

Virginia Black Sea Bass Management

Catch Shares (ITQ) Program



Background

- In 2002, the ASMFC and MAFMC adopted amendment 13 to the FMP
 - Allocated state-by-state quotas
 - Virginia receives 20% of the annual coast wide commercial quota.



Approach



- Initiated by industry members
- Staff also considered an open season with trip limits
- Decided on an IFQ (individual fishery quota)
- In 2004, transfers were permitted (industry request)
 - Modeled after transfers in the striped bass fishery
 - Minimum quantity of transfers – 200 lbs
 - No individual may hold more than 20% of the fishery
 - ITQ (individual transferable quota)
 - allowed individuals to enter and exit the fishery
 - Transfer quota when permittee is not able to fish
- Shares of BSB quota were distributed to those who demonstrated a previous history of participation in the fishery.

Goals of the Catch Share Program

- Prevent a derby black sea bass fishery
- Prevent quota overages
- Minimize administrative burden
- Improve overall economics of the fishery

Directed and Bycatch Fisheries

- Virginia's quota was divided between two fisheries
- Directed fishery: Originally 84%
 - Each given a % share of the quota based on their landings history (Jul. 1997 – Dec. 2001)
- Bycatch fishery: Originally 16%
 - Up to 200 lbs/day or 10% of the summer flounder, scup, Atlantic mackerel, and loligo squid on board the vessel.
- Hardship: Originally 17,000 lbs
 - Small shares given to those who could prove medical or other hardship during the qualifying period

Criteria

- Shares were distributed by assigning each person a share of the quota based on their vessel's harvest history
- To qualify, each must have:
 - VA commercial fishing license or seafood landing license
 - Federal black sea bass moratorium permit
 - Landings history during qualifying period
- Qualifying period: July 1 1997 through December 31, 2001.
 - 5 years of most recent BSB data available at that time
 - Period when everyone in the fishery was required to report harvest (VTRs).

Criteria cont.

- For the directed fishery
 - At least 10,000 lbs of BSB landed and sold in VA from July 1, 1997 through December 31, 2001.
- For the bycatch fishery
 - At least 1 lb of BSB landed and sold in VA from July 1, 1997 through December 31, 2001.



Verifying Landings

- To determine individuals' percentage of total landings, the greater amount of landings were used from either:
 - NMFS dealer weigh-out reports
 - NMFS Vessel Trip Reports (VTR)
 - Documentation required to verify accuracy of VTRs
 - Audited based on dealer receipts



Fisheries



■ Directed Fishery:

- Each permittee receives a share of the fishery each year
- Individual overages are deducted from the following year's quota

■ Bycatch Fishery:

- May land up to 200 lbs/day, or more than 200 lbs if it is not more than 10% by weight of the summer flounder, scup, loligo squid, and Atlantic mackerel on board.
- Reduced to 100 lbs/day when 75% of the bycatch quota has been landed.

Hardship

- In 2004, 17,000 pounds was set aside for hardship permits.
 - Based on medical or other hardship
 - Can not be transferred for a period of 5 years
 - 6 hardship exceptions were granted between 2005 and 2007
- In 2009, 5 hardship permittees were incorporated into the directed fishery.
 - The hardship set-aside was combined with the directed fishery quota

Permits by state

- Permits were not limited to state of residence
- Anyone (from any state) can transfer into the fishery as long as they have
 - Either a Commercial registration of seafood landing license
 - A federal moratorium permit

Permits by state of residence for 2010

State of Residence	Directed Permits	Bycatch Permits	Total
Virginia	29	19	48
Georgia	1	0	1
North Carolina	11	20	31
Maryland	2	1	3
New Jersey	3	9	12
New York	0	1	1
Massachusetts	0	3	3
Total	46	53	99

Quota Flexibility

- As VA's quota was reduced, the allocation was modified in response to industry requests
- Examples:
 - 2006
 - Bycatch fishery allocation was changed from 16% of the quota to 40,000 lbs
 - Hardship set-aside was reduced from 17,000 lbs to 10,000 lbs.
 - Extra quota was allocated to directed fishery members

Quota Flexibility cont.

■ 2009

- The bycatch fishery was modified again
 - From Jan 1-Apr 30 = 40,000 pounds
 - On May 1, the bycatch quota is reduced to 10,000 lbs
 - Any remaining quota is then transferred to the active directed fishery members
 - based on their percentage share of the fishery

Reporting Requirements

- Each VA black sea bass permittee must make two calls to report their landings, in addition to other reporting requirements
- 1) Within 1 hour of landing, they must notify law enforcement:
 - Where they will land, their name and permit number and the approximate quantity of BSB on board
- 2) Within 24 hours of landing, they must call the VMRC 1-800-line to report:
 - Their name, vessel, permit number, date of landing, and final weight of the black sea bass landed
 - This is how individual quotas are tracked

Transfers

- Permit transfers
 - Permanent transfer of permit and/or quota
- ITQ transfers (directed fishery only)
 - Permanent
 - The % share of the fishery is permanently transferred
 - Can transfer partial shares
 - Temporary
 - Quota is transferred for 1 calendar year
 - Can transfer partial shares

Transfers cont.

- Alternate vessel transfers (directed fishery only)
 - 60-day “lease”
 - The permit holder authorizes another vessel to land all or portions of their quota
 - Must be approved by the Commissioner
 - After 60 days, any unused quota is returned to the permit holder
 - Most popular transfer

Table 1: Transfers by black sea bass permittees (99 individuals)

Year	Permit Transfers	ITQ Transfers		Alternate Vessel
		Temporary	Permanent	
2008	12	5	4	20
2009	6	4	0	16
2010 (as of 3/10/10)	1	2	0	7

Landings and Activity

- 2010 was the first year the quota increased since 2005
- The number of permittees has been consistent

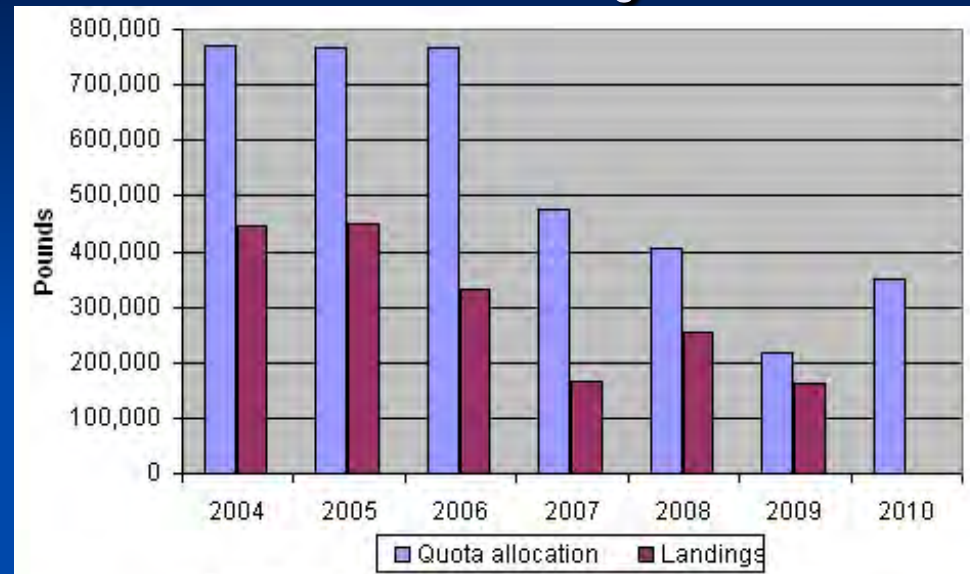


Figure 1: Virginia commercial black sea bass quota allocation and landings (2004-2010)

Table 2: Virginia black sea bass permittees (2004-2010)

Total Fishery*	2004	2005	2006	2007	2008	2009	2010 (as of 3/10)
Number of permitted vessels (all permits)	97	93	96	99	98	99	99
Number of active vessels (all permits)	59	58	50	36	37	37	25
Number of trips	514	458	390	283	255	255	48
Percent of Quota harvested	58%	59%	43%	35%	62%	62%	15% (as of 3/10)

Directed Fishery

- In 2010, directed fishery shares range from just under 55,000 pounds to slightly more than 1,000 pounds
- No permittee can hold more than 20% of the quota

Table 3: VA black sea bass directed fishery activity (2004 – 2010)

Directed Fishery*	2004	2005	2006	2007	2008	2009	2010 (as of 3/10)
Number of permitted vessels	46	44	44	47	45	46	46
Number of active vessels	33	30	33	23	32	32	11
Number of trips	407	344	347	262	228	199	29
Total pounds for year	426,397	412,433	314,071	163,130	247,754	146,092	41,068
Quota allocation	635,025	631,380	631,380	425,300	355,152	168,868**	311,722**
Percent harvested	67%	65%	50%	38%	70%	87%	13% (as of 3/10)

*Data source: black sea bass endorsement license database

**Some directed fishery permittees receive additional poundage from the bycatch fishery

Bycatch Fishery

- The bycatch fishery has consistently landed less than the allocated quota
- After May 1, the bycatch quota is reduced to 10,000 pounds, and any remaining quota is transferred to active members of the directed fishery

Table 4: Virginia black sea bass bycatch activity (2004-2010)

Bycatch Fishery [†]	2004	2005	2006	2007	2008	2009	2010 (as of 3/10)
Number of permitted vessels	51	49	52	52	53	53	53
Number of active vessels	26	28	17	13	5	23	14
Number of trips	107	114	43	21	27	35	19
Total pounds for year	18,567	38,006	17,314	4,120	4,854	14,928	9,961
Quota allocation	118,764	118,082	118,082	40,000	40,000	40,000 [*]	40,000 [*]
Percent harvested	16%	32%	15%	10%	12%	37%	25% (as of 3/10)

^{*}Data source: black sea bass database

^{**}From Jan 1 - Apr 30, the bycatch quota is 40,000 pounds; from May 1 - Dec 31, the quota is 10,000 lbs or the remaining quota

Current Concerns

- 1) Virginia does not control the harvest quota
- 2) State-by-state allocations could change
- 3) The Mid-Atlantic Council or ASMFC could pursue a coast-wide ITQ
 - New criteria and allocation scheme would upset the current Virginia program