

November 26, 2019

Dear Friends,

With every passing year, the Shareholders' Alliance grows stronger and more resilient thanks to our members. You were there with us during the years when we've filed lawsuits against illegal regulatory actions, when we've successfully defended our businesses and communities from targeted legislative attacks, and when we've secured management solutions that protect both fishermen *and* the fish we depend on. You've also been there through the years that were less tumultuous and combative – years like 2019 – when we were afforded the opportunity to look inward, strengthen our core and expand our base. Thank you for your perseverance and your continued support.



Here are just a few highlights of our 2019 accomplishments:

• We helped secure a number of victories at the Gulf of Mexico Fishery Management Council (Gulf Council). The latest attempt to take away commercial red snapper quota (Amendment 52) is delayed until 2020. In April, the Gulf Council approved state management for private recreational red snapper anglers based on the last two years of exempted fishing permits, though National Marine Fisheries Service (NMFS) and the Gulf States need to solidify critical data and accountability measures that will ensure

- quota overruns are not occurring under this new management. Sector Separation has been maintained and extended past 2022 for the federally permitted charter/for-hire fleet. The Gulf Council and NMFS reduced red grouper quotas to better reflect what fishermen are seeing on the water, and mandatory annual updates should allow for these quotas to quickly rebound as this stock recovers. For the first time in the 10+ years that Shareholders' Alliance fishermen have tested electronic video monitoring systems, NMFS is interested in figuring out how to use those data in fishery stock assessments.
- The Young Fishermen's Development Act is advancing after years of discussion and advocacy by the Shareholders' Alliance and our fishermen friends in Alaska, California, Maine and Massachusetts. Shortly after we flew to Washington D.C. with a half dozen fishermen from the Gulf of Mexico, Senate Bill #496 was approved by the Senate Subcommittee on Commerce, Science and Transportation in July and now awaits its House counterpart (H.R.1240). This landmark legislation would establish and fund the first and only national training/education program for the next generation of commercial fishermen, and help ensure that our legacy is passed on.
- The Shareholders' Alliance had the opportunity to advise the U.S. Government Accountability Office (GAO) on the report it is preparing for Congress on Gulf of Mexico fishery allocations. We highlighted the legal precedent already set by the <u>Guindon vs. Pritzker</u> lawsuits, the threat that reallocation poses to commercial fishermen and seafood businesses, the impacts it has on seafood consumers, the risks it poses for fish stocks, and the problems with reallocating from an accountable and finite commercial sector to an unaccountable and infinite private angler sector. We're hopeful the report will help Congress understand the conservation and management problems created by stripping away commercial sector quotas.
- 2019 marked the start of the next exciting chapter for the Reef Fish Quota Bank. Citing the need to provide more stable access to allocation for Quota Bank members, the Shareholders' Alliance spent all of 2018 securing critical loans that allowed us to buy nearly 50,000 pounds of red snapper IFQ shares. We paired this allocation with nearly 25,000 pounds of red snapper donated by commercial fishermen, which allows us the opportunity to provide almost 75,000 pounds of allocation to nearly 30 eligible fishermen this year in order to reduce red snapper discards in the eastern Gulf and to support replacement entrants that are committed to accountability, conservation, and building strong seafood businesses.
- Over the last year, the Shareholders' Alliance built a strong relationship with Texas Sea Grant on outreach and messaging around sustainable Gulf of Mexico fisheries and engaging the next generation of commercial fishermen. Staff from the Shareholders' Alliance traveled to British Columbia at the invitation of Texas Sea Grant to attend the British Columbia Young Fishermen's Gathering to learn about the challenges young fishermen in that region face and bring some "lessons learned" back to the Gulf. In July, we helped Texas Sea Grant place thirty AgriLife Extension agents in the boots of commercial fishermen in Galveston, TX where they learned the complexities of

commercial fishing and how commercial fishermen are true conservationists. In October, Texas Sea Grant connected us with chefs in the Corpus Christi area through an event with the Coastal Bend Chapter of Texas Culinary Association to educate them on sustainability and supporting commercial fishermen.



We can expect 2020 to be challenging. Reallocation of commercial quota to the recreational sector will be back on the table and will bleed into other species beyond just red snapper (it has already started for red grouper). NMFS is literally rewriting history by taking observations about recreational landings today and applying them to recreational landings from three decades ago, and then using the inflated historical landings to justify reallocation. Red snapper state management will likely continue, but nobody knows if we will get any closer to accurately counting the number of private anglers or the fish they catch. Layered on top of these management issues are complex ecosystem changes (red tides, freshwater influxes, bluegreen algae blooms) that require much more collaborative research to understand. We see these challenges as opportunities, and we rely on your support and expertise to guide us towards real solutions.

We are commercial fishermen creating positive change. We hope you'll stand with us as we continue to work to build lasting solutions for the Gulf's commercial fishermen for today and future generations. Whether you're a commercial fisherman, charter fisherman, private angler, conservationist, or seafood-loving consumer who cares where your seafood comes from, please consider joining us – become a member or renew your membership today.

Sincerely,

Eric OBry

A MESSAGE FROM THE PRESIDENT



"The Shareholders' Alliance is a member-driven organization. We rely on you to help us identify challenges and deliver solutions. Our membership has tripled since 2013 and we're on track to break another record in 2019. If you're already member, thank you for your support. If you haven't joined yet, I invite you to learn more about who we are and what we do. Our success is your success. Together, we can chart a course for a successful 2020 and beyond."

Captain Bubba Cochrane

f/v Chelsea Ann

Galveston, TX

President, Shareholders' Alliance

Gulf of Mexico Reef Fish Shareholders' Alliance

1902 Wharf Rd

Galveston, TX 77550