Is there a better way to manage U.S. shared commercial and recreational fisheries?

Coastal Conservation Association

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We have a problem

We are all well aware that saltwater fisheries in the U.S. are under increasing pressure to reduce harvests and bycatch mortality. Management responds by shortening seasons and reducing quotas and bag limits. IFQ programs have demonstrated some success in controlling commercial fisheries, but restrict access by the general public and necessitate difficult allocation decisions. Discard mortality continues to be a major conservation challenge. We are facing new, stricter control measures to assure that our annual catch doesn't exceed the allowable level, and the recreational sector remains without an accurate means of counting the fish we catch.

There must be a better – novel – approach to this situation. Presented here is an attempt to offer a preliminary outline of new approach to management. This document is intended to stimulate discussion and 'thinking outside the box' in an effort to define where we are heading in response to these challenges. We recognize that many of the details needed to finalize an approach such as this will necessarily be a product of the Council process.

A Free Market Based Approach to Managing Red Snapper And Other Marine Fishes

A. **Even the playing field and count the fish**
   i. Issue individual non-reusable tags for red snapper that would account for the TAC.
   ii. Place all of these tags, perhaps clumped into variable units of 10 to 100, up for public auction every year. Let anyone who so desires to place their best bid and distribute to highest bidders – bidders could be individuals, states or organizations.
   iii. Those who buy tags can use them any way they desire – take the fish home and eat it, give them as Christmas presents, sell them, take their fish to a market and sell them. To ease enforcement, tags would have to remain on each individual fish until it is finally cooked and consumed either in a residence or at a restaurant – every fish lying in a fish market would have to have the tag on it.
   iv. Proceeds from the auction could be used to pay for program administration, enforcement and research. This approach could raise between $3 million and $15 million that could support state-

of-the-art population estimates using genetic technology that would eliminate the need to use MRFSS in assessments.

v. To allow for an orderly distribution of tags, they could be auctioned quarterly.

vi. Once the auction program has had a chance to establish a 'free market' price for tags, they could simply be sold at that price – state agencies, fishing clubs, tackle shops, fishing organizations and seafood dealers could sell them.

B. Advantages of this approach:

i. It would eliminate all the current costs associated with red snapper endorsements and the IFQ program and reduce enforcement costs. The only thing dockside enforcement would need to do would be check size limits and see that every fish had one of the (non-reusable) tags on it.

ii. It would allow for an elimination of minimum-size limits and reduce discards. We believe this approach would create an incentive to use fishing tactics to target larger, older fish (why pay for a 1 lb. fish when the cost for a 6 lb. fish is the same) that would result in an actual reduction in fishing mortality.

iii. It would eliminate the need for closed seasons and size limits.

iv. It would provide an accurate and controllable means of assuring that annual catch limits are not exceeded without the flaws of the MRFSS, logbooks, or self-reporting of landings.

v. The revenue raised would be most useful from a conservation perspective.

vi. It is simple and arguably the most fair and equitable approach. Every one – anglers, commercial harvesters, seafood processors, investors, and conservationists would have the same opportunity to access the resource.

vii. There would be no need for allocation decisions and costly economic analyses. The free market would allocate the resource.

viii. It would set a precedent for the future of managing mixed recreational/commercial fisheries. This approach could be applied to Gulf grouper and South Atlantic reef fish as well.

ix. It creates a strategy similar to recent proposals to create some sort of "rights based" (SEP) allocation that would extend seamlessly across sectors.

x. A major disadvantage of IFQ systems for commercial fisheries is that they make it very difficult for new entrants, particularly young entrants, into the fishery. This approach would allow any young fisher to buy some tags and begin selling fish.

C. Potential disadvantages and problems of this approach:

i. Currently, law would probably not allow direct application of collected fees to a red snapper conservation and management program. We would have to be creative:
   1. give the tags to the GCMFC to auction, administer the program and send out funds to states and institutions for use in research and enforcement under peer reviewed grant program;
   2. give up the revenues and make this a program where a lottery is only used to distribute tags; or
   3. seek changes in the law to permit this approach.

ii. Many may object to having to pay for accessing a common property resource – even if this gives them the ability to control the access to numbers of fish and when they want to fish. Stressing that the goal of this approach is for effective, fair and equitable *conservation* would help to convince people to support this approach.

iii. This is a significant departure from standard and comfortable management approaches currently in use.

iv. Current IFQ holders would resist this effort. Perhaps this could be countered by a means of phasing out existing quota shares using funds collected from tag auctions.