

# RI Shellfish Management Plan

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## *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](mailto: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:
    - “Diggin’ deep to sustain RI shellfish” Warwick Beacon, [http://www.warwickonline.com/stories/Diggin-deep-to-sustain-RI-shellfish,86132?category\\_id=4&town\\_id=1&sub\\_type=stories](http://www.warwickonline.com/stories/Diggin-deep-to-sustain-RI-shellfish,86132?category_id=4&town_id=1&sub_type=stories)
    - “RI Shellfish Management Plan in the works” - ABC 6, <http://www.abc6.com/story/23630675/rhode-island-shellfish-management-plan-in-the-works>
    - “Money Watchers: Shellfish Management” - NBC 10, <http://www.turnto10.com/story/23630919/money-watchers-shellfish-management>
  - 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.

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- 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
    - a. Concern that someone who doesn't have a boat can't get out of the business
    - b. 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.
    - c. Discussion about details of this law and whether it could be changed; "retiring from a business," "have you been active" and what these mean
    - d. **Suggestion**: Extend permission to allow for extended participation in business even without a boat
    - e. **Suggestion**: Limit licenses to active fishermen (>100 days/year?)
  2. Lottery system
    - a. Prioritization process; 24 licenses will be made available in 2014
    - b. All applications are split evenly between 3 categories
      - i. Lottery category 1: Engaged in fishing the license for at least 75 days over the last 2 years
      - ii. Lottery category 2: Active crew for same period of time as stipulated above
      - iii. License category 3: Have PEL in another sector of fishing
    - c. 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
    - d. Length of time fishing does count for something and has weight in the decision-making
  3. Next Generation issues
    - a. 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?

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- 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 (“Regs”) – 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

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- 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
    - iv. **Suggestion**: Write budget lines to address specific programs and submit this to the General Assembly.
  - 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

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- 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.