RI Shellfish Management Plan

Commercial Shellfish Licensing

Follow-up Discussion

10/8/2013

NOTE: If you find anything written in these notes that is not correct or has been misinterpreted by the note-takers, please contact Azure at azure@crc.uri.edu

Attendees:

Azure Cygler; Jen McCann; Jeff Mercer; Melissa Chalek; Julia Wyman; Dennis Nixon; Sam Patterson; Katie Eagan; Skip Eagan; Dave Ghigliotty; Mike McGiveney; Jeff Grant; Jody King; Andrew King; Pratheesh Sudhakaran; Jim McCarron; Mark Goerner; Dale Leavitt; Dave Beutel; Jerry Carvalho; Bob Ballou; Judith Swift; Chip Young; Nichole Rohr.

Meeting Notes:

- **Introduction & Purpose (Azure)**
  - Welcome
  - Discussed the recent clamming event on 10/7/13 with Jody King hosted for the politicians – Press from the event:
  - Purpose of this meeting – 1) Participants can ask Bob and Jeff (DEM) any clarifying questions regarding the licensing presentation from the 9/17/13 SMP stakeholder meeting; 2) Look at issues identified regarding the licensing structure, add to those from 9/17 meeting, SMP scoping sessions, and RISA recommendations from meeting on 9/26; 3) Identify which issues would require either regulatory change (through DEM) and which would require legislative change.

- **Review of the 9/17 “straw poll” results (Azure)**
  - Total of 43 people attended 9/17 meeting
  - 24% commercial shellfishermen, 2% recreational harvesters, 19% managers, 31% scientists, 12% NGOs, 12% general public
  - 2% said shellfish licensing works perfect, 41% said it works adequately, 37% said it works mediocre, 0% said inadequate, 20% said they weren’t sure how to answer the question.
15% said licensing should allow fewer people in, 20% said allow more people in, 27% said remain the same, 39% said they didn’t know how to answer

45% said the fees are fair, 12% said too high, 17% said too low, 26% said not sure

7% said they greatly understand how the licensing system works, 63% said they have a good understanding, 27% said fair understanding, 2% said they have a poor understanding.

**RISA ideas/"recommendations" for licensing reform (Mike McGiveney)**

- Mike outlined several ideas discussed at the 9/26 RISA meeting
- Licensing fees and recognize the need to maintain level funding in DEM 804 account, no matter what actions are taken
  - Idea to get grid of CFLs, switch to full PELs; try to get the price of PEL and endorsements in line with the MPL ($300)
  - Student licenses – Raise fee from $50 to $75; have licensing period open longer (until June 30 as opposed to Feb. as currently exists).
  - Keep entry/exit ratio to 2:1

**Group discussion (Azure taking notes, Dale transcribing on flip charts around the room)**

- Discussion of the RISA ideas and other issues from scoping sessions that were posted around the room

1. **Selling a business**
   - Concern that someone who doesn’t have a boat can’t get out of the business
   - Law is that you can’t sell a license, but you can sell a business which requires a boat which must be registered, ‘declared’ fishing with that license for at least 2 years.
   - Discussion about details of this law and whether it could be changed; “retiring from a business,” “have you been active” and what these mean
   - **Suggestion**: Extend permission to allow for extended participation in business even without a boat
   - **Suggestion**: Limit licenses to active fishermen (>100 days/year?)

2. **Lottery system**
   - Prioritization process; 24 licenses will be made available in 2014
   - All applications are split evenly between 3 categories
     - Lottery category 1: Engaged in fishing the license for at least 75 days over the last 2 years
     - Lottery category 2: Active crew for same period of time as stipulated above
     - License category 3: Have PEL in another sector of fishing
   - In the case of 2014 licenses, there are 24 available so 8 in each of the three categories. If more than 8 applicants in any one category, they go into the lottery
   - Length of time fishing does count for something and has weight in the decision-making

3. **Next Generation issues**
   - Scoping sessions identified a lack of recruitment of young people into shellfishing – no ‘next generation’ - Questions as to whether there are young people waiting to get in and can’t or is there no interest by the younger generation to enter the trade?
b. Need to make the trade more profitable, sustainable to interest new blood in; need to make sure the industry is strong, stable enough to support a next generation full-time.

c. **Suggestion**: Make industry accessible by providing a sustained harvest

d. Dockage – High cost of tying up boats in marinas in Warwick and elsewhere.

e. **Suggestion**: Reduce dockage fees for commercial fishing boats; currently is the case in East Greenwich/Bristol – communicate this to existing and prospective fishermen.

f. In the past, a ‘bonanza’ is what drew people in, got them hooked on fishing, brought in the ‘next generation’ – don’t have this anymore.

g. Cultural and generational differences have also stymied new blood into the fishery – some today don’t value hard work, or are afraid of it; connection to computers instead, and other value differences.

h. Seeing just the sons of fishermen getting in, not just the average youth off the street – not bad, just limits the number of new people

i. **Suggestion**: Promote the industry, need trade advertising; continue the clam digging series through the SMP to draw people’s attention to local shellfish

4. **Product availability, marketing**

   a. Scoping session issues: Not enough clams coming out of RI; idea of releasing licenses, won’t create a glut, but gives needed jobs, more product to dealers, reliability of product

   b. Timing of openings/supply: Need to control harvest rate; get dealers involved in the process. This is the reasoning for the 2:1 ration. Problem is people show up at the wrong times – need them in the middle of January in Greenwich when it’s howling to help keep the supply up. At one point RISA talked about 1:1 ratio but settled on 2:1. The Bay can’t support 1,000 guys

   c. Dealers have no incentive to reward full-timers; rewarding full-timers is tricky and a complicated thing to do

   d. **Suggestion**: Need marketing of local product, promote local clams etc. – RI Seafood Marketing Collaborative just approved new RI Seafood label which will help with this (going public next week).

   e. Need dealers to work on marketing as well. They also know the lows and highs so should account for these.

   f. Getting same price for clams as 20 years ago. Example recently of top necks (“Reg’s”) – we are the only state producing them; delicious, full of meat; but only getting $0.09/piece.

   g. There is a huge market in Asia that the dealers should target, get together and make it happen.

   h. Question: Can DEM mandate ID/source of product at retail level? Maybe restaurant level too? No – but we could change that.

   i. **Suggestion** – 20 years ago there was a Bill introduced to the General Assembly that all seafood be labeled in this way; it died, but today with consumer awareness enhanced, this could get passed
j. **Suggestion** – Get a handle on what’s shipped in and out of the state in terms of shellfish – Might be available through DOH.

5. **CFL’s – Potentially getting rid of it**
   a. Some stats shared by DEM: 40 guys fishing 40+days a year on CFL’s; Approximately $11,000 could be lost revenue by getting rid of CFL’s
   b. **Suggestion**: Idea is to find a way to keep PEL and endorsements price in line with the MPL ($300) – So drop CFL and change to PEL to match up with $$ cap on endorsements – assess better what this change would mean and cost the state.
   c. Currently you get one endorsement ($150) with a PEL; Would like to cap the number of additional endorsements ($75/each) at two; If you buy the two additional endorsements you can get other open endorsements

6. **Licensing fees and costs**
   a. Stakeholder suggestion from another meeting to remove barriers to entry, increase licensing fees, and use $$ to go to DEM enforcement to enforce additional numbers of people let it – this was not well received by the group.
   b. **Research suggestion**: What is the true, full cost of shellfish management? What contribution is from shellfish licenses? This could be a way to address/better understand whether an increase in fees would be necessary and if so, how much. There is only one source of funding for shellfish at DEM – licensing revenues, the 804 account.
      i. Discussion to make sure to grandfather in existing licenses if there were ever to be a fee increase
      ii. But consider how does management cost compare to economic value of the fishery?
      iii. Managing a fishery is the state’s responsibility; resource in RI brings benefit to the state – cannot burden fishermen to support an entire management program
   c. Overall, take these suggestions to the SMP Coordinating Team and the Ch.5 TAC to consider

7. **Student licenses**
   a. **Suggestion**: Go from $50 to $75 with the bushel limit doubling to 6 – will help offset cap on endorsements that potential $11,000 revenue lost from eliminating CFL’s
   b. **Suggestion**: Extend open license period (until June 30) to get more participation from youth
      i. Note: This would require a legislative change.
      ii. Gives an extended window to kids who usually aren’t thinking about their future in Feb. when the license period currently is.
      iii. A concern over the equity of this extension if not allowed for other licenses
   c. Currently several students interested but the period for licenses has passed
   d. Need to market industry better to get students to participate and enter into fishing

8. **Other issues**
RI Shellfish Management Plan

a. “Use it or lose it” – “Don’t go there”; “All hell would break loose”
b. Concerns from scoping session over fishermen having a dealer’s license – this wasn’t discussed tonight
c. Missing stat - The “in the middle category”, not recreational, not commercial harvesters; commercial license holders harvesting but not selling? Maybe where CFL license harvest is located? Also might be some of the +65 year old group? Landings aren’t getting captured – What to do?
d. What is the capacity of the Bay? How many shellfishermen can it hold?
   i. Optimal harvest level?
   ii. Optimal effort level? Suggestion: Have DEM get CPUE info
   iii. DEM relies on fishermen to largely dictate social capacity – DEM mandates how much biomass comes out, so long as that’s adhered to, it doesn’t matter (in DEMs eyes) how many people are extracting that amount of biomass.
   iv. Figure out how much is coming out of RI and how much is needed to meet the demand.
   v. SAFIS is good but overall but there are gaps, numbers looked low in some areas.
   vi. Would be good if we had a way to fill in the age classes of fishermen like we do fish
   vii. Bay is not a static environment – can only make the industry and management as stable as possible for fishermen
   viii. “Social engineering” – state shouldn’t be involved in this
9. Follow-up
   a. What would be the impact of capping PEL’s?
   b. Sit down with DEM to talk this through and other issues raised today
   c. Discuss bringing recommendations to the General Assembly
   d. Take these ideas to the SMP TACs to hash over and determine if any SMP recommendations can come out of this discussion today.