not renew in 2012, none had fished for quahaugs at least one day during 2011. There were 31 principal effort licenses with quahaug “retired” or not renewed, 1 had fished at least one day during 2011.

N. Scarduzio summarized that for 2012, based on the current regulatory standard, applying a 2:1 exit/entry ratio to all eligible licenses (MPL’s + PELs with a quahaug endorsement) that retired in 2012, would result in the issuance of 23 new CFLs with a quahaug endorsement for 2013.

There was discussion about the quahaug fishery. J. Carvalho stated there was a big influx in to the snail fishery because the quahog fishery was closed. He noted the quahaug fishery was not over fished and that we should open up licenses and make them available to anyone who wanted one. He was not in support of having an exit/entry ratio which limited the number of licenses for this fishery.

B. Smith made a motion to recommend status quo to the Council, to continue to apply the same regulatory standard as last year, which would apply a 2:1 exit/entry ratio to all eligible licenses (MPLs + PELs w/quahaug endorsement) that retired in 2012, to make 23 new CFLs w/quahaug endorsement available for 2013. E. Reid seconded the motion. The committee

vote was (7) in support (A. Gewirtz, M. Roderick, C. Granquist, E. Reid, L. Dellinger, R. Smith, G. Tremblay); (1) opposed (G. Carvalho); the motion passed (7/1).

Shellfish Sector – Soft-Shell Clam exit/entry ratio

N. Scarduzio reviewed licensing information for soft-shell clams. The data for 2012 indicated that of 15 multipurpose licenses “retired” in 2012, none of the 15 had any activity. There were 30 principal effort licenses w/SS Clam endorsement “retired”, 1 had fished at least one day during 2011. There were 8 CFLs w/SS Clam endorsements “retired”, 3 had fished at least one day during 2011. In summary, a total of 53 licenses eligible to fish for soft-shell clams retired; and 4 of those had been active in the fishery.

There was discussion and review of the soft-shell clam licensing information. It was noted that compromises had been made in this fishery with an increased size limit to 2-inches. N. Scarduzio stated the landings has significantly decreased from approximately 700,000 pounds in 2010 to approximately 183,000 pounds in 2011. The group felt due to the recent restrictions in this fishery it could support the same activity levels and recommended remaining at the 5:1 exit/entry ratio.

B. Smith made a motion to recommend status quo to the Council, to continue to apply the same regulatory standard as last year, which would apply a 5:1 exit/entry ratio to all retired licenses (MPLs + PELs w/SS + CFLs w/SS endorsement) that retired in 2012, to make 11 new CFLs w/SS Clam endorsement available for 2013. G. Tremblay seconded the motion. The committee vote was (7) in support (A. Gewirtz, M. Roderick, C. Granquist, E. Reid, L. Dellinger, R. Smith, G. Tremblay); (1) opposed (G. Carvalho); the motion passed (7/1).

Shellfish Sector – Whelk (Conch) endorsement

N. Scarduzio reviewed licensing and landing information for whelks. Prior to 2012 the whelk fishery was an open fishery and beginning January 2012 a whelk endorsement was put in place. On behalf of M. McGivney, who was unable to attend the meeting, R. Bellavance stated the RI Shellfishermen’s Association (RISA) was in support of removing the whelk endorsement from the open status. No new whelk CFLs. RISA does not want to take the whelk endorsement away or deny any current Quahaug PEL or CFL or any one else that may want one that has a current PEL. This difference was important RISA does not want to deny active licenses.

B. Ballou interpreted this to mean no new whelk endorsements except for holders with a Principal Effort License with a quahaug endorsement or a soft shell clam endorsement, and Commercial Fishing License holders with a quahaug endorsement or soft shell clam endorsement, would be eligible to obtain a Whelk Endorsement. And that existing holders of a Whelk Endorsement would be eligible to renew their endorsement if they had obtained one in 2012.

There was group discussion about how this would impact the fishery.

J. Carvalho stated the whelk fishery had a limited capacity and it could only support so many people. He noted this would limit who participates due to the amount of resource available, and noted the resource had been fully exploited. Now fishermen would have to wait for them to grow to size and fish other fisheries like scup in the meantime. He was not in support of limiting or closing whelk endorsements which would exclude some fishermen but allow others to fish.

B. Smith was in support of allowing some people in to the fishery with perhaps a 3:1 exit/entry ratio which would allow at least 5 new CFLs with whelk endorsement available in 2013. He stated this would at least let a few new people in to the fishery.

E. Reid indicated he would be in support of allowing more than 5 new endorsements in to the fishery he suggested a 1:1 exit/entry ratio which would allow for 15 new whelk endorsements. J. Carvalho noted that the whelk fishery was the only open fishery currently. If quahaugs were an open fishery then people would be obtaining those endorsements. He felt that anyone who wanted a shellfish license should be able to obtain one.

There was discussion to try to interpret the intent of what the RISA wanted to accomplish. The IAC members were uncertain as to exactly how RISA wanted to manage whelk endorsements for 2013 but they would make a motion and asked the Division to follow up with M. McGiveney to make certain they had interpreted the intent correctly.

B. Smith made a motion to recommend that the Council support the RISA proposal to allow only current holders of PELs or CFLs with a quahaug endorsement or PELs or CFLs with a soft shell clam endorsement to be eligible to obtain a Whelk Endorsement in 2013, if they want one. G. Carvalho seconded the motion. The committee vote was (7) in support (L. Dellinger, E. Reid, M. Roderick, G. Carvalho, R. Smith, G. Tremblay and C. Granquist); and (1) abstained (A. Gewirtz); the motion passed (7/1).

B. Smith made a second motion to recommend that the Council also apply a 3:1 exit/entry ratio to all eligible licenses (MPL's + PELs w/whelk endorsement) that retired, to make 5 new CFLs w/whelk endorsement available for 2013. There was no second to the motion. The motion failed.

Crustacean Sector – Lobster Fishery exit/entry ratio

N. Scarduzio indicated there were no relevant changes to lobster licensing at this time.

L. Dellinger made a motion to recommend to the Council to remain at status quo (no new lobster endorsements). The committee vote was (7) in support (A. Gewirtz, M. Roderick, C. Granquist, E. Reid, L. Dellinger, R. Smith, G. Tremblay); (1) abstained (G. Carvalho); the motion passed (7/1).

Crustacean Sector – Create a horseshoe crab endorsement

R. Bellavance stated there was a proposal put forward by the Division to create a horseshoe crab endorsement for the commercial harvest of horseshoe crabs. J. McNamee indicated that he thought this would require everyone to obtain the endorsement even MPL holders. He explained the Division needed to capture harvest data in a more efficient manner than what was currently occurring. He noted horseshoe crab was a quota species but that the Division did a poor job right now in monitoring that quota.

There was some discussion by the committee as to whether creating an endorsement would make the reporting any better than the current situation. They could not understand how this would make reporting better. The committee thought it was an enforcement issue.

There was push back from the group and **E. Reid made a motion to table the item until more information was presented for further consideration. The motion was second and the vote was unanimous (8/0) to table the item until more information was presented.**

The group wanted to know the role enforcement procedures should play for not reporting on time, the number of permits issued, and time periods for harvesting quotas, they indicated they needed to see the whole picture so they could manage it as a package, including the unfunded work provided by the Division.

J. Carvalho indicated he would be interested in setting a possession limit.

R. Bellavance indicated he would let the Council decide on how they wanted to proceed with this issue.

Finfish Sector – Restricted Finfish Fishery exit/entry ratio

N. Scarduzio reviewed a summary of license types for the past nine years, from 2003-2012, in the restricted finfish fishery. She indicated there was an overall decline in licenses. The total number of eligible licenses (MPLs and PELs w/ Restricted finfish (RFF)) had declined by 27 %, from 1,529 in 2003 to 1,119 in 2012.

The data for 2011 indicated that of the 1,131 total licenses that were eligible to fish for restricted finfish 57% were active in that they fished to some degree for restricted finfish in 2011.

N. Scarduzio summarized that for 2012, there were 15 multipurpose licenses (MPL) and 5 principal effort licenses with restricted finfish (PELs w/RFF) that retired. Of the 15 MPLs, five (5) had some activity. One (1) out of the five (5) retired PELs w/RFF had fished at least one day during 2011.

N. Scarduzio explained based on the current regulatory standard of applying a 1:1 exit/entry ratio to active licenses (MPLs and PELs w/RFF) that retired in 2012, with activity being any level in the fishery over the past year, there would be a total of six (6) retired licenses divided by the 1:1 exit/entry ratio to yield one (6) new PEL w/RFF endorsements to be made available for 2013.

S. Parente made a point that we should review the various criteria categories that these new licenses are distributed to because he felt it was slanted toward a person that was a crew member and left the average person who just wanted to be a fisherman out in the cold. He gave an example that if 6 licenses were available then make 2 available to the average guy on the street. He reported that he received numerous calls from people complaining that they cannot get a fishing license.

The majority of the group felt that a person should first work as a crew member, as an apprentice, before getting a license.

There was discussion about how to open up licensing to let younger fishermen in to the industry. There was a concern about how to create opportunities for younger professional fishermen. It was noted that these younger guys could not afford to buy someone's business to get a license.

E. Reid suggested modifying the 75 landings he felt it should be less.

A motion was made by A. Gewirtz to recommend that the Council remain at status quo and apply the current 1:1 exit/entry ratio to active licenses (MPLs + PELs w/RFF) that retired in 2012 (with active being any level of activity in the fishery over the past year), to make 6 new PEL w/RFF endorsement available for 2013. G. Tremblay seconded the motion. The committee vote was (5) in support (L. Dellinger, A. Gewirtz, C. Granquist, G. Tremblay, B. Smith); (3) opposed (G. Carvalho, E. Reid, M. Roderick); the motion passed (5/3).

2. Discuss adding a provision to the commercial fishing licensing regulations allowing non-expiration of commercial fishing licenses for active duty military.

M. McGrath explained this was precipitated by an individual who held a CFL with a number of endorsements and was deployed to Iraqi in November of 2009 and came back to RI in December 2011. His license lapsed in that period. He came to the department with all his documentation in December of 2011 to renew his commercial fishing license for 2012. The department reinstated

his license in 2012 per his request. M. McGrath commented that she thought we would all be in agreement that his service to the country allowed us to do this, but the department did not have anything in regulation that allowed us to reinstate his license. Therefore, the department was looking to add language to the licensing regulations to accommodate future requests of this nature.

J. Carvalho did not feel the department needed to add additional language to accomplish this. He noted that he did not know of anyone who would object to something like this.

B. Ballou stated they would like to add a provision that would insure that anyone in this situation would be able to renew their license.

J. Carvalho pointed out that federal law covered these items under any rights or privileges that you had before going to active duty you would be entitled to have when you returned from duty. Therefore he did not feel the state needed to duplicate this information.

B. Ballou stated we would still like to add a provision so there is no question or issue in the future. He commented that if everyone was in agreement then we could move on.

There were no objections from the IAC members.

3. Discussion of fiscal consequences of practicing limited entry, exit-entry ratios, and low fixed commercial license fees.

B. Ballou just wanted to give people a heads up that licensing fees have not changed at all since the early 1980's and yet the cost of management had increased. He explained two things have happen over time; the 804 account (license restricted receipt account) has been on a steady decline for sometime. The cost of doing business has gone up and our revenues have gone down. He just wanted to be up front with the fact that we were not able to cover the costs of management anymore.

Ballou noted looking ahead this would have to be a legislative process and it would be up to the general assembly as to whether fees would be increased or not. He explained there has been talk about a landing fee or some type of new fee structure that would provide the cost recovery needed to manage and to compliment the type of fishing sector i.e. small scale fishing operation verses a large scale operation. There could be a sliding scale structure based on the number of pounds landed. Ballou just wanted to let people know we are not able to manage the program at current levels.

4. Other issues

J. McNamee listed the other items the Division needed funding for and also wanted to establish endorsements for: Research Set Aside (RSA) endorsement, Aggregate endorsement and Reporting endorsement. These were unfunded programs that the Division was currently running. He noted the money that would be recouped for these programs would be small but would defray some of the expenses for administrating the programs. He explained the bigger issue was one of inefficiency in these programs with delay of information. McNamee review each item and the reasons why the Division would need to have these endorsements.

There was discussion from the group about these items. The group asked for a break down of the 804 account so they could see how the funds were allocated. B. Ballou suggested a workshop approach so people could review the costs and funding needs might be best.

B. Ballou explained this was only a heads up that the department was seeing a major fiscal crisis at the state management level and we needed to come to terms with it and we wanted to give this committee a heads up. He felt we needed to pursue a legislative change in licensing fees and a series of workshops to discuss the 804 account and how to raise funds would be appropriate.

S. Parente voiced concerns about whether this issue would be vetted through the Council as far as information getting out to fishermen.

B. Ballou indicated he was still at square one and had not thought through what the process should be yet but wanted to start the discussion. However, since it was getting late in the evening he felt another meeting or workshop should be scheduled where the department would bring forward some information about the 804 account and roll up our sleeves and have a more thorough discussion.

A. Gewirtz asked if the department could show what the actual short falls were or projected to be, and what the dollar amount the department would hope to raise with increased licensing fees.

Before adjourning B. Ballou noted a couple of other items that needed to be discussed/noted. Under the current definition for “actively fished” he asked the group if the department should use judgment to allow for the possibility of multiple day trips. He commented he would provide regulatory language that would provide more flexibility in terms of how days are counted for trips that last more than one day. There was some brief discussion on this topic. R. Bellavance made a point that sometimes he puts a day of fishing in but does not catch anything and wanted to know how that would get factored in, as an example.

The next item Ballou noted was the Captain’s affidavit issue where the captain must have the vessel declared for the required period needed. No vessel declared equals no ability to have a vessel crew member. B. Ballou explained that the department was getting some affidavits in and signed by captains who, when checked, never had their vessel declared so legally they could not have been commercially fishing. The department was suggesting, to be fair, that the vessel needs to have been declared during the period of time the captain is stating this person was working for him. He noted this issue had been discovered with the issuance of new licenses.

The last item was pertaining to landing licenses, which M. McGrath indicated were not used toward the criteria for actively fished in the way we break down the issuance of new licenses. She explained they have had landing license holders who had considerable landings but they were not in any of those criteria. J. Carvalho interjected that this was because they were not fishing in state waters. M. McGrath and B. Ballou agreed this was how they had been qualifying them and they just wanted to make sure they had properly categorized them which was not specifically set forth in the regulations. You would have to be able to show state water activity. Ballou suggested putting this in the regulations so we would not have to make an arbitrary decision.

J. Carvalho comment that the regulations were overly complicated already and this problem would continue forever as long as it was set up this way with these types of complications. He then made a motion to adjourn the meeting. The meeting was adjourned.

The meeting was adjourned at approximately 8:30 PM.
DEM/DFW Recording Staff Person: Nancy Scarduzio