Amendment 36B Membership Survey Summary

Gulf of Mexico Reef Fish Shareholders' Alliance

In August 2020, the Shareholders' Alliance developed and distributed a survey to gather input from its members on a regulatory proposal to require a reef fish permit in order to own IFQ shares (Amendment 36B).

Demographics:

- The survey was completed by 21 fishery stakeholders (36% response rate) across all five Gulf states.
- 62% reported being a commercial fisherman, 19% reported being a fish house/seafood supplier and 14% reported being dual-permitted.
- 48% identified as owner-operators while 29% identified as fleet owners; 14% reported being just holding an IFQ account.
- 40% reported owning no red snapper shares, while there was an even split (24% apiece) of those who owned less than 1% and those that owned between 1% and 4.5%.
- 33% reported owning zero red grouper shares, 20% reported owning up to 1%, and 10% reported owning more than 2% of RG shares.

Summary of Results

- Respondents were nearly evenly split on the question of whether a commercial reef fish permit should be required to own shares – 52% supported this requirement while 48% opposed it.
- For those respondents that <u>supported</u> the permit requirement:
    - 55% reported that this would provide strong benefit while 36% were neutral.
    - The following were the most commonly-listed reasons:
        - *Shares should be owned by active fishermen / The IFQ system wasn't put in place so non-fishermen could profit.*
        - *It's what the original Advisory Panel wanted.*
    - When asked about the benefit this would provide their business, the most common answers were:
        - *It would make shares available to fishermen / increase access to fish.*
        - *It would help working fishermen.*
- For those respondents that <u>opposed</u> the permit requirement:
    - 20% reported that this requirement would impose severe harm while 40% were neutral.
    - The most common responses were:
        - *It doesn't solve anything / I'm unsure what it accomplishes.*
        - *I don't care / It doesn't impact me.*
    - When asked about the harm this would impose on their business, the most common answer was:
        - *None.*
- 93% of respondents who thought this requirement would impact reef fish permit price believed it would increase the cost of commercial reef fish permits.
- 24% of respondents believed this requirement would reduce the amount of allocation available to lease, 29% believed that there would be more allocation available, 24% believed there would be no change and 24% were unclear (results totaled 101% due to rounding).
- 24% of respondents believed this requirement would increase the amount of shares available to buy, 19% believed this would decrease the amount of shares available to buy, and 57% believed that it would not change the amount of IFQ shares available in the marketplace or were unclear what the impacts would be.

General Conclusions

- In general, smaller businesses supported the permit requirement because they thought it would increase allocation availability and believed that shares should be owned by active fishermen.
- In general, larger businesses opposed the permit requirement because they were concerned that it would be disruptive to business planning, or they were neutral because the requirement would not impact them.
- Respondents were three times as likely to predict that this would result in strong benefit to the fishery than strong harm. However, when asked what problem this solves, the most common answers were "none" or "unsure."
- Nearly every respondent, regardless of support for or opposition to the commercial reef fish permit requirement, believed that this would increase the price of commercial reef fish permits.
- Most respondents felt that 3 years would be enough time for a business to become compliant or divest.