

Maryland DNR
Tidal Fisheries Advisory Commission
Meeting

Tuesday,
October 11, 2012

Held at the
Tawes State Office Building
Annapolis, Maryland

Maryland DNR
Tidal Fisheries Advisory Commission Meeting

October 11, 2012

TFAC Members Present:

Bill Rice, Chair

Mike Benjamin
Gail Sindorf
Dale Dawson
Danny Webster
Robert T. Brown
Stephen Gordon
Tom Ireland (*proxy for Brian Keehn*)
Richard Young
Robert Gilmer
Gilbert Dean
Bill Goldsborough
Gina Hunt

TFAC Members Absent:

Larry Simms
Bill Sieling

Maryland DNR Fisheries Service

Marty Gary
Tom O'Connell

Maryland DNR
Sport Fisheries Advisory Commission Meeting

July 17, 2012

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E V E N I N G S E S S I O N

(6:10 p.m.)

Welcome and Announcements

MR. GARY: We are going to acknowledge you before you speak. Please do not speak over each of you. We have got a lot of ground to cover tonight and we look to be respectful everybody's turn at the mike and we do have two opportunities for public comment.

They would come after a motion but before the vote by the Commission and during the designated public comment period at the end of the meeting if time allows. If any of the Commissioners or members of the public have a cell phone, if you could just please silence it now we appreciate it.

For the expense forms, I think everybody here has one. If you, just a reminder, of the toll protocol if you are passing through tolls you can be reimbursed but we do now require either the EzPass statement being faxed or emailed, whatever is easiest for you, or you hand it in at the next meeting.

We will still put it in on that particular expense reimbursement form for the actual receipt. That is how we are handling tolls going forward. That is a fairly new change. Apart from that, I think we are only missing two of the commissioners tonight, Larry Simms is unable to make it and Bill Seiling.

1 I cannot think of anything else. Mr. Chairman, the
2 meeting is yours.

3 MR. RICE: Thank you, Marty. Next up we have Gina.
4 Can you bring us up to date on the scoping list please?

5 ***Regulatory Update and Scoping List***

6 ***by Gina Hunt,***

7 ***MD DNR Fisheries Service***

8 MS. HUNT: Sure. I just wanted to -- since the
9 Commission has not met about -- and had a regular meeting for
10 quite some time and we have focused on cost recovery, we have
11 not talked about regulations for a while. We emailed these to
12 you yesterday.

13 The first is a regulatory uplink date. It just has
14 public notices that have been issued, regulations that have
15 become effective and those that are currently proposed. So
16 you can read through that. There is nothing, you know, to
17 comment on here to us tonight.

18 It is simply for your information. There is,
19 however, another document and there was one in your folder.
20 The one I just walked around and handed is more updated. It
21 is called the Scoping Summary. It has a beginning paragraph,
22 which basically lays out what the request is for you tonight.

23 Under the Scoping Policy, we asked the Commissions
24 to advise us if they believe additional scoping is necessary
25 on any draft regulatory proposals. What that means is is that

1 our normal process is to post these drafts online for two
2 weeks prior to proposal.

3 We take online comment. If you believe any of these
4 proposals affect your constituents in a way that you would
5 like to see more scoping than that -- more public scoping,
6 which usually, by the way, takes the form of a public meeting
7 or an open house, then that's the feedback we're looking for
8 tonight.

9 It is a two paged front and back document so please
10 do not just read the front, but I will just go through them
11 very quickly. The first one is a new planned FMP. We right
12 now only have an FMP for clams in the costal bays. Trot lines
13 are actually a time change.

14 It is based on the authority we got out of House
15 Bill 1325 last session. So it extends the work hour -- the
16 workday and that moves it up to earlier, in particular in the
17 summer when the heat is a factor. However, it not only
18 extends the time for catch but it establishes a set time for
19 gear.

20 So there has not been a set time before, and that
21 was part of the legislation of last year. Penalties, you can
22 read through that. There are a number of changes in the
23 penalties. We actually scoped penalties last July but there
24 have been additions so we just need to make sure if this was
25 anything that you think we needed to scope again.

1 Billfish, this is simply listing a species of
2 billfish in need of conservation and you can read through that
3 in regards to white marlin and spear fish. The last one is in
4 regards to pound nets.

5 That is the one that is on the back, and I noted in
6 the very beginning of the document, the Department is already
7 planning on sending this information out to all registered
8 pound netters.

9 So as far as scoping, we're putting it online but
10 we're also going to email it -- or mail it, excuse me, to all
11 registered pound net site holders so that they are aware of
12 the draft proposal and then they can comment prior to its
13 proposal, but this is based out of that white paper that was
14 presented back in July.

15 It has activity notification notifying the
16 Department when a net is actually active so it is not all
17 registered sites out there. It is actually of the --- where
18 you have a pound on each end.

19 This is actually double cribs where you actually
20 have a crib and then another, and that's January through June
21 as well, and then I will get there, Robert, to you. Hold on.
22 Then the last one was time limitations on fishing of pound
23 net, and this is, again, just springtime where it would set
24 time limitations but that is not specific what those would be
25 yet. This is just in the draft form right now. Yes.

1 MR. BROWN: On the pound nets, I can see where we
2 are going to have a conflict with -- you are saying double
3 crib. Well, we use -- just about everybody that I know, we
4 fish -- we fish a pound in the pocket. That is not a double
5 crib. A pound in a pocket, and then when you put another one
6 on the side of it that is a double crib.

7 MS. HUNT: Those would be the details that would
8 have to be in the definitions and exactly -- trying to get it
9 what the concern here with the holding time of striped bass
10 but those are the details that would have to come out in the
11 actually, you know -- that meet the draft of the proposal.

12 All we need right now is from the Commission is in
13 this case, in the case of the pound net regulations or the
14 other ones, are any of these -- do any of these -- do you
15 think we need to do something more than post them online, and
16 in the case of pound nets also mail them out to the pound net
17 holders?

18 In order to receive public comment prior to
19 proposal, do you think we need to do more or is that
20 sufficient?

21 MR. BROWN: I think you need to do a little bit more
22 with the pound net.

23 MS. HUNT: So you think we need to have a public
24 meeting?

25 MR. BROWN: Yes. I think we should have a meeting

1 on it.

2 (No response.)

3 MS. HUNT: Anybody?

4 MR. GILMER: On the trot lines or --

5 MS. HUNT: Yes.

6 MR. GILMER: You do not want a proposal tonight on
7 the times right?

8 MS. HUNT: No.

9 MR. GILMER: But I think down the line --

10 MS. HUNT: But you can tell me anyway.

11 MR. GILMER: Huh?

12 MS. HUNT: You can tell me anyway.

13 MR. GILMER: No. No. I mean it has -- I mean I --
14 do you want me to tell you?

15 MS. HUNT: Sure.

16 MR. GILMER: If you were going to have -- if you are
17 going to go to a set time and it's, I would say, June, July
18 and August, it would be three hours before.

19 MS. HUNT: Jacob, do you know if the legislation
20 allowed us to go that early?

21 MR. HOLTZER: (Away from microphone.) I think it
22 can go -- we can set it ---.

23 MS. HUNT: As long as it is no more than 11?

24 MR. HOLTZER: As long as it is no less than 11.

25 MS. HUNT: Right.

1 MR. GILMER: Right.

2 MS. HUNT: Okay.

3 MR. GILMER: Yes.

4 MS. HUNT: Okay.

5 MR. GILMER: Yes, because right now it is an hour
6 before. If you go two hours -- if you have a two hour set
7 time and you roll it back to where you were an hour before
8 crabbing because most guys figure it takes close to an hour so
9 if we're going to -- if we're going to gain anything, it's
10 almost gotta be three hours. That -- right now.

11 MR. DAWSON: Yes, and also to get a chance to get
12 your gear in the water.

13 MR. GILMER: You are right.

14 MR. DAWSON: The main concern with me.

15 MR. GILMER: Yes.

16 MR. DAWSON: And actually, September an hour before
17 there is kind of going to be tight really --

18 MR. GILMER: Yes.

19 MR. DAWSON: -- because that's, you know, Labor Day
20 and still a lot of recreational crabbers that are starting at
21 9:00 o'clock or earlier.

22 MR. GILMER: Okay.

23 MS. HUNT: So that proposal though do you think we
24 need more public comment? I mean this went through the
25 General Assembly and honestly at the time, I think it just --

1 really, it was just a few watermen that gave us that proposal,
2 you know, commented --

3 MR. GILMER: Yes.

4 MS. HUNT: -- and this was a private sponsor. It
5 was not a --- bill.

6 MR. GILMER: Right, and that's the reason I think it
7 should go, you know -- definitely everybody should have a
8 chance to look at it because I know that was put in by just by
9 a small group and overall I think, you know --

10 MS. HUNT: So how do you think we should do more
11 public comment?

12 MR. O'CONNELL: We haven't had a chance to talk but
13 is the Blue Crab Industry Work Group going to provide some
14 guidance as to what options we scope or will they be --

15 MS. HUNT: They certainly could.

16 MR. O'CONNELL: ---.

17 MS. HUNT: I think some of the members of that small
18 group were on that team, yes.

19 MR. O'CONNELL: Maybe something that you guys would
20 be interested in is to have us work with the Blue Crab Work
21 Group to, you know, give out an option or a range of options
22 that we can take out for scoping, and then try to fine tune
23 that for the proposal.

24 MR. GILMER: That is fine.

25 MS. HUNT: Okay. I was just -- is there any

1 preference on how we do any additional scoping? I mean like I
2 said, for pound nets, you know, mailing it out to crabbers is,
3 you know -- there is probably 200 pound netters.

4 MR. GILMER: Right, and that --

5 MS. HUNT: There are thousands of crabbers.

6 MR. GILMER: Right. I mean what is the easiest way
7 to do it, you know, to inform everyone?

8 MS. HUNT: I think what -- we can have a public
9 meeting --

10 MR. GILMER: Yes.

11 MS. HUNT: -- but part of the problem is is that,
12 you know, geographically, especially for crabbing --

13 MR. GILMER: Yes. I know ---.

14 MS. HUNT: I mean I hit a very small pocket of
15 people.

16 MR. GILMER: Right.

17 MR. O'CONNELL: Do you guys feel like the Blue Crab
18 Industry Work Group could provide enough consultation with the
19 people in their region to provide us --

20 MR. GILMER: Probably.

21 MR. O'CONNELL: -- to notify them, I guess, of the
22 opportunity to comment --

23 MR. GILMER: Yes.

24 MR. O'CONNELL: -- so, you know, try to reach some
25 concerns on it.

1 MR. GILMER: I mean we could -- we could almost do
2 it on a county basis ---.

3 MR. YOUNG: I think so, yes.

4 MR. GILMER: Yes.

5 MR. YOUNG: But here again, we go -- get back to the
6 Blue Crab Industry Advisory Committee's frequency of meetings,
7 and I really like the fact that you have suggested that we
8 work on certain issues like the latent -- I mean the male only
9 licenses, and we had a meeting on that and now you're bringing
10 this up.

11 We will probably have a meeting on that. I think
12 that there is a lot of things in the crab fishery that that
13 advisory committee could give suggestions on to improve our
14 fishery, but it is underutilized.

15 MR. O'CONNELL: Well, that, you know, is -- that
16 body was established to help advise this body, as well as the
17 Department so if you guys feel like there's specific things
18 that that body has greater experience and experience, you
19 know, advise us on we'd be happy to reach out to them because
20 it sounds like -- I mean that's my feeling.

21 Unless there's someone that disagrees that we could
22 follow up with the Blue Crab Industry Work Group and help us
23 define the proposal that will scope, help us get the word out
24 to the people in their communities that there's an opportunity
25 to provide input on that and help us through the process.

1 Does that sound reasonable? Does anyone disagree?

2 (No response.)

3 MR. O'CONNELL: So just back to the pound net issue,
4 Robert T had suggested that in Robert T's mind that that may
5 be worth having some -- a public meetings on, so is there any,
6 you know, agreement or disagreement on Robert T's
7 recommendation on that?

8 Like Gina said, we can get the word out to all pound
9 net hold -- all pound net fishermen but if you think the issue
10 is worthy of, you know, a meeting where we can provide a
11 little more explanation as to what we're doing and what we're
12 scoping, we can do that as well.

13 MR. : Thank you. Gibby?

14 MR. DEAN: Next Tuesday, in Cambridge our
15 association's having a general membership meeting and Lynn
16 Fegley's coming there to discuss menhaden issues and we've
17 extended invitations to anybody that has any interest in that
18 to come, whether they're members or not, and we could
19 certainly, you know, add this to the agenda if that would
20 help.

21 I know Robert T is taking the time to come all the
22 way over. I know that is a long way but -- but I mean we are
23 more than willing to work like that in the ---.

24 MR. GILMER: Is this Cambridge or Easton?

25 MR. DEAN: Cambridge at the Holiday Inn.

1 MR. GILMER: All right. I thought Lynn had called
2 me and told me it was at Easton but ---.

3 MR. GILMER: No.

4 MS. : ---?

5 MR. DEAN: 6:30.

6 MR. : So next Tuesday.

7 MR. DEAN: Yes. I favor any discussions,
8 particularly on blue crabs or striped bass, that we seek the -
9 - at the least the expertise of the -- both advisory groups so
10 we have all the facts before we, you know, vote on anything
11 here. That is what they are there for.

12 MR. O'CONNELL: So the issues were brought before
13 Sport Fish Advisory Commission, my understanding is, and they
14 voted not to have a public meeting. A few people did think
15 one would be beneficial and I am hearing from you that there
16 seems to be an interest to have a meeting.

17 One form of that is to meet with the association
18 meeting but is there a need to have a more formal public
19 meeting, and if so how many and where?

20 MR. BROWN: Let us see what comes out of this
21 meeting over there and I can pass the word around to some
22 people --- you know, to come over -- go over there. Maybe we
23 can get it all done right then.

24 MR. O'CONNELL: Okay.

25 MR. BROWN: See what comes out of that and then we

1 will look at it again decide whether need one on the western
2 shore or not. Hopefully one would do it.

3 MR. O'CONNELL: Yes. That would.

4 MS. HUNT: But those meetings are not open public
5 meetings.

6 MR. : They are not

7 MS. HUNT: So I mean -- just so we are clear, this
8 is not the Department having a public meeting. This is simply
9 the Department using another meeting as opportunity to inform
10 those folks so --

11 MR. BROWN: Well, I think there is going to be a lot
12 of pound netters there.

13 MS. HUNT: Right.

14 MR. BROWN: I know it is --- so maybe if --

15 MS. HUNT: But to be clear to notify the rest of the
16 public, we are still posting it online --

17 MR. BROWN: Yes.

18 MS. HUNT: -- and to hit all pound netters, we are
19 mailing it out. Other pound netters will vary. You are
20 right. Maybe we can better gauge things but it is not an open
21 public meeting.

22 MR. BROWN: When will this be mailed? When will
23 this be mailed out to the pound netters?

24 MS. HUNT: Not by next Tuesday. Not -- I mean they
25 will not have it by next Tuesday so you are going to end up

1 having Gibby's meeting before we've mailed stuff, which is
2 fine but just so you know.

3 MR. O'CONNELL: Well, so I --- just trying to like
4 make sure we're hearing from you guys. What we'll do is we'll
5 plan on sending something out to all pound net fishermen.
6 We'll have it on our website.

7 We'll go to the Gibby's association meeting, which
8 is more -- is open to more than just your association members
9 but limited to commercial fisherman.

10 MR. DEAN: Yes.

11 MR. O'CONNELL: You guys will follow up if you think
12 that there's a need for further meetings beyond that.

13 MR. BROWN: Okay.

14 MR. O'CONNELL: Sound good?

15 MR. BROWN: Yes.

16 MR. O'CONNELL: Okay.

17 MS. HUNT: Okay. That is all I needed.

18 MR. YOUNG: Before we move on, can I ask a question?

19 MR. : Yes.

20 MR. YOUNG: Under the billfish, I don't know that
21 there's a commercial fishery for any of those fish -- maybe
22 swordfish but I don't know that we have one in Maryland, but
23 what I'm concerned about is the round scale spear fish -- in
24 2003, you listed all the billfish as in need of conservation
25 and established regulations.

1 That's a national --- fisheries, but then in 2006,
2 they used DNA testing and other identifying factors to figure
3 that the round scale spearfish is different than the white
4 marlin, and they thought that that was -- originally they
5 thought that the round scale spearfish was a white marlin.

6 They managed it as a white marlin. It was a white
7 marlin, but then in 2006 they did DNA testing to identify the
8 fact that it's not a white marlin and now they want to make
9 that a special species that may in the future have regulations
10 placed on its management.

11 Well, if DNA was needed in order to tell whether
12 this fish is a white marlin or not, how are we going to do
13 that out on the boat? Here -- you see what I'm saying? This
14 probably has nothing to do with -- but we're getting into
15 something that could be devastating to a fisherman.

16 He may think that's a white marlin. He doesn't have
17 any equipment to test the DNA out there in 60 miles out in the
18 ocean he puts it -- catches it, whatever it does, and it
19 violates a regulation on the round scale spear fish that he
20 thinks it's a white marlin anyway.

21 MR. O'CONNELL: Yes. I think we can follow up with
22 Carrie Kennedy that is more involved with these issues but my
23 understanding is that the management measures are uniform
24 between the two species and probably because of the difficulty
25 to differentiate them.

1 But it may be that given that they recognize this as
2 a separate species, if somebody was in violation they could
3 argue that it's not a white marlin, it's this other species
4 for which, you know, there's no management measures in place
5 for it.

6 So this is an effort to obtain that regulatory
7 authority to be in compliance with the federal government, but
8 their uniform management -- the same management is in place
9 for both species.

10 MR. YOUNG: Well, if that's the case -- but it says
11 in here that they may, in the future, have to establish --

12 MR. O'CONNELL: Yes.

13 MR. YOUNG: -- a different management --

14 MR. O'CONNELL: Yes.

15 MR. YOUNG: -- procedures for that fish.

16 MR. O'CONNELL: Yes, I mean if this --

17 MR. YOUNG: If it's that hard to identify --

18 MR. O'CONNELL: I agree.

19 MR. YOUNG: -- I think it might be opening a can of
20 worms.

21 MR. O'CONNELL: Yes. I would think that they're
22 going to strive to have uniform management measures unless
23 stock status conditions change significantly which warranted,
24 you know, further actions with --- but it's going to be a
25 compliance and enforcement issue.

1 MR. YOUNG: Okay.

2 MR. RICE: Does that conclude what you have, Gina?

3 MS. HUNT: Yes. Thank you very much.

4 MR. RICE: You are welcome. Tom, can you move
5 forward with the --

6 MR. O'CONNELL: Yes.

7 MR. RICE: -- cost recovery?

8 MR. O'CONNELL: Yes.

9 ***Fisheries Service Cost Recovery***

10 ***by Tom O'Connell,***

11 ***MD DNR Fisheries Service***

12 MR. O'CONNELL: Just some brief opening comments.
13 You know, we've had numerous meetings now. I think this is at
14 least our sixth meeting on the cost recovery issue and, you
15 know, with the focus of tonight's meeting is on these fee
16 scenarios.

17 The last couple of meetings we had we've had on cost
18 assignments, and I've commented that, you know, we've taken
19 the feedback that was provided by both commissions and we're
20 currently assessing that.

21 I mentioned to both commissions that we'd be
22 bringing that information back to the commission when we met
23 jointly in mid to late October, and we'll advise if we made
24 any adjustments on the cost assignments but in-between that
25 time, as we're analyzing that, and also looking at what the

1 consequences would be for a fee scenario that fell short of
2 that cost recovery deficient.

3 We needed to have another meeting with Tidal Fish
4 to, you know, make further progress on these fee scenarios and
5 what we've done was we've developed a range of fee scenarios
6 to have a foundation to draw upon based upon where the cost
7 assignments ended up.

8 Also a foundation of information that could be
9 utilized after the report is finally -- finalized and we begin
10 discussing how we're going to go forward with -- to address
11 this budget deficit. So I know there's a lot of interest to
12 hear how we're going to modify the cost assignments, if at
13 all.

14 I know there's a lot of interest to better
15 understand the consequences of fee scenarios that fall short
16 but that's going to be for a future meeting later this month.
17 What we're trying to do tonight is to further define that
18 range of fee scenarios and answer some of the questions that
19 Gina has distributed that we really haven't had a chance to
20 get into in the previous meetings.

21 So, you know, the plan is tonight is to go through
22 that list of questions. Answering that list of questions will
23 be helpful, I think, in making progress on these fee
24 scenarios, and ideally, we're looking to have these range of
25 fee scenarios in the report.

1 I know some of you are very reluctant to look at fee
2 scenarios above \$1 million, and if the Commission does not
3 want to do that tonight that is fine but the report will
4 include options for those fee scenarios, if necessary, to
5 address the cost assignments.

6 So we are hopeful that you will help us in looking
7 at those higher scenarios but if you don't, you know, we can
8 wrap up the meeting earlier and watch the Orioles game, as
9 Billy said, and -- but we'll still be putting that information
10 together and sharing it with you when the draft report is
11 available.

12 So just to wrap that up, I'll be turning you over to
13 Gina to guide us through this discussion but the goal is to
14 leave here tonight with further clarity on the fee scenarios.

15 (No response.)

16 MR. O'CONNELL: Go ahead.

17 MS. HUNT: Okay. I was waiting for any comments but
18 never mind.

19 MR. O'CONNELL: Gunfire.

20 MS. HUNT: Yes. Something. All right. So that we
21 -- I actually had mailed out questions to you probably about a
22 month ago, shortly after the last commission meeting on cost
23 recovery before those analysis meetings. I also had, in that
24 email, sent you what was requested at that Tidal Fish meeting,
25 which was fee scenarios that went by a percentage increase

1 across the board after the LCC was added \$50.00.

2 So we can start with either the fee scenarios or we
3 can start by just going through the questions. I think the
4 two are intermingled so when you start going through the
5 questions, you're going to end up talking about fees anyway.
6 So if you don't mind, we can just start with those unless you
7 think otherwise.

8 (No response.)

9 MS. HUNT: All right. So the first question was,
10 you know, we currently have a male only LCC, as Richard had
11 brought up again tonight, and regardless what we do with those
12 male LCC's that are turned into the Department, we have over
13 480 of them.

14 So it would take a long time through attrition to be
15 gone. The question really is right now both of the -- a male
16 only LCC and a full LCC that catches females pay the same fee.
17 I brought it up probably at our first meeting, and then we
18 never talked about it any further.

19 Is there a recommendation on whether or not the male
20 only license should have the same license should have the same
21 license fee as a full LCC?

22 MR. YOUNG: Has anybody complained?

23 MS. HUNT: Not -- well, at the time they got males?

24 MR. YOUNG: No.

25 MS. HUNT: Heck, yes.

1 MR. YOUNG: No, but I mean about renewing it for the
2 full money every year?

3 MS. HUNT: No.

4 MR. YOUNG: Leave it alone.

5 MR. GILMER: I recommend it stays the same because
6 they've got the option to crab those two years with that
7 license when the ones that got frozen, you know, didn't so I
8 say leave it the same.

9 THE CHAIRMAN: Gibby?

10 MS. HUNT: --- Chairman's --- calling you, I guess.

11 MR. DEAN: I'm sorry.

12 THE CHAIRMAN: Go ahead, Gibby.

13 MR. DEAN: I'm looking at the wrong place.

14 THE CHAIRMAN: It is okay.

15 MR. DEAN: Gina, you're right but some of the
16 options, I guess, that we're prepared to put forth to the
17 Commission tonight, intertwined with some of these questions,
18 and that's one of them.

19 I guess it's best that I say right off get-go here
20 that Larry Simms and I both have conferred on this. We've
21 gone through these -- the cost recovery scenarios, and as far
22 as the industry's concerned, we're prepared to support
23 anything up to \$1 million.

24 We're prepared to support anything above that level.
25 I am prepared tonight to go through these item by item and

1 tell you the numbers that we've come up with to achieve that
2 \$1 million. Now don't get me wrong, I understand it's -- I
3 feel like I shaved my legs for this.

4 I mean I had a couple of pages of stuff to, you
5 know, go over tonight and now Tom's told me that we're going
6 to limit it to the report so that's going to leave a lot of
7 this out, unless you request it, but in any event I'm prepared
8 to go through these numbers line item by line item.

9 I bring this up now because this LCC male only and
10 everything, we've got increases for those and it does
11 differentiate between the two. So, I mean, if you -- however
12 you want to do it. I'll either shut up or keep going or
13 however --

14 MS. HUNT: Well, you know, let's answer this
15 question first and then if that's where the Commission wants
16 to go and just start talking about fees we can go back and
17 forth because I've heard it stays the same but then you're
18 saying it differentiates.

19 So I'd just -- whatever the difference would be, I
20 just want to get an answer to is it the same or different
21 first.

22 MR. DEAN: We increased the LCC to 200 hours over
23 the current 50. In this particular scenario with the male
24 only went from 50 to 100. So there was a difference in there,
25 but these numbers are -- we're more concerned about the \$1

1 million total number.

2 How you adjust them, you know, is up to you all. I
3 mean like I said several meetings ago, I really don't care
4 about line item to line item. I mean I do but we're more
5 interested in the bottom number here to achieve those goals
6 but -- so however you want to, you know, adjust these numbers
7 is, you know, pretty much fine with me because --

8 MR. RICE: Tom.

9 MR. O'CONNELL: So Gibby, what was this -- what was
10 you're thought in regards to two fees -- separation of fees
11 for male only and --

12 MR. DEAN: Well currently right now, as I understand
13 this paper, they're both \$50.00 apiece correct?

14 MS. HUNT: Yes.

15 MR. DEAN: We were going to take the LCC to \$200.00
16 and the male only to \$100.00.

17 MR. O'CONNELL: Okay. Everybody got that?

18 MR. YOUNG: Yes. What was the rationale for \$100.00
19 difference just to catch two bushels of females?

20 MR. DEAN: \$1 million.

21 (Laughter.)

22 MR. DEAN: I'm being honest.

23 MR. YOUNG: Yes, but if you left it at \$200.00 that
24 would be four --

25 MR. DEAN: Well, move it. I mean I'm not being --

1 MR. YOUNG: You know, I mean --

2 MR. DEAN: -- that's what I'm -- no, I'm --

3 MR. YOUNG: I'm just asking because the LCC, what's
4 their limit our limit on the females -- and I think in April,
5 May and June for sure is two bushels.

6 MR. DEAN: Well, that's fine with me. I mean that's
7 how easy I am but that gives us more to play with on some
8 areas that we may disagree with. I mean that was the whole
9 purpose of me having the opportunity to read this through here
10 and you make the adjustments where you want.

11 These numbers that I'm about to go through are, as
12 you request, are certainly not etched in stone, and I don't
13 want to sound like the \$1 million it is but it pretty much is.
14 Now don't get me wrong.

15 I'm not drawing a line in the sand and saying this
16 is all we're willing to do because included in with me shaving
17 my legs, I've got several other options here that I was
18 prepared to, you know, share with the Commission but if -- if
19 you want to do it at some other point, that's fine as well.

20 MR. RICE: Gail.

21 MS. SINDORF: Since there seems to be other extreme
22 -- in two extremes in this, why don't we just go somewhere in
23 the middle with this? I mean, you know, with \$150.00, \$175.00
24 and \$200.00, something like that just for the scenario just to
25 kind of pacify both?

1 MR. YOUNG: I'm just looking at, you know, really I
2 just think that, you know, they've been paying it right along
3 and nobody's complained and why reduce it?

4 MR. RICE: Mike, share something?

5 MR. BENJAMIN: Yes. You know there is another way
6 of looking at this. Instead of just having one price across
7 the board, and I'm not going to get in argument about it
8 because -- but when that person goes to sell that license,
9 that one with the female allocation is definitely going to be
10 worth more money than the male only.

11 You can look at it at that angle. So at the back
12 end of it, they're going to recoup some money. I mean if I
13 were looking for an LCC, I would definitely have precedence
14 over that one that has the females. So if it was a little --
15 couple more dollars, it would probably pay them in the back
16 end to, you know, own that license.

17 MS. HUNT: Good point.

18 MR. IRELAND: What's the drawback of making them all
19 limited crab catching? The male only are only for \$48.00.
20 Make them all at \$200.00 and just throw those in the pot.
21 You're talking --

22 MS. HUNT: Are you suggesting that they all pay the
23 same fee --

24 MR. IRELAND: -- at all --

25 MS. HUNT: -- not that they're all full LCC's.

1 MR. IRELAND: That they're all full-blown LCC's.

2 MR. YOUNG: We can't do that.

3 MS. HUNT: Well, that's a totally different
4 discussion on female effort. I think its 448 licenses that
5 would have to be accounted for as harvesting females, which
6 would change the bushel limits to all other watermen.

7 MR. IRELAND: I understand but with two bushels,
8 you're not talking about very many crabs really.

9 MS. HUNT: Okay, but I guess working under the
10 regulations we have, there are two different licenses. If we
11 did that then they'd certainly be paying the full LCC fee but
12 seeing as we currently have these folks, I just need a
13 recommendation on what we currently have.

14 MR. RICE: Right now, we have got to treat apples as
15 apples and oranges as oranges.

16 MS. HUNT: Right. I can't write up a fee schedule
17 for what may happen in the future. I need it for what is now.

18 MS. SINDORF: So should we make a motion on same or
19 different, then vote on it? Is that where we go?

20 MR. : I think -- go ahead Tom.

21 MR. O'CONNELL: It would be helpful to us if we had,
22 you know, a majority opinion and if there's a minority we'll
23 note that but what I've heard so far is an option to keep them
24 the same at \$200.00, to have a separation of \$200.00 and
25 \$175.00 recognizing that there's a minor difference of two

1 bushels.

2 As Mike said, that license will be worth more and in
3 a greater separation of \$200.00 to --- so maybe to try to see
4 where the Commission is at a whole, to put a motion on the
5 table and see what people's opinions are.

6 MS. HUNT: Make a motion.

7 MR. DEAN: Well, I'm going to move to make it
8 \$200.00 and \$100.00 because that fits into my \$1 million.

9 (Laughter.)

10 MR. DEAN: I mean if I change that, then I have got
11 to change another number.

12 MR. : Gives you more money to work with
13 though.

14 MR. RICE: Right. So we have got a motion. Now the
15 motion needs a second.

16 MR. BENJAMIN: I'll second it ---.

17 MR. RICE: Do we have any discussion on the motion?

18 (No response.)

19 MR. RICE: ---.

20 MR. YOUNG: Can I entertain two motions?

21 MR. RICE: Well, we have got to do something with
22 one first.

23 MR. O'CONNELL: We can amend a motion.

24 MR. RICE: Right.

25 MR. O'CONNELL: You want to --- now?

1 MR. YOUNG: No. My question is if we vote on that
2 and it passes, then can we have a vote on leaving it the same?
3 Because we've already voted to change it --

4 MR. : Well, let's just see what they want.

5 MR. RICE: Gibby?

6 MR. DEAN: May I -- I guess I ask the Commission
7 their view on this. Would it be easier if I just quickly ran
8 down this list so you can see what else you're dealing with,
9 and you may want to move \$50.00 here or \$50.00 there but I --
10 you could jot it down, you know, if you wanted if you were so
11 inclined but -- and like I said, these numbers aren't etched
12 in stone.

13 It's just to give you an idea how we can achieve the
14 \$1 million cost recovery, and you may either change your mind
15 or feel more strongly about this, Richard, later if you see
16 there's another area that you would rather see adjusted -- or
17 anybody else but I -- would you like ---?

18 MR. RICE: We have a motion and a second. Would you
19 withdraw your motion for the purpose of going through the
20 list?

21 MR. DEAN: Yes.

22 MR. RICE: Okay, will you --

23 MR. DEAN: I withdraw.

24 MR. RICE: Okay, then the motion and the second are
25 withdrawn.

1 MR. DEAN: I'm good at this.

2 MR. RICE: Right. I'm not so sure ---. That being
3 said, I think it would behoove to the Commission to listen to
4 Gibby's listed and let him go through it, and it's kind of
5 like buying a car. You really don't like the bucket seats but
6 you love the love color.

7 So maybe, you know, once you go through his list
8 then you might not be in love everything in there but, you
9 know, as a whole, it might work.

10 MR. DEAN: Well, keep in mind I totaled these
11 numbers up myself so Jorge, if they don't come out right tell
12 me after the meeting.

13 (Laughter.)

14 MS. : I'm entering them right now.

15 MR. DEAN: Oh God.

16 MS. : If you could in order from the top,
17 we'll know in a second.

18 MR. DEAN: All right, from the top. If I don't
19 mention it, it's unchanged so that makes it easier okay?
20 Finfish harvester, from \$100.00 to \$250.00. Fishing guide
21 resident, \$200.00. Hook and line, \$200.00 -- wait a minute.
22 I made a mistake there.

23 That's fishing guide non-resident, \$200.00. Is that
24 going to run us into a problem with reciprocity with Virginia?

25 MS. HUNT: There is no reciprocity on the

1 commercial --

2 MR. DEAN: On a resident --

3 MS. HUNT: -- on our --

4 MR. DEAN: -- fishing guide right?

5 MS. HUNT: An FG on a non-resident fishing guide

6 license is a license issued to them.

7 MR. DEAN: All right. \$200.0 then.

8 MS. HUNT: They pay that and they pay the

9 non-resident surcharge.

10 MR. DEAN: Both of them -- no, no. Non-resident, I

11 think, should be higher than resident.

12 MS. HUNT: It is. Right now, it's twice the cost of

13 a resident.

14 MR. DEAN: The non-resident.

15 MS. HUNT: Correct.

16 MR. DEAN: Yes. Well, then make it \$200.00, then

17 \$100.00. Good Lord, I'm going to run over.

18 MS. HUNT: Oh goodness.

19 MR. DEAN: Yes. I have got to start deducting.

20 MS. HUNT: Don't let that happen.

21 MR. : You need a calculator?

22 MR. DEAN: Apparently, it didn't work before. Hook

23 and line, \$200.00. Tidal fish are \$250.00. Seafood landing,

24 \$500.00.

25 MS. HUNT: ---.

1 MR. DEAN: Am I going too fast?
2 MS. HUNT: Oh no. Right there with you.
3 MR. DEAN: Replacement license, \$15.00. Seafood
4 marketing surcharge, \$50.00. Crab harvester, 600 pots
5 \$250.00. 900 pots, \$350.00.
6 MS. HUNT: Hold on. I'm sorry. Wait. You said the
7 600 pot?
8 MR. DEAN: Yes.
9 MS. HUNT: What was it? I'm sorry. \$250.00?
10 MR. DEAN: Yes.
11 MS. HUNT: Okay. I'm going to have to do that math
12 manual but -- I think, but go ahead.
13 MR. DEAN: Crab harvester, 900 pots \$350.00. LCC,
14 \$200.00.
15 MS. HUNT: Yes.
16 MR. DEAN: LCC, male only \$100.00.
17 MS. HUNT: Wait. Can you back up just a second?
18 Did you give me a fee for the 300?
19 MR. DEAN: Left it the same.
20 MS. HUNT: So somebody with 300 pots pays \$150.00.
21 Somebody with 50 pots pays \$200.00?
22 MR. DEAN: Well, see? That's I brought it to your
23 attention.
24 MS. HUNT: Okay, I just --
25 MR. DEAN: Good Lord, I don't want to run over \$1

1 million ---. Then what do you suggest we take it too? If the
2 LCC's 200 -- 300 pot would be --

3 MR. RICE: I would suggest that you're getting
4 apples mixed up with oranges and leave it alone if -- from
5 where I'm coming from because the 50 pots is just like doing
6 an icing on the cake. That's the trot line license anyway you
7 look at it.

8 So I think, from my point of view, I'd ignore the 50
9 pots and not get it construed with the crab potter because you
10 can't make a living crab potting with 50 crab pots.

11 MR. DEAN: All right. So leave it the way I have
12 got it.

13 MR. RICE: In my opinion.

14 MR. DEAN: Okay.

15 MS. HUNT: Wait a minute.

16 MR. RICE: We can adjust these.

17 MS. HUNT: Leave it with an LCC as \$200.00?

18 MR. DEAN: \$150.00, \$250.00 and \$350.00.

19 MS. HUNT: And then \$200.00?

20 MR. DEAN: Yes.

21 MS. HUNT: So I'd pay more for less?

22 MR. DEAN: Yes.

23 MR. RICE: Absolutely. That's what you call new and
24 improved.

25 (Laughter.)

1 MS. : I'm lost now.

2 MS. HUNT: I must have walked into some kind of
3 other universe because I -- okay.

4 MR. DEAN: You're into Gibby's world.

5 MS. HUNT: Keep going.

6 MR. DEAN: Oyster harvester --

7 MS. HUNT: Okay.

8 MR. DEAN: \$100.00. Striped bass with TFL, \$150.00,
9 and that's it. What do you come up with -- and if it's over
10 \$1 million, hit minus.

11 (Simultaneous talking.)

12 MS. HUNT: When you did your math, did you remove
13 the revenue that we were currently receiving?

14 MR. DEAN: I added the additional.

15 MS. HUNT: Yes, the additional times the number.
16 Right.

17 MR. BENJAMIN: She didn't add in the stuff that you
18 didn't say.

19 MR. : You missed something.

20 (Simultaneous talking.)

21 MS. HUNT: Okay --- that, so --

22 MS. : I haven't -- you never did the
23 angling fish.

24 MS. HUNT: You're right. You're right. You're
25 right. Thank you, Olivia. You're right. I deleted it all to

1 start with because I thought he was going to fill in all the
2 boxes.

3 MR. : Right.

4 (Simultaneous talking.)

5 MR. DEAN: Why am I sweating?

6 MR. : You had a right to. You just shaved
7 your legs.

8 (Laughter.)

9 (Simultaneous talking.)

10 MS. HUNT: You are just shy.

11 MR. DEAN: I feel much better.

12 MS. HUNT: You are not at \$1 million.

13 MR. DEAN: That's close enough. That's more than I
14 personally wanted to give. I'm really stuck at \$500.00.

15 MR. YOUNG: Yes, but you would be if you made the
16 male only LCC's at \$200.00 because that's --

17 MS. HUNT: Yes. Go ahead.

18 MR. YOUNG: -- that's an extra \$100.00.

19 MS. HUNT: I'm sorry. I can't really -- I'll just
20 scroll up and down if you ask me to go to a certain place.

21 MR. YOUNG: That's 448 times \$100.00.

22 MR. BROWN: Gina?

23 MS. HUNT: Yes.

24 MR. BROWN: The top one. What did we do with the
25 top one?

1 MS. HUNT: Nothing.

2 MR. BROWN: Nothing. They didn't change the
3 increase on tidal fish but you increased everything else
4 right?

5 MR. DEAN: Well, I personally felt they were paying
6 enough.

7 MS. HUNT: The unlimited tidal fish license?

8 MR. DEAN: ---?

9 MS. HUNT: The unlimited tidal fish license?

10 MR. DEAN: Yes.

11 MS. HUNT: So just -- I think you guys realize this
12 before but I'd --- I just summed up the components of an
13 unlimited TFL. So right now, at the increases that those fees
14 take you to, the TFL actually has a value of \$900.00 worth of
15 authorizations.

16 MR. : I'm going to pay more --- hook and
17 line --

18 MR. YOUNG: If you broke them down.

19 MR. : -- with the hook and line license.

20 MR. : That's if you buy them piece by
21 piece.

22 MS. HUNT: Right. If you had to buy them piece by
23 piece.

24 MR. DEAN: What happens if you take it at \$50.00?

25 MR. : That's exactly what I was thinking.

1 That's ---.

2 MS. HUNT: What? The TFL?

3 MR. DEAN: Yes. Unlimited TFL. It's a big number
4 isn't it? 100,000?

5 MS. HUNT: 2000 people so --

6 MR. : ---.

7 MS. HUNT: Hold on. There has to be a reason that
8 didn't make a difference. I typed it in the wrong place.

9 (Pause.)

10 MS. HUNT: I didn't make it that -- all right.

11 MR. DEAN: Oh my Lord, that puts us over.

12 MS. HUNT: But it's close enough.

13 MR. YOUNG: Take that back to -- take that -- can
14 you play with this for a minute?

15 MS. HUNT: You can -- yes.

16 MR. YOUNG: Take that back 300, go to that male only
17 and do like Gail said, \$175.00 -- or \$125.00. Try \$125.00
18 first.

19 MR. : That won't do it.

20 MR. : It ain't a \$1 million. Yeah.

21 MR. : There it is.

22 MR. YOUNG: We could handle \$3,000.00 more than \$1
23 million.

24 MR. DEAN: You and I are off by --

25 MS. HUNT: Well, let's --

1 MR. DEAN: -- \$500.00 and some dollars. That's
2 close enough.

3 MS. HUNT: So also just keep in mind, and I think --
4 I brought this up before in regards to the wait list over on
5 the side that you may have folks that choose not renew these
6 licenses, and in some cases that's okay because there's a wait
7 list of folks waiting to fill in the gap and pay that fee but
8 in other places, there are not.

9 So something like oysters, we already have over 100
10 licenses out there not being paid for so, you know, just if --
11 you have to assume that if you're projection right here goes
12 over, you're probably not going to actually realize that
13 because some licenses won't be paid for.

14 So it's the best case scenario not necessarily what
15 you're going to get in revenue.

16 MR. BENJAMIN: Yes. When you raise licenses, you're
17 going to have a certain percentage of drops out.

18 MS. HUNT: Exactly my point.

19 MR. BENJAMIN: Yes. That happens when you raise
20 your --- license. You could raise it another \$10.00 but then
21 you have got half the people that won't get them next year.

22 MS. HUNT: In some cases, it's okay because somebody
23 else will pay for it. Another person will come off the wait
24 list, but in other cases, it's not and it's just revenue that
25 we will not achieve. So this is the most money you can get

1 out of this scenario.

2 It's not necessarily what you're going to get. So
3 just keep that realistically in your mind.

4 MR. RICE: Bill?

5 MR. GOLDSBOROUGH: Two things. One, I think you
6 really do gotta think more about TFL with that big inequity of
7 the components versus the total fee -- TFL fee, and the other
8 is I think you've got to do something about having the LCC be
9 more than a 300 pot license, as was mentioned earlier.

10 I don't think that makes sense so those two could
11 balance each other. Bring that LCC down a little bit so that
12 makes sense and compensate for that a little bit on the TFL.

13 MS. HUNT: Well, one of the questions I've put in
14 here -- we talked about this a while ago, whatever question
15 this was. One of the questions in here was actually number
16 seven, a discussion and a recommendation on the fairness issue
17 with the fees.

18 So I think Moochie brought this up before in regards
19 to crabbing, but that was under a different fee scenario where
20 we had -- yes, I think the CB369, an LCC, had a high increase
21 and TFL did not.

22 This scenario, I mean basically the same thing is
23 true but in a different way where the fairness issue -- if
24 this went out for public comment, I just wonder what the rest
25 of the industry would say about the fact that an LLC costs

1 more or the fact that a TFL wasn't touched.

2 MR. GILMER: But you did increase the 6 and 900.

3 MS. HUNT: Correct.

4 MR. : Dramatically.

5 MS. HUNT: Right.

6 MR. : Quite a bit.

7 MR. GILMER: ---.

8 MS. HUNT: But a CB3 may have a 6 and 9 or a TFL may
9 have a 6 and 9, right? So you need one of those to -- in
10 order to have the 6 and 9.

11 MR. GILMER: Right.

12 MS. HUNT: But -- right, but the rest of the
13 authorizations under the TFL went up significantly but not the
14 TFL's itself.

15 MR. GORDON: I just have a question for Tom.
16 Playing a little catch-up here. I wasn't able to attend
17 either of the interim meetings, just because of my travel
18 schedule, but when we first started talking about these six
19 weeks ago or whatever it was, what was the deficit? It was at
20 1.6? 2.6? What was the --

21 MR. O'CONNELL: It was at \$2.6 million.

22 MR. GORDON: 2.6. So do you have something planned
23 for other 1.6 after Moochie's plan?

24 MR. GILMER: No, that would be -- no.

25 MR. GORDON: I'm sorry. After -- I don't want to

1 give you credit.

2 MR. GILMER: Don't --- over me yet.

3 MR. O'CONNELL: There are two options.

4 MR. GILMER: Jimmy ate my food and then I -- now I'm
5 gonna get the --- for it.

6 MR. O'CONNELL: There are two options. One of it --
7 one of them is to look at alternative revenue options, and the
8 other is to reduce services to reduce our costs or a
9 combination thereof. What's what, you know, I saw it -- this
10 is the scenario that the Commission, you know, kind of
11 gathered some support over, you know.

12 The meeting's later this month. We'll have to look
13 at, you know, where this leaves -- where this leaves us with
14 any modification to the cost assignment, and this body has
15 talked about alternative revenue ideas.

16 You know, I think we just have to have a realistic
17 assessment of the, you know, possibility of those and
18 recognize that if we don't get those alternative revenues that
19 we'd be looking at service reductions.

20 And likely service reductions that are focused on
21 that industry -- that management sector that is falling short
22 of the cost recovery.

23 MR. DEAN: I was prepared to talk about several
24 ideas on how to raise the additional funds and it's up to
25 Billy I guess if -- or Tom and -- jointly if you want to hear

1 about them tonight but -- and it, you know, unfortunately it's
2 hard to talk about one without the other.

3 Like I said, I don't want you to think that we're
4 drawing a line in the sand because, you know, we really aren't
5 because we're talking about other ways to raise that
6 additional funds. Do you want me to keep on or --

7 MR. RICE: I call Tom's advice on this.

8 MR. O'CONNELL: I mean it's a tough call. I mean if
9 you guys -- I mean I don't know how much time that discussion
10 is going to take.

11 MR. DEAN: I will be --

12 MR. O'CONNELL: That's a discussion that --

13 MR. DEAN: I will be three minutes.

14 MR. O'CONNELL: Okay. I mean I think that's fine,
15 and if there's opportunity at the end, if we do --- there may
16 be some opportunity to plant some further seed for people to
17 think about.

18 MR. DEAN: Absolutely. Yes. Well, the agenda
19 tonight is to talk about the report. So like Tom said, we
20 have to, you know, include all scenarios into the report so
21 you can identify the options and what they mean and the
22 ramifications of each, but -- and you've heard me say several
23 times before, we don't disagree with the \$2.9 million deficit.

24 What we disagree with is the 2.6 that's been
25 assigned to the commercial industry and I have never been an

1 advocate of going through this line item by line item and
2 arguing over who gets what and how.

3 My biggest concern was the \$2.9 million Fishery
4 Service deficit, but as Gina has pointed out to me -- I see
5 you've pulled your hair back for that.

6 (Laughter.)

7 MR. DEAN: That's an inside job. As Gina has
8 pointed out to me, cost recovery deals specifically with how
9 the commercial industry addresses that \$2.6 million deficit.
10 Now why do we have concerns with that -- and these are DNR's
11 numbers.

12 There's roughly 5,200 commercial fishermen and I ask
13 -- requested from the Department, which they gave me, the cost
14 of management per person is \$1,523.00. I spoke for weeks here
15 without anybody telling me my numbers were wrong. I was
16 referring to the recreational fishery as around \$180,000.00.

17 I learned last Thursday in a conference call that
18 number is more like \$318,000.00. So that even I mean inflates
19 all the numbers I had before. Now if you look at the cost of
20 management per person on the recreational side, that's \$17.20
21 as opposed to \$1,523.00.

22 Now I can see how you get at those numbers because
23 there are so many more recreational fishermen and obviously,
24 it's going to divide out further. But what bothered me is the
25 total cost of management -- are you getting this Ken? Get it

1 right now -- is the total cost of management for the
2 commercial fishery was nearly \$8 million -- 7.9.

3 The total cost to manage \$318,000.00 plus
4 recreational fishermen is only 5.5. Now that just goes right
5 over my head. I don't -- I cannot understand that except for
6 the fact that you have got to admit that all the things the
7 commercial fishery does, whether it's reporting, the logbooks,
8 the check in stations -- everything has got to go towards not
9 only the health of the Bay but the species.

10 Who benefits by that? Not just the recreational
11 fishermen or the commercial fishermen but the community, as
12 well? But when you look at how these financial
13 responsibilities are assigned, we're pretty much paying for
14 them.

15 So I'm -- I don't want it to be -- I'm -- I've said
16 this before. It's not an us versus them or recreational
17 versus commercial. It's that we're doing so much for the
18 health of the Bay and for the community itself that we feel
19 that more of these fiscal responsibilities should be assigned
20 particularly to the community.

21 This was an eye opener to me because it -- I see
22 where they're benefitting so much more by a lot of the things
23 that we're doing than what maybe has been given them credit in
24 this fiscal responsibility report. Therefore, I don't think
25 that the commercial industry has a \$2.6 million deficit.

1 Now I believe that we have in all -- in good faith,
2 we've sat down. We've worked with not only this commission
3 but with Tom and Gina and tried to find ways and we've --
4 we're offering up -- we -- listen.

5 I've told you weeks ago that, as well -- that I saw
6 areas where our license fees could be increased. I saw areas
7 where they should've been maybe a long time ago but not to the
8 point of \$2.6 million. Now this \$1 million that I presented
9 to you tonight is something that I think that we can live with
10 but when you go past -- and I said this at the last meeting.

11 I mean this fiscal responsibility was supposedly
12 based on harvest not numbers. So forget the numbers for the
13 time being, but if we're basing it on harvest, how many crabs
14 did a recreational fishery catch last year? They don't know.
15 How many fish did they catch?

16 Have no idea, but the fiscal responsibility numbers
17 are based on harvest numbers and let's think about -- this is
18 just for a little bit of information. The Department of
19 Natural Resources is for the rockfish surveys correct? It was
20 -- what is it? M-R --

21 MR. : MRFSS.

22 MR. : MRFSS.

23 MR. DEAN: What.

24 MS. HUNT: MRFSS. That is not just rockfish though.

25 MR. DEAN: Well that's what the survey I'm going

1 to --

2 MS. HUNT: Okay.

3 MR. DEAN: That's what they use to determine how
4 many rockfish were caught by the recreational community. That
5 particular survey has been outdated, done away with because of
6 -- they found bias and inaccurate reporting and it's since
7 been replaced by MRIP, I believe. Is that correct, Tom?
8 M-R-I-P?

9 MR. O'CONNELL: (Nodding.)

10 MR. DEAN: Until they get transferred over to them,
11 correct? But MRFSS system is going to be no longer once they
12 -- they recalculating all the numbers back to '04, I believe,
13 under the new system and once they get transferred over,
14 they're not even going to use it anymore.

15 So I mean if you -- I know this goes on and on but
16 if you -- they -- under that survey they said that the
17 commercial fishermen landed 2.9 million pounds of fish last
18 year. The commercial fishery, and it's well documented,
19 landed 2.1 -- 2010.

20 I'm sorry. In 2010. Now all our fish were weighed,
21 they were measured, they were checked in, they were -- logs
22 books filled out, reports were filed with the Department of
23 Natural Resources.

24 How many recreational fishermen -- and again, I'm
25 not -- but they -- the MRFSS survey -- what do they do? Wait

1 a minute. They -- hold on. Give me one second. I know
2 you're not going to give me many more. The MRFSS --- the
3 MRFSS survey -- here it is.

4 Thought I had it here but -- and they make random
5 phone calls. Random phone calls. They go to intercept areas
6 at docks and -- listen, I mean it's well documented. Some of
7 our reports weren't, you know, quite what they should've been
8 and that's why, you know, we're going through a lot of this
9 stuff.

10 But if you ask -- certainly not all but if you asked
11 a certain percentage of recreational fishermen how much did
12 the fish weigh that you caught, they don't know. They're not
13 weighed. They estimate but I mean it -- to be able to tell
14 you how -- what a fish weighs, you have to handle quite a few
15 of them and actually weigh them.

16 I think everybody here would agree to that. So how
17 accurate are these reports -- but this is what this survey is
18 based on. In any event, am I over my three minutes?

19 (Laughter.)

20 MS. HUNT: I stopped counting.

21 MR. DEAN: Short-term solutions. I mean we have got
22 a number of options to this. One would be if you take the
23 \$2.6 million deficit and you subtract the \$1 million that
24 we've already offered up to pay in license fee increases, that
25 leaves you the 1.6.

1 Now I've got in my notes here -- then refer to the
2 DNR's notes on cost recovery. I'm not very organized am I?
3 They used cases of countries in Australia. What was the other
4 one, Tom?

5 MR. O'CONNELL: New Zealand.

6 MR. DEAN: New Zealand. Okay. Here's one of the
7 criteria for how the survey was based. This is in a case of
8 Australia. Whether or not to determine whether or not a
9 certain expense should be attributed to that fishery.

10 It says, "If a specific user group would answer this
11 question with a "yes," with the non-existence of that
12 particular group eliminate the need for the activity in
13 question." I went down -- in other words, if we weren't here
14 would they still have to pay for it?

15 I went down line item by line item and except for
16 the question about on the crab survey was 2.0 some -- \$2.4
17 million, I came up with \$300 some million, now this was my
18 estimate, that they would still have to pay for if we weren't
19 even here.

20 So if you base that on the case of New Zealand,
21 which was part of their formula for getting this together,
22 they owe us money. I'm not trying -- I'm -- certainly I'm not
23 trying to exaggerate this but the NRP enforcement fee, I was
24 blown out of my mind in a conference call last Thursday with
25 Tom and Gina.

1 You know we talked about the NRP enforcement fee
2 last week or the week before -- or the last meeting, I'm
3 sorry, and we thought if the DNR currently pays NRP \$3.2
4 million for enforcement costs.

5 Well, we came up with this idea about if you took
6 all the number of people and you divided that into 3.2, you
7 come up with like pennies a person and that would wipe out the
8 deficit.

9 No it wouldn't, and it wouldn't because the cost
10 recovery instructions are they've only attributed 25 percent
11 of those costs to the commercial fishery so even though we've
12 now raised \$3.2 million, they're only going to credit us with
13 \$800,000.00.

14 Now that's the first I heard of that. Maybe I
15 missed something along the line, and I'm not saying anything
16 to you that I haven't -- I'm not talking behind anybody's
17 back. I've had these conversations before.

18 So if we're able to do something along that line and
19 if we're only accept, and I don't know that we have a choice,
20 the \$800,000.00, now we're down to only a deficit of
21 \$800,000.00. Then again, I have got "refer notes on cost
22 recovery on how to make up that additional \$8,000.00."

23 The other thing that this Commission talked about
24 was possibly a Bay user fee. Total deficit, again -- I like
25 thinking more about the total deficit for the Fishery Service,

1 not just the -- because that's a problem we have to solve is
2 2.9.

3 You take 2.9 divided by 323,000, which is the
4 estimated number of recreational fishermen, plus the number of
5 commercial fishermen, you come out with \$8.98 a person.

6 MR. YOUNG: Gibby, if it's a boat -- if it's a Bay
7 user fee then it ought to be everybody that uses the Bay;
8 boaters and everything.

9 MR. DEAN: I have got a note here, and this should
10 include all boaters. I'm just talking about
11 recreational/commercial fishermen \$8.98 a piece and you wipe
12 out -- you not only wipe -- well, you wipe out the entire \$2.9
13 million deficit.

14 Then the last option is the Department of Natural
15 Resources going back and taking a look at their operating
16 costs, how efficient they are and see if we can't make some
17 kind of cuts there. My recommendation on the particular
18 option is a combination of all three.

19 I think that, you know, that's there's things we can
20 pull from each one of them to make this work and this is not
21 about the commercial fishermen industry. It's not about the
22 recreational.

23 It's about the sustainable fishery for the state of
24 Maryland what -- listen I don't -- there -- no part of me
25 believes this but look at the number -- look at the number of

1 commercial fishermen we have. Now this is over the entire
2 state.

3 They're very close to the Eastern Shore numbers. 3
4 percent of them, 3 percent, of the commercial fishermen are
5 between the ages of 15 and 30. 10 percent are between 31 and
6 40. 26 percent is between 41 and 50. 27 percent -- are you
7 listening?

8 Are you ready for this? 27 percent is between the
9 ages of 51 and 60 and 34 percent is over 60. That means --
10 well that was 61 percent of all commercial license holders now
11 are over the age of 50. Do you know what that means? That
12 means that in the next 10 to 15 years or sooner we're going to
13 have half the fishermen we have got now.

14 Does that mean that the Department, in a way to
15 resolve the deficit, is going to double license fees again?
16 No. Can't do it. Now only are we being forced out of
17 business because of excessive regulations, but now we're being
18 forced out of business because of excess costs.

19 We've got a big problem in the state of Maryland and
20 that is is that we have, as I've shown you -- we have no
21 younger generation of commercial fishermen, and what's the
22 state of Maryland going to be without a commercial fishing
23 industry?

24 I'm sure it would make some people happy but what we
25 need to do on long term suggestions is -- and I wrote this

1 down because -- so I wouldn't forget it because it -- to me,
2 it's very, very important is we need to work together with the
3 industries and to find ways to make it easier and more
4 affordable for our younger generations to get into the
5 industry.

6 The benefits of such an undertaking would have
7 residual benefits for all. Not only would it support a major
8 portion -- and Billy brought this up at one of the meetings.
9 Not only would it support a major portion of Maryland's
10 future, tradition and heritage but also create new jobs adding
11 to our economy through additional tax revenues.

12 Just as important, supporting the many fishing
13 communities and businesses and people that depend on
14 Maryland's fishing industries to survive. I'll just close by
15 saying just try to imagine what the state of Maryland would be
16 without a commercial fishing industry and if things keep going
17 the way they're going, you won't have to imagine much longer.
18 That's it.

19 MR. RICE: Thank you.

20 MR. O'CONNELL: Hello.

21 MR. : Yes, sir? All right. Let's see.
22 Go ahead.

23 MR. O'CONNELL: I didn't mean to, you know, give you
24 -- I mean I appreciate how much you had to spend in-between
25 meetings putting all this information together and I think you

1 make a lot of good points.

2 You know I'm not going to agree on everything you
3 said and regarding the quality of harvest and, you know, the
4 same thing could be said if that -- there was no recreational
5 fishery, that cost would still exist of commercial fishermen,
6 and in the reality we're going to have commercial and
7 recreational fishermen going forward. So we have just got to
8 figure out how to --

9 MR. DEAN: That's what we want.

10 MR. O'CONNELL: Yes. No, but I appreciate you
11 putting all that thought and making it available.

12 MR. RICE: Thank you. Robert T and then --

13 MR. BROWN: Well, I'd like to commend Gibby on all
14 his hard work he did on this, and also bring to light about
15 the future. What are we going to be looking at five years
16 from now when it comes to this if we're going to be on this
17 course?

18 So the communities, you know -- the prices -- you
19 know, five years from now, you're going to have fewer watermen
20 in there, you know, just as time goes on. We need this place.
21 It's going to be every time somebody passes away you're going
22 -- that's going to be one less license.

23 Who's picking it up? The young people are not
24 picking it up. Our industry, you have got very few young
25 people into it. So we have got to look at this at a longer

1 range, and also the community is going to have to pick part of
2 this up.

3 We are a food producer and in the farming industry,
4 they get all types of subsidies and the community is going to
5 have to subsidize part of this to keep the seafood industry
6 going, and they might as well get used to it because five
7 years from now, when there's fewer of us paying that fee,
8 we're still going to have the same amount of expenses.

9 We're going to have to come up with something to
10 help take care of this and manage it. If we do just what
11 we're doing here now, that's taking it good for this year but
12 then three years from now or four years, when you have fewer
13 people into the industry, you have got the same problem again.

14 MR. RICE: Go ahead.

15 MR. O'CONNELL: The decline we've seen in the
16 commercial fishermen, it's not a new thing. It's been
17 happening for a decade. It's also being observed in the sport
18 fishing community. You know there have been significant
19 decreases over the last couple decades in sports fishermen so,
20 you know, the same problem exists on both sides.

21 The costs, you know, pretty much stay the same, if
22 not have increased because of more of the complexities with
23 the assessments that are required to manage these fisheries up
24 and down the coast, but the number of participants is
25 decreasing and that either requires a greater investment from

1 the user fees or a greater investment from Government, and
2 likely a need to do both.

3 MR. RICE: Did you have something, Richard?

4 MR. YOUNG: Yes. Gibby, thanks for doing all that
5 work. That's pretty informative stuff. At the last meeting
6 that I -- you know I was at both of those meetings that we had
7 since our last meeting on the cost recovery, and the one that
8 you weren't at the table but I was at the table, were you at
9 that meeting? The second one?

10 MR. DEAN: I don't think I've missed one. That?
11 Yes. I was there. I was sitting in the --

12 MR. YOUNG: Okay. You probably remember then Jim
13 Gracie, who is chairman of the Sport Fish Advisory Commission,
14 was at the table and he said, you know, an idea is that you
15 guys do what we did when we got our licensing freeze, and
16 that's accept -- we could do the \$1 million, go to legislature
17 and say we're okay with getting this \$1 million if we can get
18 \$1 million in matching funds in the general fund.

19 I thought that was a great idea but \$1 million
20 doesn't quite get it. It's not quite enough but with some
21 tweaking in the numbers in the community charges, I think, you
22 know, like in the striped bass program, it doesn't benefit the
23 community at all.

24 Come on. All the striped bass go to the market.
25 They get sold. They get eaten in the restaurants. Not only

1 that, but the Chesapeake Bay Striped Bass Fishery is a world
2 class fishery -- a recreational fishery. People come from
3 around the world.

4 It's good for the state. It's gotta be some
5 community charges. The Blue Crab Fishery. There's the ---
6 Blue Crab Program, there's zero community. Well, you know,
7 people come from all, you know -- Delaware, New Jersey,
8 Pennsylvania, Virginia to fish for crabs in Maryland.

9 That's tourism. That's, you know -- I mean and how
10 many people come to Baltimore just to eat steamed crabs? You
11 know, it's got to be something for community there. It can't
12 be zero percent. I think that, you know, with some tweaking
13 and that maybe some matching funds -- but how you go -- I
14 don't know how to go about doing that.

15 How do you ask the legislature for matching funds,
16 you know? Then what you said about entering. We've got to
17 make it -- the fishery accessible, licenses accessible for
18 people.

19 Well, I don't see it on the agenda but we -- the
20 Blue Crab Industry Advisory Committee did meet a couple of
21 weeks ago to decide on what to do with those licenses that had
22 not been renewed -- those male only licenses, and the Advisory
23 Committee decided to retire those licenses. Well that's --
24 what is it? 30? 34?

25 MS. HUNT: Yes.

1 MR. YOUNG: 34 licenses that are no longer available
2 for people to get even though there's people on the waiting
3 list that would probably take them as a male only license,
4 and, you know, I mean I thought that anything the Advisory
5 Commission Committee suggested would come in front of this
6 advisory commission to continue on into the process, but I
7 don't see it on the agenda for tonight.

8 MS. HUNT: No. We are going to come back to -- on
9 it.

10 MR. YOUNG: Okay.

11 MS. HUNT: It was just tonight was supposed to focus
12 on cost recovery.

13 MR. YOUNG: Okay. That's fine. That's all I have.

14 MR. RICE: Okay. Tom, did you want to respond to
15 that?

16 MR. O'CONNELL: Yes. Just really quickly. I mean
17 Chairman Rice did make that request and, you know, something
18 that the Commission can, you know, request via recommendation
19 and report. The comment I just want to make, if there is a --
20 we have presented a ton of information so I know it's a lot of
21 information to absorb.

22 I just wanted to comment in regards to the community
23 costs associated with like striped bass monitoring and blue
24 crab monitoring. I mean we did allocate on average probably
25 15 percent of our costs associated with monitoring striped

1 bass and blue crabs and all --- community.

2 We can argue that's enough and we've talked about,
3 you know, we could do some sensitivity analysis, see if that
4 -- if you increase that community percentage to a certain
5 number to see how that affects, you know, the cost
6 assignments.

7 We'll be looking at that but I just wanted -- I mean
8 there is a -- in the current cost assignment there's 15
9 percent of the costs associated with crab, with striped bass
10 and most of the other monitoring programs.

11 MR. YOUNG: So you changed it a little bit.

12 MR. O'CONNELL: That was in there from the
13 beginning.

14 MS. HUNT: No. That's the way it's been.

15 MR. O'CONNELL: Yes, so --

16 MR. YOUNG: --- zero community ---.

17 MR. O'CONNELL: I mean there's a lot of information
18 in there but --

19 MR. YOUNG: -- and the blue crab programs, zero
20 percent of community at night when we sat at the -- one I
21 could -- we could -- the table was up there so we could see
22 the screen.

23 MR. O'CONNELL: I know it was brought up at the Blue
24 Crab Design Team meeting a couple of weeks ago so I went back
25 and looked.

1 MR. YOUNG: Yes, it's --

2 MR. O'CONNELL: But we'll double check to make sure
3 but --

4 MR. YOUNG: Okay. I'll check mine too ---.

5 MR. RICE: Thank you. Bill?

6 MR. GOLDSBOROUGH: Yes. A couple of things. Just
7 first to clarify, when you assign a community that means you
8 pay those costs with general funds?

9 MR. RICE: Yes.

10 MR. GOLDSBOROUGH: So if we're talking about
11 shifting more into the community, that means we've got to get
12 more general funds right? Now the thing sport fishermen did,
13 if I'm not mistaken, Richard, is not asking the General
14 Assembly for the matching money but asking the governor to
15 match it in his budget.

16 Of course, you've got to go fight for that in the
17 General Assembly. So I think, you know, y'all will be called
18 upon or we would be called upon to try and do that. I think
19 that's a worthwhile approach to take and that if you're doing
20 that, I think a real effective argument is the arguments that
21 you're making for more of these to be taken out of community.

22 You know, that there are --- community benefits to
23 these fisheries. You know, the points Gibby was making you've
24 made, and I think that's a -- that's got potential as an
25 option for some of the -- make up some of the difference.

1 Now a couple of other points I had, I wanted to also
2 say that there have been declines in recreational fishery too,
3 certainly participation. I'm not sure of licenses or not but
4 -- and I think the declines there and the issues you have with
5 the commercial fishery, a lot of people outgrow -- are growing
6 older and not so many young ones coming has to do with the
7 resource base going down.

8 You know, and that's something that both commercial
9 and recreational share, a declining resource for various
10 reasons, many of which aren't our fault, you know. The
11 habitat, pollution and so forth.

12 Of course I'll have to mention a thing I always say
13 on that which is that's one thing that unites us all and we've
14 got to keep that in mind when it comes to those fights but --
15 and the excessive regulations, I know, you know -- it -- to
16 manage working commercially is certainly -- would have the
17 impression that it -- all these regulations are what's putting
18 them out of the business.

19 But the real is the decline in the resource and the
20 regulations are an attempt, you know, to turn that around.
21 Usually they come too late to, you know -- so you have to be
22 more comprehensive about that and a little more out front on
23 it.

24 But I think that's an important clarification. A
25 couple of other things that I -- I guess that sport fish would

1 want me to put on the table that, you know, I imagine you've
2 heard before that need to be kept in mind in these
3 discussions.

4 One is that there have been two license increases on
5 sport fishing in the last eight years and no commercial one in
6 18 years. You know I think we -- we all know that. It's sort
7 of important to keep in mind.

8 Then kind of a philosophical one, you know, you do
9 have a lot fewer commercial guys, of course, and they're
10 recreational then the commercial guys individually. They're
11 in it making a living, which I do think we value culturally in
12 Maryland.

13 I too think it's important to try and maintain that
14 personally but for the privilege of making a living, it makes
15 sense, and taking a lot more of the resources. As an
16 individual, it makes sense to pay higher fees than the
17 recreational guys.

18 So I think that's one of the sort of philosophical
19 things that people from the sport fishing community would want
20 folks to keep in mind.

21 MR. RICE: Thank you. Who we got on this end?
22 Mike, go ahead.

23 MR. BENJAMIN: Yes. There was a -- there's
24 something you've got to consider here. When you go up in
25 license fee increases -- say we go to the \$1 million scenario

1 or the 2.6 or the \$500,000.00, each one of them scenarios is
2 going to have a certain amount of drop out with it.

3 Is there any way possible DNR can come back with
4 some numbers and give us an idea? Like if we go to 2.6
5 million -- because I know they did that when recreational
6 license fees increased.

7 I don't know if there's -- do you have access to
8 numbers like that because if you go -- you go up \$1 million
9 and you have -- let's just say 25 percent drop out, that \$1
10 million is nowhere near even going to cover that to go to 2.6
11 million, you're going to have a -- probably a dropout rate of
12 35 percent.

13 So that means you're 2.6 million is not covered now.
14 Now you need -- you know you need to raise them up an
15 additional \$100.00 a license on top of that. You've got to
16 consider these dropout rates.

17 MS. HUNT: Right.

18 MR. BENJAMIN: The second thing I want to bring --
19 and I want to ask Tom is we go with this \$1 million scenario,
20 okay? That does not cover the \$2.6 million that we have to
21 come up with.

22 Now let's say we have these plans and we put them in
23 legislation and whatever we go with -- whatever we decide to
24 go with and it doesn't work, what happens in that scenario?
25 Do we come back and you have a list of stuff we're going to

1 cut or, you know -- because we're going to -- once we get the
2 legislation if this doesn't -- if we're rolling all our balls
3 in our one thing in legislation and it doesn't go, are we
4 going to have an opportunity to see what we want to have cut?

5 Because after legislations, we can't even raise up
6 fees. Am I right? If we don't get the fee raised up and
7 we're gambling on something else, it could come back and bite
8 us and I would like to know how bad it was going to bite us,
9 and I would like to know when you're talking about cutting
10 services, what is that?

11 Give me an example of something I could look at and
12 say okay, I'm in yellow perch fishery. How's that going to
13 affect me? Cat fishing, how's that going to affect me? We
14 need some certain clarification when you start talking cutting
15 services.

16 Just some examples. I mean I don't know, I think
17 everybody would like to see what we're talking about. I don't
18 understand it.

19 MR. O'CONNELL: Yes. One of the first meetings, we
20 gave a presentation and it was just on one slides that these
21 are the types of service reductions that could be reducing
22 seasons, closing fisheries, does that reduce NRP costs.

23 We may have to reduce the level of monitoring which
24 increases uncertainty in management, which may have to lead to
25 more like quota holdbacks like we had to do with striped bass.

1 It could lead to no longer putting the buoys out there that
2 mark the shellfish clamming areas, which is going to make --
3 put more of a burden on the watermen to know where they are.

4 Those were the kinds of types of examples but what
5 we're planning on doing later this month is providing a little
6 bit more specificity to that. To give you examples and the
7 degree of reductions depends on where you fall.

8 But you're right, if we don't get a fee bill we're
9 looking at a -- some pretty dire situations beginning next
10 July.

11 MR. BENJAMIN: Now if we do get a fee bill, is there
12 any way you can get a -- like I was asking about them numbers
13 on dropout rates?

14 MR. O'CONNELL: Yeah. You want to comment Jorge?

15 MR. HOLZER: (Away from microphone.) We get --- we
16 have but it's going to be really difficult to estimate ---
17 because even when we give the buyback, we've got other people
18 who are not using their license, for example, and they keep
19 paying every year.

20 You wouldn't anticipate that --- but they came ---
21 sell it. They keep it like --- use them. they're going to
22 sell -- rent them out but what I'm trying to say is it's going
23 to be hard to anticipate what's going to be their reaction,
24 for example, to increase license fees but we can do it ---
25 show what can be the effect on revenue if 15 percent ---

1 different type of --

2 MR. BENJAMIN: Maybe we ought to look at that --

3 MR. HOLZER: --- watermen ---.

4 MR. BENJAMIN: -- just give an idea because they're
5 -- I mean the higher you go up, the more likely you will have
6 dropout rates. Am I right? That's a true statement.

7 MR. : You're talking about license too
8 right? License usually ---.

9 MR. RICE: Yes. You have some people on the waiting
10 list that would take up some of the licenses.

11 MS. HUNT: Right. Over here in the corner was the
12 wait list numbers. That's why I keep coming back to them --
13 for that main point. Like I think what Jorge was saying is
14 you already have people that don't make -- that are not even
15 paying what their license fee costs -- or they're not making
16 what their license fee costs, okay?

17 So the reason they're holding on to it is because
18 maybe they're going to use it later or there are cultural
19 reason. It was their dad's or they want to have it. We don't
20 know what that threshold is that will break them to the point
21 where they're going to say never mind.

22 MR. BENJAMIN: There's no way of telling that right?

23 MS. HUNT: There's no way.

24 MR. BENJAMIN: Because they had -- they had pretty
25 much breakdowns when they recreational but they don't have an

1 idea on this at all.

2 MS. HUNT: When we did the buyback, Jorge did a
3 survey of those folks that did not sell it back to the
4 Department but yet clearly were not making a living or were
5 not even making the money to pay for their license fee. Why
6 did you not want to sell it back? That was it.

7 They're like I'm holding it. This is something that
8 means something to me. It's emotional to me. So you don't
9 know what that point is going to be but certainly, some of
10 these folks may choose not to renew.

11 In the case of crabs, crabbing licenses is one of
12 the few licenses where you can look over here on the side that
13 we have folks waiting in the wings. If you had, you know, 102
14 LLC's choose not to renew their license, you'd still be okay
15 as far as revenue.

16 You know, CB6's, CB9's. CB9's, 123 people. So if
17 somebody else does drop out, they can sell it too. I mean
18 they choose -- I'm just not -- that's too rich. I can't pay
19 for that and they sell and transfer the license.

20 So I think under crabs, it's not as much a concern
21 but I can tell you right now like the fishing guide fees right
22 here, the non-resident and resident fishing guide fees that
23 were here -- well, we have already seen a big decrease in our
24 fishing guide license sales.

25 There are licenses available, nobody waiting on the

1 wait list, and it could be at this point where if you double
2 my fee, never mind. It's, you know, the opposite of crabs.
3 So I just, you know -- we have to be cognizant of that point.

4 Like you brought up, we can't tell when that will
5 happen but it's clear that there are some people that are
6 willing to pay if they're waiting in the wings. Others, not
7 and that's under the current fees.

8 MR. YOUNG: How long has it been zero waiting --
9 people on the waiting list for that?

10 MS. HUNT: For which?

11 MR. YOUNG: For the resident fishing guide?

12 MS. HUNT: Only a couple -- a few years. A couple
13 of years.

14 MR. YOUNG: Economy.

15 MS. HUNT: Yes. Exactly.

16 MR. YOUNG: Nobody's taking any charters.

17 MS. HUNT: That's why I say, it's been heading down
18 -- because it used to be fishing guides was one of those
19 categories we always had to wait. Always. Always, especially
20 non-residents. And now, no.

21 MR. RICE: Okay. Go ahead.

22 MR. GORDON: I'm on this committee because of my
23 involvement in aquaculture business but my day job is VP of
24 sales of Sea Watch International, which is the world's largest
25 harvester of ocean ---.

1 My particular job is to keep 35 vessels in the ocean
2 catching surf clams and cull holds from Cape May, New Jersey
3 to Georgia's banks. I mean I say that in that I have to sell
4 what they catch and they can't go -- keep going back out in
5 the ocean if we don't move that product.

6 It seems like every year recently we get involved in
7 these same types of conversations from the private sector
8 perspective about costing and how do we pass on our increased
9 costs.

10 I'll say that I think it would be a shame if we
11 don't cover -- certainly we need to go back and the Department
12 needs to do a thorough look at any wasted money or money
13 that's not being spent efficiently, but I would be ashamed if
14 we couldn't get that accomplished without cutting any vital
15 duties that your perform or whatever.

16 I just think that would be a major setback. I'll
17 say this though, and people that -- in this room that get up
18 and go to work on a boat every morning probably won't like
19 this but we regularly look at our cost and we're involved -- I
20 mean our carbon footprint is a giant because of the amount of
21 fuel.

22 We're talking 160 foot boats that are out there for
23 36 hours. When we come in we have to -- our smallest boat, we
24 have 12 tractor trailers to offload that, and we sell clam
25 products meat to just about any restaurant that you've ever

1 | been in to all the big -- Campbell soup, Progresso and all
2 | that.

3 | Part of my daily involvement is to negotiate with
4 | these people to make sure that our company remains profitable,
5 | and that's a chore. I will tell you though, all right, that
6 | recently, passing that piece of paper across the table that's
7 | a six percent -- eight percent increase, okay, in our world
8 | has been much easier than it was five years ago.

9 | The reason for that is that all other proteins, when
10 | I'm trying to make a comparison here -- but all other proteins
11 | are through the roof. Look what you read in the paper, okay?
12 | The chickens, the beefs, the pork, all those proteins are
13 | going up and then in -- when you pull this global economy
14 | together, we're here selling the fishery products in the state
15 | of Maryland against those -- these other proteins, whether
16 | they're fish coming in from China or India or whether they're
17 | protein -- you know, other non-seafood proteins.

18 | I just hope that we can get this thing worked out.
19 | Sometimes you find that raising your price, particularly in
20 | light of what's going on with other industries, is not as
21 | hard. I mean we get ourselves all worked up on what -- we're
22 | going -- this is it.

23 | This is going to be terrible. You can't go up
24 | anymore. We're going to lose our business, and then we do it
25 | and everybody takes it. I mean I know that, you know, working

1 on the boat level is a little different but I just would hate
2 to -- the final resolve of this is significant cutbacks in the
3 Department because I think there are many other ways to
4 achieve this.

5 MR. GILMER: Okay, and we've rolled the numbers
6 around here and ---. My question to the Department is we have
7 all these scenarios in front of us and all these -- what
8 number are you comfortable, out of the 2.6, of going to the
9 legislation with?

10 MR. O'CONNELL: I'm probably not able to answer that
11 question today, Moochie. You know what I've mentioned to a
12 few of you that I was hopeful that we could reach some
13 agreement around \$1.5 million because I thought that there was
14 some changes via the other ideas that have been raised that
15 could potentially help substitute that difference, and there
16 are probably some efficiencies that can be gained.

17 Like we talked about the commercial harvest report
18 forms and the mailing of all that that could be, you know,
19 handled differently to reduce cost. But that's just kind of
20 my personal opinion at this point in time.

21 MR. GILMER: I mean because like Mike said, you
22 know, do we want to go to legislature --- you know a number
23 and if that's where it is, what are our ramifications out of
24 it? You know, it's -- or is there a number that we can go
25 with that we could work from that won't cost us services or

1 stuff down the line? You know it's --

2 MS. HUNT: Well, that is -- if I can interject. I
3 think that's why the first couple of meetings, we had
4 suggested coming up with a few different scenarios so that
5 when we come back at the joint meeting, you know, if there was
6 a \$1.6 million scenario and then you looked at that scenario
7 with the services that would have to be cut compared to the \$1
8 million with the services have to be cut, or whatever other
9 fee options that there are, that you would have that
10 information to weigh against each other, and what would 1.6
11 look like really compared to 1?

12 So that's why we had tried to come up with those
13 couple different scenarios, and you know I -- we had the very
14 first meeting at 500,000 scenario and a 1 million scenario and
15 in the last meeting, you guys had asked that I just do a
16 percentage increase.

17 There was a 1.6 and a 2.6. So we have various
18 scenarios but I've never heard from the Commission on any of
19 them, you know. The good, the bad or the ugly about different
20 parts of those fee scenarios.

21 So, I mean that's part of what we were hoping to get
22 out of tonight is, you know, give me a proposed to \$1 million
23 fee scenario. I haven't heard from the Commission if
24 everybody is okay with that one, but then moving on even from
25 that.

1 MR. BENJAMIN: That's fine but we haven't seen what
2 you're talking about cutting either. We got half the puzzle
3 here. We've got -- the fees ---.

4 MS. HUNT: Right.

5 MR. BENJAMIN: If we could have an idea of what
6 we're placing this against --- putting this paper here for \$1
7 million but I'm going to -- okay, these have to be cut, I'm
8 not seeing this paper.

9 It would make things go a lot easier if we knew
10 exactly where we were at -- what kind of boat we're in. I
11 know we need to go -- we need \$2.6 million. Okay. We know
12 that, okay? But if we don't go there, what are going to risk
13 it.

14 I mean I don't crab. If you cut out crabbing, I'd
15 be happy. He don't fish for rockfish. He'd be happy cutting
16 rockfish out. Everybody has their own -- their little boat in
17 the water here. Everybody has their own little fishery. What
18 are we talking about cutting, and that's what we need to know.

19 MR. RICE: Is it possible, Tom, that we could
20 support say the \$1 million proposal as our number one choice
21 and then the 1.6 or 1.5 as our second choice, and in our next
22 meeting you'd be able to come and say here's where we're at.
23 This is what you're probably going to be looking at at this
24 level.

25 This is what you're going to probably be looking at

1 at that level. Is that a possibility?

2 MR. O'CONNELL: Yeah, I mean we don't need to hear
3 from you today which is your preferred choice I mean --
4 because I think we need to know and understand what the
5 consequences are like Mike said but my -- you know, the way
6 this process is going with the timeframe that allows that, we
7 haven't completed our analysis in terms of what those
8 consequences would be is that the assumption for this meeting
9 is let's just assume that you needed these four levels of
10 scenarios.

11 What was the best fee structure to achieve that? In
12 the next meeting, when we tie the consequences, you guys can
13 assess which one you feel like is most feasible that you could
14 support.

15 You know, based upon where we are at this hour
16 tonight, another -- you know we could do it similarly the last
17 time that, you know, if you guys want to focus in on this \$1
18 million fee scenario, I mean the focus is try to get the
19 structure of the license system the best you can and, you
20 know, there's a couple new fees that haven't been discussed
21 tonight that could potentially be added.

22 We should spend a little time on that but if you
23 kind of get the structure of the fees set at this \$1 million
24 level, you know, it can be scaled up and down, you know, and
25 the system -- the structure stays the same and you can scale

1 it up and down to develop those other scenarios to look at
2 when we get back together later this month.

3 MR. RICE: Well, just for one, it's right at the top
4 and I'm not disputing Gibby's figures at all but if we ever
5 get down to the point where we have to sort of pass the red
6 face test on this and we don't think that the general public
7 is going to accept not raising TFL's, if they went up by
8 \$100.00 you're getting another \$200,000.00.

9 MR. BENJAMIN: I agree too and I own a TFL.

10 MR. RICE: I do too.

11 MR. BENJAMIN: But I agree.

12 MR. RICE: Yes.

13 MR. BENJAMIN: I agree that should be --

14 MR. RICE: To be personally honest, you know, I
15 don't know how to answer somebody that's got an unlimited -- I
16 mean an LCC paying \$200.00 and I've got a tidal fishing
17 license I'm paying \$300.00. I'm not sure how to answer the
18 question but, you know, I do think we need to agree on
19 something because we're kind of like a dog chasing his tail.

20 We're running around in a circle and we're trying to
21 be very particular and very careful, but if we keep chasing
22 that tail that's what we're going to end up doing.

23 MR. O'CONNELL: Yes, I think, you know, another very
24 significant challenge as you guys work with us on this issue
25 is trying not to look at it from your individual perspective

1 but looking at it collectively as an industry. That's very
2 challenging.

3 I mean things that I do in my personal life, it is
4 very difficult to separate that but, you know, you -- I mean
5 we are really looking for you guys to look at this issue as an
6 industry as a whole.

7 At some point here, you know, now or in the next 20
8 minutes, it may be good to just go around the table and have
9 everybody just provide a comment as what are your thoughts on
10 this fee structure to see where we are. Are we there? Are we
11 close?

12 Are we significantly off. If we're significantly
13 off, you know, we probably should just start going through
14 some more line by line questions. So I don't know if you guys
15 want to do that now or have a little bit more discussion but
16 it may be helpful to facilitate the discussion forward to just
17 go around the table and ask people what are their thoughts on
18 this current structure.

19 MR. GORDON: I'll start.

20 MR. : --- one minute or less.

21 MR. GORDON: I support the --- at a minimum and I'd
22 rather see it increased up to the 1.6.

23 MR. IRELAND: I am good with it at \$1 million, as
24 well. There's two things that I would like to see happen.
25 The crab harvest is 300 pots at 100 and a half, and you got a

1 | limited crab -- brought it up and then nobody picked up on it.
2 | It just doesn't seem fair.

3 | MR. RICE: Gibby?

4 | MR. DEAN: Well, you know I'm for the \$1 million.
5 | How you adjust the number is fine. Just one quick comment, if
6 | I could, on -- I agree with what Bill said. I think the best
7 | avenue for -- if we can do everything we could possibly do
8 | here that's fair and reasonable.

9 | We can hold our heads up high and go to the
10 | governor, that's the place to pick up these additional funds.
11 | We can take a lesson from the sport fish -- I mean the
12 | recreational community on -- I mean they did something very
13 | similarly.

14 | I think if we can show on paper that we made every
15 | effort to reach a fair and reasonable level that we could do
16 | that, and as far as Mike's comments about the people dropping
17 | out of the fishery, that -- I mean that, as I said -- that's
18 | going to happen with attrition alone.

19 | In addition to maybe some of the license fees
20 | increase but our -- one of our main concerns is this younger
21 | generation and I'd like for us somewhere down the line to
22 | think about programs similar to what we've done with
23 | aquaculture.

24 | That's utilizing people like --- and to provide low
25 | interest long term loans to some of our younger people that

1 | could get into the fishery, and maybe buy out these licenses
2 | that are going to drop out either through attrition or
3 | whatever.

4 | MR. BENJAMIN: I think we ought to go with the 1.6
5 | myself just because if we're talking about matching funds with
6 | the government, 1.0 -- 1 million is not going to match. We're
7 | still going to be \$600,000.00 short. 1.6, we can drop down
8 | some.

9 | I think 2.6 is too high because you'd be making
10 | money. That's going to be hard to fight for -- \$5,000.00 in
11 | license fees every year. But that's what -- I think 1.6 you
12 | can get the matching funds.

13 | MR. RICE: Danny?

14 | MR. WEBSTER: I agree with Mike on the 1.6 and I do
15 | agree on the increase in the tidal fish. I have a question
16 | about a limited crab catch or two. Maybe we should reduce
17 | some of that. \$200.00 is a little, then they've got -- if
18 | they do have 3 or 600 pots, that would make that a little bit
19 | more for them too.

20 | I know this question -- question eight about doing
21 | that, are they going to -- that would take some of the burden
22 | off the crabber because he wouldn't have to have a mate or two
23 | mates to have his 900 pot.

24 | So maybe they might be a little better accepting the
25 | increase in the tidal fish if they didn't have to hire a man

1 every day --- average \$100.00 to \$200.00 a day for that. Is
2 that what the question is? I mean you wouldn't have to have a
3 person?

4 MS. HUNT: That was -- that is the first part of the
5 question.

6 MR. WEBSTER: Yes.

7 MS. HUNT: It came up last session while the bill
8 was already in and I think it already had one hearing and our
9 recommendation was, you know, that -- the CB6 and 9 is
10 currently in law requiring you to have this additional
11 crewmember.

12 It was actually created that way because when the
13 CB3 was created, they've said that's not enough for me to be
14 able to pay my crew, okay? So, created the 6 and 9 with the
15 crew in mind. Now, this would say you don't have to carry
16 that drew.

17 So the recommendation from the Department back was
18 it's a little late. We don't know what the consequences would
19 be when you consider effort, and so we had suggested that it
20 go back to the Blue Crab Industry Team and have them consider
21 this with all of the information and if it was to be a
22 recommendation in legislate, it would have to go in a bill.

23 It could go in, you know, a fee bill. It could go
24 in that but it would have to go in the bill with the industry
25 support knowing -- full well knowing if there's any effort

1 | ramifications for that. So, you know, it's -- I haven't heard
2 | it here so it hasn't gone back -- my understanding it hasn't
3 | gone back to that team.

4 | MR. YOUNG: To the design team or the advisory
5 | committee?

6 | MS. HUNT: Advisory.

7 | MR. YOUNG: Yes, well it hasn't gotten to us.

8 | MS. HUNT: Well, right because we went back to the
9 | industry and said if you want this, this is where it should
10 | go, and then we haven't heard anything more about it. That's
11 | why I brought it back up in the questions.

12 | MR. YOUNG: Yes.

13 | MS. HUNT: Because I don't want it to come back up
14 | in the middle of session again after the bill is already
15 | proposed.

16 | MR. YOUNG: Well, I make a motion that that go to
17 | the design team -- I mean the advisory committee, as well as
18 | that other issue we were talking about this evening. Any
19 | seconds?

20 | MR. GILMER: Yes. I'll second it.

21 | MR. RICE: If we can concur, then that's fine.
22 | Everybody concur that we send it to the advisory?

23 | MR. I second the motion.

24 | MR. RICE: Okay. Wait a minute. Hold on for a
25 | second, guys. You caught me off guard there for a second. I

1 don't know if we need a motion I'm saying. I --- nobody to
2 motion.

3 That's why I was saying I'm not sure it necessarily
4 needs a motion but is everybody comfortable with sending these
5 two items -- suggested action items --

6 MR. : I wonder if they can ---.

7 MR. YOUNG: Number 8 and 10.

8 MR. RICE: And the other item was to deal with the
9 LCC license, is that correct?

10 MR. No. It was to deal with -- what the heck was
11 that? What was that, Richard?

12 MR. YOUNG: I don't know. 300 crab pots?

13 MR. The trot lines -- the trot lines stuff.

14 MR. YOUNG: Yes, the trot lines.

15 (Simultaneous talking.)

16 MR. Way too late in the day for my ---.

17 MR. RICE: All right. Thank you, Richard, for
18 bringing that up. Dale, do you want to comment on the --

19 MR. DAWSON: Yes. I also have a TFL and I would
20 agree with increasing it to 400 and I would suggest the 300
21 pot, make it \$200.00 instead of keeping it at \$150.00.

22 MS. HUNT: I am sorry. What was that 300 pot?

23 MR. DAWSON: That 3 -- yes, the 300 pot crab
24 harvester. Increase it to \$200.00 and I would also -- LCC
25 non-female and female both \$200.00.

1 MS. HUNT: So the CB3 and the LCC would be the same
2 price?

3 MR. DAWSON: Yes. That's just my suggestion, and I
4 had a question. Did rockfish surcharge, did it stay at -- I
5 mean it went from \$100.00 to \$150.00. Is that where it ended
6 or did it go to \$200.00?

7 MS. HUNT: In the proposal from Gibby?

8 MR. DAWSON: Yes.

9 MS. HUNT: It is --

10 MR. : \$150.00.

11 MS. HUNT: \$150.00. it went up for the TFL but it
12 stayed the same for those that do not have a TFL, and one of
13 the questions in the questions there is should there be a
14 difference depending on your license type or should there just
15 be one fee regardless what you have.

16 MR. DAWSON: well, that furthermore -- I mean the
17 limited amount of time we have the fishery anymore, the people
18 that limit, you know -- LCC's get the whole summer to work for
19 \$200.00, where we'll get, you know, a few days to fish for
20 \$200.00.

21 You know, the same amount of money. It looks like
22 to me they can afford \$200.00 if we can swing \$200.00 for the
23 rockfish surcharge.

24 MS. HUNT: Who? I'm -- yes, I'm confused. What
25 were you saying? Who gets to work all year and --

1 MR. DAWSON: The LCC.

2 MS. HUNT: An LCC.

3 MR. DAWSON: You know, they get a lot more bang for
4 their \$200.00 than we will --- for striped bass and hook and
5 line for that matter.

6 MR. O'CONNELL: What were you suggesting the other
7 price should be?

8 MR. DAWSON: For the LCC --

9 MR. O'CONNELL: Yes.

10 MS. HUNT: He said \$200.00 for the LCC.

11 MR. DAWSON: -- non-female -- yes, both \$200.00 for
12 non-female or --

13 MR. O'CONNELL: Were you suggesting a change to the
14 striped bass based upon what's on the screen? Were you
15 suggesting a change to the striped bass permit fees?

16 MR. DEAN: No, it's --

17 MR. O'CONNELL: Okay.

18 MR. DEAN: -- the \$200.00.

19 MR. O'CONNELL: All right.

20 MR. RICE: Well, I would too. Yes.

21 MR. : Also, what scenario did Dale ---?

22 MR. DAWSON: Right, but that's what I was wondering.
23 If yours was -- yours was 1 --

24 MS. HUNT: His is at 150.

25 MR. DAWSON: 150.

1 MS. HUNT: So it's the same.

2 MR. DAWSON: Yes, I would keep it the same, at 150.

3 MR. : I think Gibby's question was --

4 MR. DEAN: Yes.

5 MR. : -- are you more supportive of the
6 million dollar scenario or the 1.6 or something.

7 MR. DAWSON: Either way. I'm supportive of either
8 one.

9 MR. : All right.

10 MR. RICE: All right. Robert T?

11 MR. BROWN: Yes. I'm going to backup. Number one,
12 I'm in favor of the \$1 million. I want to go back up where
13 you said it was we got 2.6 million, where it's actually 2.3.
14 when we were -- correct me if I'm wrong.

15 When we were talking about the crabbing and it was
16 like 92 percent to the commercial and 8 percent to the
17 recreational and we were -- went back and said we would 50/50
18 to -- I don't know what we were going to change that ratio
19 into it, put more with -- over on the other side, that that
20 would bring it down approximately \$300,000.00.

21 So if you take \$300,000.00 from \$2, 600,000.00, you
22 take \$300,000.00 from it. So now you're down to 2.3. Isn't
23 that the scenario that we had on that at the other meetings?

24 MS. HUNT: We said that if there are any
25 adjustments, we'll talk about them at the joint meeting.

1 MR. BROWN: Okay, well that's one adjustment I want
2 to get so we could really -- I'm focusing that -- look, that's
3 one adjustment that we need to have made because it's -- it's
4 only fair that just the way the crab industry overall and the
5 recreational crabbing, it's more than 92 percent to 8 percent.

6 That's not a fair ---. So that's \$300,000.00. So
7 that brings you down to 2.3. So that's one reason I'm staying
8 with the \$1 million, and also we haven't looked at this fish D
9 list license.

10 MS. HUNT: That's on the questions.

11 MR. BROWN: On the fish D list license, that's one
12 thing where we could pick up good amount of revenue on that.

13 MS. HUNT: I would assume -- I mean I -- do you want
14 to jump back to the questions or --

15 MR. O'CONNELL: I think maybe should finish going
16 around. Then we can capture the issues where there's some --

17 MR. : Well, there's something ---
18 reasonable behind it.

19 MS. HUNT: Okay, because I would like to -- if we
20 can -- we can work on the fee scenarios, and then whatever we
21 don't capture by going through this, go back -- go down
22 through the questions and if we haven't hit any of them, then
23 we'll go over and answer those questions at the time, but I --
24 to just try and go around and just talk about these scenarios.

25 You support the \$1 million. Did you have any

1 suggestions for edits in the current version?

2 (Inaudible.)

3 MS. HUNT: No? Okay.

4 MR. RICE: Okay, then. Richard?

5 MR. YOUNG: On the \$1.6 million, I'm just talking
6 about my license. This piece of paper will cause a 300
7 percent increase in my license fee and Gibby's scenario is
8 only 200 percent increase in my license fee and I can tell you
9 that 200 percent is a lot more tasteful than 300 percent.

10 So that's where I'm at, and I think that all the
11 allocations that he had out there is good. I kind of still
12 think that the male only LCC should still be the same price at
13 \$200.00 but when we did that and we changed that to \$125.00
14 for the male onlys and that hit us at the \$1 million. So
15 that's fine.

16 MS. HUNT: All right, just --

17 MR. YOUNG: That's where I am, the \$1 million.
18 Gibby's scenario.

19 MS. HUNT: How about the revised TFL fee? It got
20 revised halfway through here so --

21 MR. YOUNG: What did that do to the total amount
22 though?

23 MR. It's going to give you 200 more thousand.

24 MS. HUNT: It would give you \$200,000.00 more. You
25 want to see the bottom line?

1 MR. YOUNG: Well, then we're over \$1 million -- way
2 over \$1 million. We didn't want to go over \$1 million.

3 MR. O'CONNELL: So I guess the question, Richard,
4 would you prefer to keep that ---?

5 MR. YOUNG: No. I'd prefer to keep it at 300.

6 MR. O'CONNELL: Okay.

7 MR. RICE: All right. Getting there. Mr. Moochie?

8 MR. I want -- I think the TFL needs to go up \$100.00
9 just to fall in line and to sell the whole deal really.
10 Everything else I'm pretty comfortable with. But I got -- I
11 just got this feeling that we need to be, I don't know -- I
12 think we need to be at 1.5 or 1.6 to get the legislature -- to
13 get -- to make this work. So that's where I'm at.

14 MR. RICE: Thank you, Moochie. Gail?

15 MS. SINDORF: Well, I, of course, support \$1
16 million. However, I believe we need to fall somewhere closer
17 to \$1.4 -- \$1.5. 1.6 being top meaning that after you take
18 some deductions out, we could be at 1.4/1.5 having the, you
19 know -- as you said \$70,000.00 for mailings, things of that
20 nature.

21 I would like to start at 1.6 and deduct those
22 things. So we're leaning somewhere at 1.4/1.5.

23 MR. : --- adjustment ---.

24 MR. Yes, I was going to back up and the reason I say
25 the 1.6 is because I'm afraid after the first year dropout

1 we're probably going to be back in the 1.3/1.4 range at best.

2 So that's my -- and that's my thinking on that.

3 MR. RICE: Gail, do you have anything further?

4 MS. SINDORF: No, that's it.

5 MR. RICE: Well, thank you.

6 MS. SINDORF: That's okay. Thank you.

7 MR. RICE: Bill?

8 MR. GOLDSBOROUGH: Well, I think we gotta keep in
9 mind, first of all -- well, first let me just say I don't know
10 that I said this in one of the earlier meetings when we went
11 through all this analysis but I think the work the Department
12 did to figure up the numbers working from is pretty darn
13 thorough.

14 While we might quivel with a line here, a line
15 there, I think it's -- we should be pretty certain that
16 there's a gap of 2.6 million that's got to be dealt with one
17 way or the other. Like we said, there are two choices; more
18 revenue or fewer services.

19 I agree with the comment Steven made that fewer
20 services is not a good option. I hope we can avoid that. You
21 know, there have been a lot of belt tightening already. So
22 having said that, we've got to make up 2.6. the -- I agree
23 with some of the points that Gibby made with respect to, you
24 know, the values of the fishery and so forth.

25 I don't think that -- I already made a couple of

1 points about the comparison with the recreational side that I
2 think support my view that increase in recreational fees
3 further is not going to fly, is not a good option so put that
4 out there.

5 But I do think there are some community values that
6 we could look at that might be worth arguing for making up
7 some of the difference that we're talking about to get to this
8 total of 2.6.

9 I like the concept of asking for a match with
10 general revenues based on those arguments, but I think it's
11 important to note, and correct me if I'm wrong, Tom, or one of
12 you folks but when that was done on the recreational side with
13 the recreational fees, it was a one to one match.

14 MR. O'CONNELL: It was 50 percent.

15 MR. GOLDSBOROUGH: 50 percent. Okay. So based on
16 that, I mean if you take as a ballpark of what's feasible,
17 we've got nothing else to go on really. The 1.5, I mean
18 that's asking for a 66 percent match if you have got to match
19 another million right?

20 So that seems to me to be a minimum that we've got
21 to raise in increased revenues, and I've already commented and
22 I thought that the TFL out of, you know, across the board
23 makes sense equity and so forth, raising that some ought to be
24 part of that making up that difference.

25 MR. YOUNG: So, can I ask Bill one question real

1 quick?

2 MR. RICE: Go ahead. Me?

3 MR. YOUNG: No. Bill.

4 MR. RICE: Though Bill. Okay. Go ahead.

5 MR. YOUNG: You said the recreational fisher is not
6 going to accept a fee increase.

7 MR. GOLDSBOROUGH: No, that's not what I said.

8 MR. YOUNG: But suppose -- well --

9 MR. GOLDSBOROUGH: I said I don't think it makes
10 sense ---.

11 MR. YOUNG: I agree.

12 MR. GOLDSBOROUGH: Okay.

13 MR. YOUNG: But, and I know that would be a
14 considerable amount of opposition but would they be opposed to
15 an across the board user fee including everybody that uses the
16 Bay? Say a \$5.00 or -- because that's what it would be if
17 everybody was --

18 MR. GOLDSBOROUGH: Well, yes. Actually, I remember
19 you talking about that earlier. I think that might be
20 something worth investigating. I mean to the extent that you
21 can assign some of the cost in your analysis in that way, you
22 know, reassign some of the costs in your analysis so that it's
23 defensible.

24 MR. RICE: Okay. Well, I guess that's everybody but
25 me. I kind of have a hard time -- when I'm asking somebody to

1 | come in with me, it's hard to get a guy to get on the boat
2 | with you if you're going to put up 40 percent of the expenses
3 | and ask him to put up 60.

4 | So I think if we were going to pass the red face
5 | test and come up with a solution where we think we can live
6 | with and then go to the legislation in hopes of electing
7 | general funds to cover us the rest of the way, I would say
8 | we're probably going to have to meet them halfway at the
9 | minimum.

10 | So that gets us to what Mike and Danny and Moochie
11 | and now myself, as much as I hate to admit it, and I think
12 | Dale was there too, that we're probably going to have to be
13 | looking at something to exceed the \$1 million mark because of
14 | that alone.

15 | So I do support the \$1 million if we could get by
16 | with that, but I think we're going to have to go over that
17 | number somewhat most likely. I cautioned the group in making
18 | suggestions and ways to get money from other fishers, not
19 | commercial people, because I always felt that I like to pay my
20 | own bills.

21 | If you've got somebody that is going to come by and
22 | help anti-up, they might want to tell you how you run your
23 | business. So it might be a good idea to try to, as much as
24 | possible, keep our commercial people commercial people if that
25 | makes sense. I hope I said it right. But that's about it for

1 me.

2 MR. IRELAND: Dealing with the additions that were
3 put up when we went around the board, what are we at now for a
4 total?

5 MS. HUNT: 1.2.

6 MR. IRELAND: 1.2?

7 MS. HUNT: By putting the TFL in there at 400, it --
8 you know, as we went around some folks had some different
9 ideas so Dale had suggested CB3 at \$200.00 and the LCC at
10 \$200.00 because right now, you have more pots but pay less,
11 and he was suggesting you have more pots but pay the same.

12 So I mean if I put it to \$200.00 that would change
13 the 3 point -- that would change the 1.2.

14 MR. Put it at \$200.00, then see where it puts us at.

15 MS. HUNT: Okay. That's \$11,000.00.

16 MR. WEBSTER: You want to put the limited crab
17 catcher male only to a few hundred too? Is that what is
18 suggested?

19 MS. HUNT: It's right now -- it's discounted at
20 \$125.00 and the full LCC is \$200.00.

21 MR. WEBSTER: I mean that was suggested right?

22 MS. HUNT: I thought we had a --

23 MR. WEBSTER: I kind of think it was a big increase
24 for limited crab catcher too.

25 MS. HUNT: There was that \$175.00 suggestion too.

1 MR. WEBSTER: Yes.

2 MR. RICE: Gibby, did you have something to add?

3 MR. DEAN: Well, first of all, 50/50 is 1.3. It's
4 not 1.5. It's not 1.6. It's 1.3. Second of all, I agree
5 with everything you've said, Billy, about somebody else paying
6 our bills but my main premise is that our deficit? It's not
7 2.6.

8 MR. RICE: Agreed.

9 MR. DEAN: I am not asking anybody -- anybody to pay
10 anything that they shouldn't be responsible for, and that's
11 why I asked the Department to re-evaluate these physical
12 responsibilities because I'm of the opinion that a larger
13 percentage definitely should go to community side, and so
14 therefore, if they agree with that our deficit is not 2.6.

15 It may be \$2 million. It may be less. So I don't
16 want to offer up -- I have to go back to the people I
17 represent and tell them that --

18 MR. RICE: What was it in your case, Richard? \$1
19 million was at 200 percent increase?

20 MR. YOUNG: Yes.

21 MR. DEAN: I've got to go -- I've got to go back and
22 sell that to people that go out every morning and work 10 and
23 12 hours a day that we're going up that much? I'm just -- I'm
24 not willing to go, especially at this point, over \$1 million
25 until we find out exactly.

1 Get an answer from the Department what their final
2 number on how they attribute that deficit. Is it 2.6 or is it
3 something less? I don't -- well ---.

4 MR. GOLDSBOROUGH: Just for more clarification on
5 that. If I'm not mistaken, the project deficit is 2.6 --

6 MS. HUNT: 2.9.

7 MR. GOLDSBOROUGH: 2.9. Okay.

8 MS. HUNT: 2.9.

9 MR. GOLDSBOROUGH: 2.9, and by attributing more of
10 it to community, it doesn't change the 2.9. It just means --

11 MR. DEAN: Right.

12 MR. GOLDSBOROUGH: -- you make up that much more of
13 it through general revenue.

14 MR. DEAN: It changes it 2.6.

15 MR. GOLDSBOROUGH: So you've still got to make that
16 political argument to get more general revenue.

17 MR. DEAN: Right.

18 MR. GOLDSBOROUGH: Even the -- you know, even if you
19 can make that argument to get some measure match with what
20 you're able to come up with would increase fees, like I was
21 saying a minute ago, even what I'll call a politically
22 situation with the governor's budget only matching half of
23 that increased revenue.

24 Follow me? So it wasn't one to one. It wasn't
25 50/50.

1 MR. DEAN: I know you missed the last couple of
2 meetings but from the beginning of this cost recovery, I
3 wasn't concerned with it -- whether it was 2.6 or -- I was
4 concerned about removing the 2.9 million deficit to the entire
5 fishery service.

6 That was my main goal in the beginning. I mean and
7 I think that's what we all have to strive for because I know
8 how much the recreational fishermen -- what value they bring
9 to the state of Maryland and us, and I'm not -- again, I can't
10 say this enough.

11 I'm not trying to make this, you know, us versus
12 them or anything but it's -- they've still got to come up with
13 \$2.9 million.

14 MR. GOLDSBOROUGH: Right. That's my point.

15 MR. DEAN: Well, and that was my point from day one.

16 MR. RICE: Gail.

17 MS. SINDORF: Just to clarify, I believe that we did
18 get 300 -- somebody brought it up, \$300,000.00 shifted or
19 going. We believe that we can it will. So we're really
20 talking about 2.3 --

21 MR. BROWN: Shift it to what? It would be 2.3
22 instead of the 2.6 because when the came to the crabbing they
23 said that the commercial in the day was 92 percent and the
24 recreational was only 8 percent. We didn't agree with the
25 value, which was placed on each one.

1 Then I think Jorge said well he said, well that's
2 not that much. He said if you bring it back up, he said, you
3 only took the \$300,000.00. Well, \$300,000.00 is a whole lot
4 to us.

5 MS. : Which --- 50/50 off.

6 (Simultaneous talking.)

7 MR. : So what I'm saying is it is not
8 reducing the deficit but it's just shifted it over the
9 community, you know, or what ---.

10 MR. : Yes. Right. Right. I was just
11 going with the number Tom just gave me.

12 MR. O'CONNELL: Just to -- so at the costa
13 assignment meeting is obviously the blue crab cost assignment
14 has not been a big on because of the 92/8 split between
15 commercial and recreation.

16 So Jorge did some analysis that said okay, if we
17 made the split 50/50 -- just that if we made it 50/50, what
18 would that -- how would that affect the numbers? It was a
19 \$300,000.00 reduction to the commercial assignment.

20 We haven't made any commitments yet that that's what
21 we are going to do but we said that that was something we are
22 going to look at, and if we didn't agree, we would include
23 that in the report that could be used as a foundation of
24 information for our discussions going forward.

25 You know it kind of goes to the issue is that if you

1 | really believe the recreational harvest is 50 percent or is it
2 | because of you just think that that should be a greater
3 | assignment because the number of crabbers are that
4 | discussions.

5 | If it's based upon harvest, you know, that could
6 | suggest that we're exceeding our harvest targets, which could
7 | have some ramifications, as well as allocations discussions
8 | down the road, so -- but we -- I just want to clarify.

9 | We have not made that decision yet but at the least,
10 | it will be included in the report and that's something that
11 | will come back at the next meeting to let you guys know where
12 | we stand on that.

13 | MR. RICE: Gina?

14 | MS. HUNT: As much as I appreciate the concern about
15 | the 2.9, because truly I do. I've spent a whole lot of my
16 | life the last couple of months on it, but the point we need to
17 | get to is for the report tonight. So I just, you know --
18 | right now it's 2.6.

19 | It may be there -- there might be some adjustments
20 | when we have the joint meeting. We'll talk about those then
21 | but at this point, I just want to hammer out these questions
22 | -- these fee scenarios and the questions because we have less
23 | than an hour now.

24 | I mean if we're going to get out of here by 9:00 to
25 | get through the fee ideas and then still we have to go through

1 that list of questions.

2 MR. RICE: Tom?

3 MR. O'CONNELL: So I mean just taking notes from
4 everybody that went around --

5 MR. RICE: Right.

6 MR. O'CONNELL: -- you know, there were kind of like
7 three issues. One of them was the TFL and whether or not you
8 guys want to see if there could be some agreement or not,
9 another one being, you know, the fairness issue between a
10 CB3/LCC and the male only and, you know -- and then the idea
11 of a fish dealer's license which was kind of a --

12 MS. HUNT: In the question.

13 MR. O'CONNELL: -- a new issue, and those were the
14 three things that came up. If you -- maybe worth spending a
15 little bit of time on each one of those and, you know, we can
16 make progress. I think that would be an accomplish on those.

17 MR. RICE: Gail?

18 MS. SINDORF: Gail, I guess I'll start there then.
19 A CB3 being the same as the LCC both at -- I'm sorry, Gina.
20 Where is that?

21 MS. HUNT: Right there (indicating).

22 MS. SINDORF: So it's 200 and --

23 MS. HUNT: 200 now.

24 MS. SINDORF: 200. Is that reasonable, both being
25 \$200.00? I mean --

1 MS. HUNT: Well, the female bushel limits are
2 significantly different, not to mention the extra pots you can
3 set but the catch limits are --

4 MR. : Two crabs. They can answer that.

5 MS. HUNT: -- significantly different.

6 MR. O'CONNELL: We can go around the room again with
7 a show of hands of people who think it's --

8 MR. RICE: Why don't we do it that way. It'll be
9 faster.

10 MR. O'CONNELL: So maybe just a show of hands of
11 people -- how many people are fine with that current fee
12 structure between the CB3 and the LCC's? If you think its
13 fine, raise your hand and if not --

14 MR. RICE: I don't know. I don't crab. Let me hear
15 something from the crabbers? Which one work more? Which one
16 would you rather have?

17 MR. GILMER: A little bit further discussion. The
18 300 crab pot is, you know, what it is. It's a 300 crab pot.
19 The LCC, I mean -- yes, the LCC is basically a trot line
20 license that allows you 50 pots but it's basically a trot line
21 license, but as far as making a living they're both probably
22 basically the same.

23 If we get into the allocation of the females, I
24 think that falls in another category but I think as far as for
25 making money, they're probably pretty close to the same.

1 MR. : But that's a limited trot line.
2 (Simultaneous talking.)
3 MR. RICE: Limited crab catching, not limited ---.
4 MR. : --- crab catching but you can set
5 all the trot line you want.
6 MR. : Basically a trot line license.
7 MR. : ---.
8 MR. : Yes.
9 MR. RICE: Gail, did you have something to ask?
10 MS. SINDORF: But the CBC allows you to upgrade --
11 MS. HUNT: No.
12 MS. SINDORF: -- to a CB6 -- not?
13 MS. HUNT: The upgrades are gone.
14 MS. SINDORF: So you'll just have to wait in line?
15 Is that for --
16 MS. HUNT: For an unlimited tidal fish license?
17 MS. SINDORF: No. If you had a CB3, you could pay
18 to get a 600.
19 MS. HUNT: No. No. No. No. The 6 and 9 --
20 MS. SINDORF: No? Okay.
21 MS. HUNT: -- are an addition to a 3 or a TFL. You
22 have to have an unlimited TFL, which includes the 3 --
23 MS. SINDORF: Okay.
24 MS. HUNT: -- or you have to have the 3, and then
25 the 6 and 9 are in addition to that. These are additional

1 authorizations.

2 MS. SINDORF: Okay. I wouldn't have known that.

3 Okay. Good.

4 MR. GILMER: Okay. So to me, they're probably,
5 income-wise, they're probably fall pretty close to each other.
6 Do you agree Robert T or --

7 MR. GOLDSBOROUGH: Yes, pretty close.

8 MR. GILMER: Yes, and by us I mean --

9 MR. BROWN: I crab pot and I trot line both and I
10 agree with you, Moochie, Tom, you pay expenses to rig up 300
11 pots and your daily expenses, actually the trot lines are a
12 better deal if you look at it --

13 MR. GILMER: Right. I mean I don't have any problem
14 with those fees being the same.

15 MR. BROWN: Quite honestly, if I was back in the
16 tributaries I could make a living trot lining. I can't make a
17 living on 300 pots.

18 MR. O'CONNELL: Right. Yes. So that's --

19 MR. GILMER: So is that even considering the bushel
20 limit differences?

21 MR. RICE: Absolutely.

22 MR. O'CONNELL: Because it's --

23 MS. SINDORF: Okay ---. Thanks.

24 MR. GILMER: So that's my suggestion on that.

25 MS. SINDORF: Yes. For me too.

1 MS. HUNT: So could I just write down that the
2 Commission agrees the LCC and the CB3 should be the same?

3 MR. : Does anybody disagree?

4 MR. RICE: That's what I hear right now -- majority.

5 MR. GOLDSBOROUGH: I do --

6 MR. : Raise your hand.

7 MR. GOLDSBOROUGH: Question. Do we have any LCC
8 holders here?

9 MR. RICE: (Raises his hand.)

10 MR. : Well, that makes it easier.

11 MS. HUNT: Wow.

12 MR. : You don't have to --

13 MR. : Any CB3 holders here?

14 (Hands raised.)

15 MR. : They didn't say anything. There you
16 go. Very impartial.

17 MR. GOLDSBOROUGH: I'm going to abstain from that
18 question.

19 MR. O'CONNELL: So obviously, there's going to be a
20 lot more public discussion on this so we'll be able to hear
21 from the LCC's but from tonight's meeting, it appears that,
22 you know, from a profitability standpoint the Commission feels
23 like the fee should be the same.

24 All right, then we have the TFL issue. It seemed
25 like it was almost like a split between those who thought it

1 should be increased and those that just supportive of the
2 \$300.00 fee.

3 MS. HUNT: So I get nothing on the TFL or it's a
4 split on the TFL?

5 MR. YOUNG: I would change my vote to make it the
6 \$400.00 because I -- and I'm doing that because of the
7 comments about the more we're willing to increase our fees,
8 the more likely we are to get some sort of matching benefit
9 from the governor.

10 Then through the legislature, the governor might be
11 willing to match based on the \$1 million but when we get to
12 the legislature and we've got to go in front of those guys,
13 because that -- ultimately the approval comes from there and
14 the more we are willing to increase our fees, the more likely
15 they are to chip in so to speak.

16 MS. HUNT: That is -- I'm just looking back at my
17 notes, I'm trying to ascertain then who did not want a \$400.00
18 TFL?

19 MR. BROWN: I didn't, and let me make one --

20 MS. HUNT: Okay. Okay. I got it.

21 MR. BROWN: -- one more comment it, and the reason
22 is we haven't addressed this issue that's 2.6 to this 2.3 on
23 that crab net, 92 percent to 8 percent. If that is addressed,
24 it might be some changes but I mean that's \$300,000.00 that
25 needs to go over to the community or the recreation whatever.

1 MS. HUNT: Okay.

2 MR. BROWN: I mean that's a --

3 MS. HUNT: So that brings the 2.6 down to 2.3.

4 MR. BROWN: Yes.

5 MS. HUNT: But we're not coming up with fee
6 scenarios for 2.3

7 MR. BROWN: Well, I'm not changing until we get that
8 scenario done on this --

9 MR. O'CONNELL: So who else? Gibby and --

10 MS. HUNT: It's Robert T and Gibby.

11 MR. O'CONNELL: So there's a majority at this point
12 in time but there are a couple that are not supportive so --
13 and what about the fish dealers license? I mean I know there
14 have been some conversations leading up to this meeting. It
15 seemed like there's different perspectives on that. They want
16 to spend a little bit of time on that issue.

17 MR. BENJAMIN: Can I ask a couple of questions --

18 MS. HUNT: We're going to have to go through more
19 questions.

20 MR. BENJAMIN: -- before we get into that? Fish
21 dealer, does it -- does that just carry -- cover anybody that
22 deals fish in Maryland? What does that actually mean?

23 MS. HUNT: No.

24 MR. BENJAMIN: That's what I want to know. Let's
25 clarify that first.

1 MS. HUNT: No. So we have had several discussions
2 about this and this is why I put this recommendation in the
3 questions because there have been comments about the
4 exemptions. First, some people are acting as fish dealers
5 illegally.

6 There's not really a whole lot I can change in the
7 law to make them not be illegal but there is exemptions in the
8 law for retail services selling to the ultimate consumer. So
9 restaurants, retail, folks that are basically buying your
10 harvest and reselling but they're not the wholesaler per se.

11 So one of the suggestions before, and I even had it
12 on the fee sheet, was actually a, you know, retail license or
13 another -- or I'm sorry, it is the dealer marketing surcharge
14 -- but another type of dealer fee or removing those exemptions
15 and requiring the restaurants to now get a dealer's license.

16 The problem being, you know, you don't know if a
17 restaurant's even selling seafood from Maryland and how would
18 you enforce that. The recommendation that I -- and this is
19 really comes out of other state's precedent is where I got
20 this, is the recommendation to require harvesters to sell to
21 the dealer.

22 Right now, it's kind of a free for all. As long as
23 you have your harvester's license, you could sell to whomever
24 you want and you can sell to a retail store. You can sell to
25 a restaurant and there is no accounting for that catch from a

1 dealer because they don't have dealer's license.

2 They're reselling it but they're not buying a
3 dealer's license. So if a harvester had to sell to a dealer,
4 then if that restaurant wants to purchase from the harvester,
5 if a retail store wants to purchase from a harvester as
6 opposed to another dealer, they just have to go get the
7 dealer's license.

8 So it would increase dealer sales. You know you
9 talked about increasing the dealer fee, which is a tremendous
10 increase by the way, you know, from \$150.00 to \$500.00, but
11 that is what would now apply to anybody that wants to buy from
12 a commercial harvester in Maryland.

13 Now, I did have one conversation with Bill Sieling.
14 I should bring it up since he's not here. I had asked him to
15 answer these questions even though -- since he couldn't be
16 here, and also talked to Larry about it, and both had the
17 comment that while, you know, some guys do like to sell to
18 their neighbor or something like that.

19 In which case I said well, exemptions is kind of how
20 we got in this predicament so exemptions would be a problem
21 and difficult to enforce, but it's possible that we could
22 offer if a waterman still wanted to do that.

23 Say you want to sell to your community church and
24 you want to sell -- and you want to kind of be your own broker
25 that you have to buy the dealer's license but you buy it at

1 discounted rate. So it's not the full dealer's price.

2 MR. BENJAMIN: That doesn't quite answer my question
3 but I caught a lot of rockfish --- and they're like going
4 everywhere. I would need like --

5 MS. HUNT: You would need a dealer's license if
6 that's what you -- if you're not going to sell it to a dealer,
7 you're going to sell to restaurants and other places --

8 MR. BENJAMIN: But I could get a dealer so I could
9 continue to process where I'm going?

10 MS. HUNT: Right.

11 MR. BENJAMIN: Okay.

12 MS. HUNT: If you have an unlimited TFL offering it
13 then maybe at a discount to what the fee currently is. Again,
14 I say this is in several other states that they already do
15 this. It would, I think, improve some of these problems we
16 have about where -- what is being sold.

17 The reporting right now, we only have dealer reports
18 from those 200 something people that are licensed dealers but
19 clearly there's a whole lot of other people out there buying
20 seafood that we don't get reports from. And also, you know,
21 we've heard and had in this commission some discussions about
22 the recreational fisherman selling crabs to restaurants.

23 Well, the restaurant wouldn't be buying seafood if
24 it wasn't a dealer because they'd have to be reporting that.
25 So I mean there are other --

1 MR. : Sure they would.

2 MS. HUNT: -- maybe, you know, ancillary benefits of
3 doing this though they are certainly not the focus.

4 MR. RICE: Richard? Richard, go ahead.

5 MR. YOUNG: So what you're saying is if a harvester
6 or crabber retails his own catch out of his house, he's going
7 to have to get a dealer's license?

8 MS. HUNT: Yes.

9 MR. YOUNG: And it's \$500.00?

10 MS. HUNT: No.

11 MR. YOUNG: Or is that's what's proposed.

12 MS. HUNT: I said it's possible. I mean first of
13 all that's not a fee I came up with.

14 MR. YOUNG: Okay.

15 MS. HUNT: But if it -- whatever the fee is, it's
16 possible to offer a waterman a discount because you already
17 have a TFL and have other expenses but --

18 MR. YOUNG: But why aren't we concentrating on the
19 people who are buying and reselling to the public?

20 MS. HUNT: It would. That would be the --

21 MR. YOUNG: Why are we going after the guys that are
22 actually harvesting? They're not buying from anybody else.
23 All they're doing is selling what they catch.

24 MS. HUNT: Right. So the way to get -- so there
25 would be two ways to get this. You license everybody that

1 buys and sells and deals in seafood in the state. Everybody
2 -- restaurants, retail stores. Everybody has to be a dealer
3 and that would be hard to enforce because again, we don't know
4 the restaurants that sell Maryland seafood.

5 We don't know some of these stores. Or you just
6 require that if a harvest -- for a harvester has to sell to a
7 dealer, in which case those people have to buy the license.
8 It's the reverse of getting to the same point. Most
9 harvesters sell to dealers.

10 MR. YOUNG: Most do.

11 MS. HUNT: Most do.

12 MR. YOUNG: Yes.

13 MS. HUNT: The folks that want to do something else
14 would have to buy the dealer's license at a discounted rate
15 but it gets the opposite end of dealing with the problem by
16 just requiring them to sell to the dealer rather than just
17 requiring everybody to be a dealer even if they didn't want to
18 be.

19 They didn't want to have to deal with this. I'm a
20 restaurant but I'm buying from a wholesaler but I have to be a
21 licensed dealer because I'm a restaurant. You know, I don't
22 want dealer reports from a restaurant that's not buying from a
23 harvester.

24 MR. YOUNG: I just -- I don't know. I mean I --
25 this -- it's very personal now and Tom, it's hard to separate

1 but, you know, but I mean I have a retail business. That's
2 all I do is I catch. I don't buy from anybody else. I sell
3 what I catch.

4 MS. HUNT: Right.

5 MR. YOUNG: I don't want to have to pay a fee for it
6 to do it, you know? I mean all I do -- if I was buying from
7 five other crabbers and selling them again, then I'd need a
8 dealer's license and that's the way it would be right now.

9 MS. HUNT: That is the way it is right now.

10 MR. YOUNG: Yes, I know.

11 MS. HUNT: Right.

12 MR. YOUNG: But I'm not.

13 MS. HUNT: But yours -- if you sell to --

14 MR. YOUNG: All I do is sell my catch.

15 MS. HUNT: You sell to retail stores. They buy from
16 a harvester. They're selling -- reselling it but they're not
17 getting a dealer's license.

18 MR. YOUNG: They're not doing it because they have
19 an exemption right now.

20 MS. HUNT: The folks that you're selling to would
21 have not had -- exactly.

22 MR. YOUNG: Yes.

23 MS. HUNT: So that's what we're talking about. How
24 do you get rid of that exemption?

25 MR. YOUNG: You get rid of the exemption. You say

1 | if you sell -- if you buy and sell seafood, you have to have a
2 | seafood marketing dealer's license.

3 | MS. HUNT: If you buy and sell?

4 | MR. YOUNG: If you buy it and resell it, you have to
5 | have it.

6 | MS. HUNT: Okay, so --

7 | MR. YOUNG: But if you're selling what you catch --
8 | I mean I already pay a license fee to catch it and now I've
9 | got to pay a license fee to sell it too and that would be the
10 | same for a harvester that sells to a dealer. If he's selling
11 | it, he's got to have a dealer's license if he's dealing it.

12 | MS. HUNT: I'm sorry. What? I'm sorry. I was
13 | listening to him.

14 | MR. YOUNG: That would go to on the same line of a
15 | harvester that's selling to a dealer. If he's selling to a
16 | dealer --

17 | MS. HUNT: Right.

18 | MR. YOUNG: -- then he should have the -- then the
19 | harvester should have the dealer's license because he'd
20 | dealing it.

21 | MS. HUNT: No.

22 | MR. YOUNG: He's selling it.

23 | MS. HUNT: No, we're just -- no, that would be
24 | the --

25 | MR. YOUNG: So what's the difference? You're

1 | telling me that Billy is selling his crabs to a dealer --

2 | MS. HUNT: Yes.

3 | MR. YOUNG: -- which he can do without the
4 | additional fee.

5 | MS. HUNT: Right.

6 | MR. YOUNG: But I'm selling my crabs that I catch
7 | the same way he catches them, I'm selling them to the public
8 | out of my house. I don't have a store -- right out of my
9 | house and I've got to pay a fee.

10 | MS. HUNT: Okay. This is simply trying to address
11 | the exemptions that this commission has brought up as a
12 | problem.

13 | MR. YOUNG: I understand that.

14 | MS. HUNT: Okay. So if you don't want it, that's
15 | fine. We can keep things the way they are but you will not
16 | increase dealer fees -- the dealer licenses sales. You will
17 | still have the problem with retail stores with all these folks
18 | acting as dealers and buying and selling --

19 | MR. YOUNG: Why?

20 | MR. : Yes, but he's not buying.

21 | MS. HUNT: He's not. I'm talking about the
22 | stores --

23 | MR. YOUNG: That's right. The people who are
24 | buying --

25 | MS. HUNT: -- that are currently accepting --

1 MR. YOUNG: -- and selling should be required to
2 have it. The people that are selling their own catch
3 shouldn't be.

4 MS. HUNT: Okay. So you would have to know --

5 MR. : --- buy and sell ---?

6 MS. HUNT: Right. So there is -- for a restaurant
7 for -- so if a restaurant is going to buy --

8 MR. : Maryland seafood.

9 MR. : And sell.

10 MS. HUNT: Maryland seafood. So he's buying from a
11 harvester or he's buying from a wholesaler because if he buys
12 from the wholesaler, why would he be a dealer? But you just
13 said if he -- if we got rid of that exemption and you buy and
14 sell seafood at Maryland seafood and -- you're the restaurant
15 and I buy from Cool Ice.

16 Cool Ice bought from you. Cool Ice has reported it.
17 Now that restaurant has to report it too because they bought
18 and sold it.

19 MR. BROWN: Cool Ice is a dealer.

20 MS. HUNT: Yes, but the restaurant is buying and
21 selling seafood. So if I get rid of that exemption, he has to
22 be a dealer. What if the scenario that's laid out here is
23 that he wouldn't have to be? He would only have to be a
24 dealer if he was buying from the harvester.

25 MR. GILMER: Correct.

1 MR. BROWN: Correct. Yes.

2 MS. HUNT: Right. If you get rid of the exemption
3 and say if you buy and sell Maryland seafood, you have to be a
4 dealer then that restaurant needs to be a dealer even though
5 he didn't buy it from the harvester and he bought it from a
6 dealer himself.

7 MR. BENJAMIN: So what it's going to do -- what was
8 the license? How much?

9 MS. HUNT: Right now, it's \$150.00.

10 MR. BENJAMIN: What was the increase?

11 MR. : \$250.00.

12 MS. HUNT: Gibby's proposal is \$500.00.

13 MR. BENJAMIN: Okay. You go to \$500.00. There are
14 a lot of little tiny restaurants. They're just not going to
15 handle Maryland seafood. Give me rockfish caught out in New
16 Jersey. It's going to turn around and bite us if we get too
17 high in those little places.

18 That's a big percentage of our fish are sold in
19 little restaurants. You've got to consider that. That's my
20 point.

21 MS. HUNT: So that's why the alternative was they
22 don't have to buy a dealer's license as long as they bought it
23 from a dealer.

24 MR. : --- \$250.00.

25 MS. HUNT: If I get rid of the exemption itself --

1 MR. BENJAMIN: Okay. That makes sense.

2 MS. HUNT: -- and they buy it from a dealer, they
3 still have to buy the dealer's license.

4 MR. RICE: Moochie, do you have a comment?

5 MR. GILMER: No. I got more confused as it went on.

6 MR. RICE: Okay. Well, this could be one of those
7 deals where you better leave well enough alone because to me,
8 Richard makes a good point. I mean he should be able to sell
9 what he catches. He should not have to pay an additional fee.

10 MR. : Should be able to retail. Yes.

11 MR. RICE: Right. 100 percent. If Gina's running a
12 restaurant and she gets some of her product from --- or bass
13 best or whoever, they've already done their thing. She
14 shouldn't have to have an additional license to buy from
15 somebody that already had a license to sell to her.

16 MS. HUNT: Right.

17 MR. RICE: Does that make any sense?

18 MS. HUNT: That's the way it currently is and it
19 would be if this went into place, as well. That wouldn't
20 change.

21 MR. RICE: Does that -- so you give it? I mean --

22 MR. O'CONNELL: I think we -- I mean I'm having a
23 difficult time myself.

24 MR. RICE: Right.

25 MR. O'CONNELL: I think that, you know, we need to

1 make sure everyone understands what's currently in place and
2 what the options are so everybody can, you know, digest that
3 and, you know, comment on --

4 MR. RICE: Right.

5 MR. O'CONNELL: -- what it really is. So I don't
6 know if it's worth giving it another try, Gina, as to --

7 MS. HUNT: Did you guys -- I mean I don't know. I
8 mean I wrote it out but --

9 MR. O'CONNELL: All right. Why don't you go through
10 it one more time?

11 MS. HUNT: There, as you said, there are options,
12 okay? It could be status quo, which is that a harvester can
13 sell his own catch and he can sell to a restaurant, retail
14 store -- whoever he wants, and if that store/restaurant/place
15 of business is selling to the ultimate consumer they don't
16 need a dealer's license.

17 MR. : That's the way it is now but --

18 MS. HUNT: Okay. If they're selling to Cool Ice,
19 United Seafood, whomever and those folks are wholesaling it
20 and selling to somebody else who then resells it, they're the
21 only people currently required to be a dealer. The middleman
22 is the only person currently required to be the dealer, okay?

23 But there's obviously a lot of harvest out there
24 that is not going to that dealer. They're going to other
25 places. So that's currently what happens, and the Commission

1 had said that all those exemptions, all those folks out there
2 that are buying and selling Maryland seafood without the
3 dealer's license is a problem.

4 So the one suggestion the Commission had brought
5 before was that you get rid of that exemption and you say if
6 you buy and sell seafood, so this is option two -- not status
7 quo. Option two, you get rid of that exemption and you say if
8 you buy and sell Maryland seafood and you are -- you need to
9 have a dealer's license.

10 So the harvester, he wouldn't need one because he
11 didn't buy the seafood. He's just selling it, okay? So he's
12 fine. But the restaurant that bought from him, they need a
13 dealer's license okay? The restaurant that bought from Cool
14 Ice needs a license because they bought and sold.

15 So even if a restaurant or retail business buys from
16 a wholesaler, they're going to need the dealer's license. So
17 pretty much anybody who buys, sells, touch Maryland seafood,
18 if you got rid of these exemptions would need a dealer's
19 license.

20 Option three would be just require that the person
21 that a harvester sells to have the dealer license. So if the
22 harvester wants to sell to the restaurant/retail store, they
23 have to have the dealer's license. But if the restaurant
24 wants to buy their seafood from United or Cool Ice, they don't
25 need one because they're buying from a dealer.

1 So that's the distinction between these. In this
2 case, you don't have to license everybody that buys and sells
3 seafood in Maryland. You would only have to license those
4 folks that are buying from a Maryland -- from a harvester.

5 MR. DEAN: By the way, that fee I've got written
6 down is \$250.00 not \$500.00.

7 MR. : \$250.00. Yes.

8 MS. HUNT: Okay.

9 MR. : The landing was \$500.00. The people
10 who buy from now are my customers.

11 MR. RICE: Well, from my two cents worth is --

12 MS. HUNT: Okay.

13 MR. RICE: -- you definitely want to consider your
14 second option because we're trying to promote Maryland seafood
15 not --

16 MR. GILMER: The third one is the best option if
17 you're going to go with one.

18 MR. RICE: Yes.

19 MR. GILMER: Look, I was a bigger proponent if we're
20 pushing this as anybody, and you know that Gina, and \$250.00
21 -- and let me ask Gail and Dale, who both have small places
22 that buy a little bit of stuff, what impact is that.

23 I know you, Gail, I mean you know a lot of guys over
24 home that sell a couple of dozen crabs here and there to
25 little restaurants or -- is that going to ruin that business?

1 MS. SINDORF: Well, I think that's what Gina is
2 bringing. Gina was saying if you still want to continue to do
3 that and sell to people that don't have a dealer's license,
4 and you could buy one yourself at a discounted rate so that
5 you could continue to do that, I think she was trying to solve
6 that problem. Am I right?

7 MS. HUNT: I was with the discount.

8 MS. SINDORF: Right. That's what she was trying to
9 say. She was saying look, not everybody has to have this
10 dealer's license now. So we kind of take care of that
11 problem.

12 MR. GILMER: Okay.

13 MS. SINDORF: I guess I do have a little bit of an
14 issue, and I'm glad you said that because I did have an issue
15 with the CDSIA saying that they didn't want anything to hurt
16 their selling -- their harvest, which that would've done, you
17 know, by having a fee and having them forced to sell to
18 somebody.

19 You know, having them legislate that somebody has
20 this -- okay. Am I making sense here? Let me say this again.
21 I read this from you guys. I mean is it -- who is the CDSIA?
22 Gibby?

23 MR. : No. That's Bill Sieling.

24 MS. HUNT: Bill Sieling.

25 MS. SINDORF: Bill Sieling. Okay.

1 MS. HUNT: But I'll just tell you, Bill's comments
2 when I sent out the questions indicated he was in favor of
3 this --

4 MS. SINDORF: Okay.

5 MS. HUNT: -- as long as a harvester was still going
6 to be somehow able to sell his own catch to his buddy or
7 friend or church or whatever, but I -- the questions were
8 separated but it didn't make sense to me at the time. I'd
9 also asked -- there was a recommended -- number four was there
10 was a recommendation to make a retail dealer's license.

11 That was the suggestion before to deal -- to address
12 this exemption. Create a retail dealer's license. He also
13 supported that. So it wasn't like one of the other from him.

14 MS. SINDORF: Okay.

15 MS. HUNT: It was they were both fine but, you know,
16 make sure that somebody could still sell their own catch.

17 MS. SINDORF: Okay. Do we have any numbers on how
18 many retailers? What are we talking about? Do we --

19 MS. HUNT: What you asked me last?

20 MS. SINDORF: I know and I -- I just want to get
21 some kind of idea because it -- is \$100.00 a lot or isn't it a
22 lot? How much is \$100.00? We don't even -- I mean we don't
23 even have a ballpark do we?

24 MS. HUNT: Well, how much we would get in revenue?

25 MS. SINDORF: How much revenue we would gain?

1 MS. HUNT: Right. I mean Larry told me he thought
2 it would double the dealer licenses but I don't know what he
3 would base that on other than just, you know, looking around
4 saying geez, how many people are really out there selling
5 restaurants and retail that are not currently licensed?

6 It's really hard to know what you don't already
7 count.

8 MS. SINDORF: But I guess then you're saying that
9 there's only double, so \$200.00. Is that right?

10 MS. HUNT: That's we have. We have 219 right now.

11 MS. SINDORF: So 200 restaurants, retail shops. I
12 think that's extremely low. I'm sorry. I think that's so
13 incredibly low that we're not even on the same -- I think we
14 have to have a zero. I think we need some zeros there.
15 That's how far off I think that is.

16 So I'm just not -- I can't put my hands around that.
17 I'm not --

18 MS. HUNT: You're right. It could be a huge revenue
19 generator.

20 MS. SINDORF: Yes.

21 MS. HUNT: It might be just --

22 MS. SINDORF: That's what I'm saying.

23 MS. HUNT: It might not be but we wouldn't know
24 on ---.

25 MS. SINDORF: So I just think that the idea of

1 placing a dollar figure on it to get from \$150.00 to \$250.00,
2 we're not even at that stage yet. We could actually take it
3 from \$150.00 to \$50.00 if there's that many out there. That's
4 what I'm -- I mean you could actually decrease this.

5 I think \$250.00 is a lot of money and I say that
6 again, and I think there's a lot more than 200. I don't even
7 thing we're in the ballpark.

8 MR. WEBSTER: I agree with that too. But I have one
9 question for Gina. Who is required to have a tidal fish
10 dealer's license? That I'm getting at and --- is going to
11 kill me for this but --

12 (Laughter.)

13 MR. WEBSTER: He catches crabs. He's got his TFLs
14 but he doesn't sell his product. He sells it under Carbon
15 Seafood. Is Carbon Seafood required to have a dealer's
16 license?

17 MS. HUNT: If the company is -- if he is --

18 MR. WEBSTER: It's his company.

19 MS. HUNT: His company.

20 MR. WEBSTER: Yes.

21 MS. HUNT: If he's selling his own catch, he does
22 not need a dealer's license.

23 MR. WEBSTER: But is it that under his TFL numbers
24 or is it under his business? Is his business required to have
25 a --

1 MS. HUNT: His TFL number is his business number.
2 That is his business number. He can be -- a harvester can be
3 a business. He can be a business, and that's what he is.
4 He's selling his own catch. However, if he if buys yours and
5 sells it under that business name, he needs a dealer's
6 license.

7 MR. WEBSTER: Yes. Right. Yes. Yes. All right.
8 That answers my question on that because there's a million
9 people do that.

10 MR. GILMER: So if we put a fee of \$50.00 on -- if I
11 want to buy -- if I want to take my clams and sell them to a
12 restaurant -- to keep that restaurant from having to have a
13 license to buy seafood, if I had a \$50.00 surcharge on my --
14 that we're talking about that could sell this, then that would
15 clear that person up and it would make it legal for him to buy
16 from me.

17 MS. HUNT: Right.

18 (Simultaneous talking.)

19 MR. GILMER: Then we could sell it to whoever we
20 wanted to.

21 MS. SINDORF: Whoever you wanted if you pay it.

22 MR. GILMER: What?

23 MR. : TFL is \$50.00.

24 MR. YOUNG: \$50.00 I could handle. If we're talking
25 \$500.00 ---.

1 MR. GILMER: Yes. That's what I'm saying. That's
2 what I'm saying. If this is what you want to do, you know,
3 this would clear all the loopholes if you want to sell to a
4 restaurant, if you want to sell wherever.

5 It would -- you would -- then that restaurant or the
6 church or whoever would not have to have any other
7 requirement. It would go through us.

8 MS. SINDORF: So that the next thing --

9 MS. HUNT: That is correct. By the way, I'm in full
10 disclosure here. You'll be filling out a seafood dealer or
11 harvester -- or seafood dealer report.

12 MR. GILMER: Yes.

13 MS. SINDORF: That's where I wanted to go to next.

14 MS. HUNT: That's fine but now you can also sell,
15 you know, Richard's catch. You're a dealer. You'll be a
16 dealer. You're just going to be paying less for the dealer's
17 license. So if you take it really low, everybody might want
18 it but just so --

19 MR. GILMER: Yes.

20 MS. HUNT: -- I mean so we're clear, I mean that's
21 the benefit it. Sure. You could sell yours, you could sell
22 Richard's, you could sell ---.

23 MR. GILMER: I mean but instead of asking the
24 restaurant to pay \$250.00 or whatever or --

25 MS. HUNT: Right.

1 MR. GILMER: -- your little corner store that wants
2 to sell soft crabs or whatever, if you wanted that option to
3 sell your stuff, could we put a fee there that -- if that's
4 what you wanted to do?

5 MS. HUNT: It would be there either way. In the
6 scenario I laid out, it's already there. So if you -- you
7 currently have business relationship -- Richard, you mentioned
8 you have business arrangements where you sell catch to
9 restaurants or stores that are not dealers --

10 MR. YOUNG: Just people.

11 MS. HUNT: Okay. People.

12 MR. YOUNG: Yes.

13 MS. HUNT: All right. Well, all right. So you
14 would need it but if you were going to sell it to a restaurant
15 or store, you already had these contacts and these stores are
16 like hey, they buy from 10 watermen. They're probably going
17 to go get their dealer's license, okay?

18 If they've only ever bought from you, this is it.
19 They might be like never mind, I don't want your business
20 anymore. I'll go get it from United.

21 MR. GILMER: Right.

22 MS. HUNT: In order to keep that business --

23 MR. GILMER: They don't want to pay ---.

24 MS. HUNT: In order to keep that business, you say
25 I'll go get the dealer's license and we can maintain this

1 relationship. That is exactly what's in here. That
2 flexibility. You buy it, they buy it, somebody has to buy it.
3 That's all.

4 MR. GILMER: I'm saying, you know, just say you keep
5 the fee small --

6 MS. HUNT: Then give me a recommendation for a fee.

7 MR. : It's small for the harvester.

8 MS. HUNT: That's what I made -- I made a new row.
9 Tidal fish dealer for a TFL holder.

10 MR. : Yes. You are agreeing to \$50.00.

11 MR. : \$50.00.

12 MS. HUNT: Is that a recommendation?

13 MR. : Well, what do you think if --

14 MS. SINDORF: Again, I really struggle with this
15 because I just think we're talking a lot more restaurants than
16 we were even considering and I think that the -- what are we
17 calling this? The retail fish --

18 MS. HUNT: No. This is currently what it is, the
19 tidal fish dealer's license.

20 MS. SINDORF: Okay. So I believe that you're going
21 to bring that way down. I actually believe that's going to be
22 closer to \$50.00. Again, I don't know what these numbers are
23 going to be.

24 MS. HUNT: Well, I can't put in a -- let's put it
25 this way. All right. So this is for the report. We can

1 recommend anything but if you put in legislation and the
2 fiscal impact of this whole bill would -- if you put in that
3 the fee went from \$150.00 to \$50.00, you're going to show that
4 you're currently losing revenue in that sector.

5 MS. SINDORF: Yes, but you're -- then I think that
6 you need to change the definition completely. Instead of
7 having a tidal fish dealer, you now have to have two. Have a
8 tidal fish dealer and raise that one, if that's what you're
9 doing, and then have a whole new license type. That way you
10 don't have to --

11 MS. HUNT: For who?

12 MS. SINDORF: For the -- basically the retail fish
13 dealer. I mean does that -- I mean what I'm saying is I --
14 does that --

15 MR. : Retail seafood.

16 MS. SINDORF: Do you understand?

17 MS. HUNT: So anybody that was currently under an
18 exemption is now a retailer --

19 MS. SINDORF: Correct.

20 MS. HUNT: ---. All right. I mean we can do that
21 but I'll just say having had this conversation, I realize
22 Larry is not here and he cannot speak for himself, but I will
23 just tell you specifically he said on the phone today, please
24 just keep it simple.

25 So going along that theme, we can come up with

1 several different licenses to get at this issue but the more
2 exemptions you issue and the more license types, the more
3 complicated it's going to get for enforcement and for them.

4 MS. SINDORF: I don't know if I see a choice.

5 MR. : Enforcement will never figure it
6 out.

7 MR. BROWN: Well, the way you have it up there,
8 you've got your tidal fish dealer --

9 MS. HUNT: Right.

10 MR. BROWN: -- which is \$150.00. Say, leave that
11 where it's at, and then have --

12 MS. HUNT: Say don't raise it to \$250.00.

13 MR. BROWN: What?

14 MS. HUNT: Just leave it at \$150.00 you're saying?

15 MR. BROWN: Yes.

16 MS. HUNT: Okay.

17 MR. BROWN: I mean you can change that if you want
18 to. I don't care if it's \$250.00. I gotta buy it so it's
19 immaterial but what I'm saying is then have a tidal fish
20 dealer for a TFL ---.

21 MS. HUNT: Yes. That's what's here.

22 MR. BROWN: Or should it be a licensed fisherman?
23 Should it be an LLC or a TFL?

24 MS. HUNT: It's for anybody that has a TFL -- a TFL,
25 not an unlimited TFL. A TFL is a license holder.

1 MR. BROWN: Tidal fish. Okay.

2 MR. : Right.

3 MR. BROWN: Okay.

4 MS. HUNT: Yes, everybody has a TFL.

5 MR. BROWN: All right. Okay.

6 MS. HUNT: Not just unlimited TFL.

7 MR. : All right. Then it would \$50.00 for
8 them and then you're regular people are paying \$150.00
9 already.

10 MS. HUNT: Correct. So all that would change here
11 is that you're going to include more businesses. You're not
12 raising the fee. You're just charging more people for that
13 same fee. That's what changes.

14 MR. : But that gives you --

15 MR. : ---.

16 MS. SINDORF: I would still like to wait until we
17 get an idea of how much that we're talking about.

18 MS. HUNT: We won't know how many people we're
19 talking about until we charge them.

20 MS. SINDORF: Then I struggle with \$150.00.

21 MR. O'CONNELL: What would you put at the lower end?
22 What would you be at a lower end, Gail? Like \$50.00?

23 MS. SINDORF: I mean let's just think about this. I
24 mean you talk about -- let's just talk about Baltimore because
25 you brought that up. I mean -- and how many restaurants are

1 in Baltimore that sell seafood? I don't --

2 MS. HUNT: But it has to be a restaurant that buys
3 seafood from a harvester. You're not looking at all the
4 restaurants in Maryland. You're looking at the ones only that
5 buys from a harvester that is going to buy this.

6 MS. SINDORF: I mean you -- okay.

7 MS. HUNT: That is not -- that's not all the
8 restaurants in Baltimore.

9 MS. SINDORF: What are your thoughts?

10 MR. YOUNG: There's an even bigger issue. We're
11 talking about guys that are license holders that are selling
12 to a restaurant but what about the restaurants that are buying
13 from the recreational guys?

14 We have no idea, and these same -- a lot of these
15 little, little corner bars, one of their patrons goes out and
16 he runs this 1200 foot trot line and catches a bushel of
17 crabs, brings them in there and the owner buys them, and
18 that's illegal but no --

19 MS. HUNT: Yes, it's currently illegal.

20 MR. YOUNG: Yes, and it will -- it better always be
21 illegal for --

22 MS. HUNT: Well right but I'm saying this doesn't
23 change that. It won't make it --

24 MR. YOUNG: No. I know.

25 MS. HUNT: Yes.

1 MR. YOUNG: But what I'm getting at is here we are
2 penalizing ourselves when we can't enforce that the
3 restaurants don't buy from the recreational people, and how
4 can we do something with that and, you know --

5 MS. HUNT: Okay, well a paper trail would help
6 because right now, there is no paper trail because you didn't
7 have to be licensed in order to buy the seafood.

8 MR. YOUNG: I understand.

9 MS. HUNT: So if I went to restaurant right now and
10 said, "Where did you get this?" You know, I could've gotten
11 it from any harvester --

12 MR. YOUNG: Right.

13 MS. HUNT: -- and there's no paper trail. There's
14 dealer report to tell me where you got that harvest.

15 MR. YOUNG: I see what you're saying.

16 MS. SINDORF: Okay. So let me just say this. So we
17 have 5000 commercial fishermen? Is that --

18 MR. : It's a TFL --

19 MS. HUNT: A few are but yes, I don't know. 52 --
20 5100 maybe.

21 MS. SINDORF: So are we assuming that -- I mean 500
22 sell to one person and we have 1000 people they're selling to,
23 and we're --

24 MS. HUNT: I don't understand ---.

25 MS. SINDORF: Like five people are selling to him

1 and five people are selling to me on average.

2 MS. HUNT: Most people are selling --

3 MS. SINDORF: So there's 1000.

4 MS. HUNT: -- to a person that's already a licensed
5 dealer. Most of them are dealing to those 219 people.

6 MS. SINDORF: So, I mean 60 percent? 70 percent are
7 selling? I just -- I guess I'm ---.

8 MS. HUNT: I don't know. You know what? It would
9 be a great indicator -- if you look at the harvester reports
10 compared to what the dealers say, there's certainly a lot of
11 missing seafood. There is. It's just not there.

12 MR. : There it is. I know.

13 MS. HUNT: I mean that's your indicator right now.
14 Where is this --

15 MR. : Taken it from somebody who's never
16 lost seafood before and ---.

17 MS. HUNT: You know, if the harvester reports say
18 there were 100 fish sold that month and we have 20 on the
19 dealer reports, where are the other 80? That gives you an
20 indicator of how many people are currently exempt. If it's
21 190, well there are not that many people currently exempt.

22 I mean it's -- I can't tell you how many people it
23 is but I can tell you there are certainly folks that don't
24 serve -- sell to dealers right now --most do.

25 MS. SINDORF: Okay.

1 MR. RICE: Tom has a suggestion I think.

2 MR. O'CONNELL: I think I mean -- I think people are
3 grasping the different scenarios better but I think it may
4 require, you know -- Gina and I can perhaps follow up with a
5 few of you to try to further discuss it to lay out a scenario
6 that we can bring back to this group at the next meeting or we
7 can send out via email just recognizing, you know, we have
8 about 12 minutes left for tonight.

9 Does that sound like a reasonable thing? It sounds
10 like Gail and Moochie and -- I don't know, Richard, if you --
11 I don't know of anybody else would be kind of -- we could get
12 a conference call together or a meeting in the next couple
13 weeks and see if we can --

14 MS. HUNT: Are we going to have another meeting of
15 just tidal fish?

16 MR. O'CONNELL: No, but we can circulate it out by
17 email and then we can have that discussion when we can get
18 back together. All right?

19 MS. HUNT: Okay. With the couple minutes, can we
20 just ask a few more questions -- jump off that subject?

21 MR. : Jump.

22 MS. HUNT: Okay. So let's just -- let's jump to
23 number nine. This was actually something Bill Sieling brought
24 up a while ago thinking that if the fees did get really high
25 -- at the time actually he had TFL at \$1,000.00 or something

1 in his head, and he thought geez, oh man.

2 That's too much for somebody to come up with all at
3 once. Is there a desire to be able to pay it in two payments?
4 I mean at this point, some fees are certainly a lot higher.
5 Some are not. It would cost the Department more to be able to
6 handle license holders twice but right now, you pay in August.

7 That's good for the year. If you can't make the
8 payment in August, obviously you have until the end of March
9 to do it. But his suggestion was if they were so
10 prohibitively high and you couldn't come up with that money,
11 you'd make one payment in August and another one in January.
12 So I just want a recommendation only if --

13 MR. O'CONNELL: I'll just add to Gina, I would think
14 the Department would have a really difficult time adding more
15 work to our licensing unit which is -- has taken some pretty
16 significant cutbacks and I hear commonly, you know, struggles
17 with not even having the time to take a lunch break because
18 there's only one or two people at the counter.

19 MS. SINDORF: Does anybody have money in January? I
20 mean --

21 MS. HUNT: Well, I know --

22 MR. : Not after Christmas, no.

23 MS. HUNT: I only put it up there --

24 MR. : --- worst time.

25 MS. SINDORF: Just wondering.

1 MS. HUNT: So if the answer is no, then that's fine
2 but felt like we ought to ask.

3 MR. : Keep it no.

4 MR. GILMER: I would say no.

5 MR. : We're trying to save money, not
6 create more bills.

7 MR. : Yes.

8 MR. : Yes.

9 MS. HUNT: Okay. --- retail dealers. So there were
10 also -- in the fee worksheet, Bay harvesters was something
11 that I had brought up once where we actually issue permits,
12 Bay harvesters being one of them but blue crab --

13 MR. : Which number are you on, Gina? Six?

14 MS. HUNT: Six. I'm jumping around because we
15 already jumped around different answers. But right now, we
16 issue this permit and we don't charge a fee for it. So I had
17 asked at one of the meetings if it was okay to start charging
18 fees for things like horseshoe crabs, black sea bass, yellow
19 perch.

20 Just to re-issue a bunch of species permits that we
21 don't charge any money for and bait harvesters is something
22 where people can harvest bait and sell it commercially without
23 a TFL license.

24 It's a limited number of species they can issue --
25 they can sell but I just want to know, can we come up with an

1 issue of fee for this permit, as well as some of those other
2 ones?

3 MR. YOUNG: What are we -- are talking about like
4 spot?

5 MS. HUNT: No.

6 MR. : They're already covered.

7 MS. HUNT: No. No.

8 MR. : That's under -- that's a fishery.

9 MR. YOUNG: Okay.

10 (Simultaneous talking.)

11 MS. HUNT: No. Yes, that's -- we're talking like
12 --- and stuff. I mean it's just little stuff.

13 MR. : Worms?

14 MS. HUNT: It's listed in our --

15 MR. : Minnows.

16 MS. HUNT: -- regs, there's several species that you
17 can use for this permit. It came out of legislation.
18 Regulations establish the species that you can use, and we
19 currently have like 13 permittees that are selling bait
20 commercially without a TFL.

21 You know that -- some of these other permits, yellow
22 perch, snapping turtle, flounder, black sea bass, horseshoe
23 crabs, you know, we have one staff person that goes through
24 and does all of these permits. We have hundred -- oh, I'm
25 sorry.

1 Like yellow perch, 68 people declared go through all
2 the work for but only 37 people actually fish. 79 people get
3 snapping turtle permits but we have, you know, about a dozen
4 that actually report anything. So a lot of people come in and
5 get permits because --

6 MR. GILMER: They're free.

7 MS. HUNT: Yes, which takes a lot of work.

8 MR. GILMER: Yes, I mean if we're looking at money,
9 I don't -- it's hard to ask our people for money and give free
10 stuff away.

11 MS. HUNT: Okay.

12 MR. GILMER: I mean I don't know what it costs you.
13 I don't know a fee to see but free is awful cheap.

14 MS. HUNT: Well, what I -- exactly.

15 MR. BENJAMIN: You're also not talking a lot of
16 money either. You know, we actually want -- we own one of
17 them -- we had one of them permits for bait --

18 MR. : Right.

19 MR. BENJAMIN: We're not making the same money that
20 I am off rockfish or striped bass on there.

21 MR. : No. No.

22 MS. HUNT: All right. Right. Right. Right.

23 MS. SINDORF: Yes, but \$20.00 is not a lot to ask.
24 \$20.00 is not like a lot to ask.

25 (Simultaneous talking.)

1 MR. : You might want to look at --

2 MR. : No. No. I mean you've got -- the
3 fee -- I'm not against the fee. I'm not going there but what
4 I'm saying is, you know --

5 MR. GILMER: Yes, I mean what -- I mean since you do
6 a little bit of it, what do you think would be a fair fee?

7 MR. : You've got to cover your cost.

8 MR. BENJAMIN: \$20.00.

9 MS. SINDORF: Yes, \$20.00.

10 MR. BENJAMIN: Yes, to handle the paperwork and
11 stuff. You've got to handle that.

12 MR. GILMER: Yes.

13 MR. BENJAMIN: I agree with that.

14 MS. HUNT: Okay. Last meeting I also brought up
15 this concept of pound net registration activity fee, so you
16 heard in the scoping tonight that it would be a regulation to
17 actually require somebody to tell us when you're going to set
18 the net and when you're going to not set the net.

19 So we have an effort of actually how many pound nets
20 are out there. this would be -- the pound net registration
21 fee, I hesitate to bring this back to you, I'll just tell you,
22 because you already told me it was okay once but I just want
23 to make sure that since we're talking about this new fee
24 scenario, that it's okay in this scenario.

25 If you're going to set a pound net -- you have a

1 registered site and you're going to set a pound net, that you
2 tell us before you set that pound net just as a regulation
3 would but you actually have to pay a fee to -- fee per net
4 that you're going to set.

5 That way you don't just come in and tell us well,
6 I'm going to settle late for the whole year because if you had
7 to pay for how many you told us, you probably wouldn't be
8 giving us a number that is artificially high.

9 MR. BENJAMIN: Are you getting all this? It costs
10 so much money to do yellow permits -- the yellow perch permit,
11 the snapping turtle permit, --- permit, bait permit -- all
12 them, right? Why don't you just make a straight fee of \$20.00
13 every time you have a --- permit?

14 MS. HUNT: Okay.

15 MR. BENJAMIN: Would everybody agree with that?
16 It's a processing fee. We're paying for this and it's for
17 nothing.

18 MR. : That makes sense.

19 MR. BENJAMIN: \$20.00 and everybody splits it. If
20 you want to catch snapping turtles, pay your \$20.00. That'd
21 make it simple.

22 MR. : Yes.

23 MR. : Yes.

24 MS. HUNT: So pound nets -- okay.

25 MR. BENJAMIN: I mean does everybody grab this ---?

1 MS. HUNT: You just want to be out of here because
2 you have seven minutes.

3 MR. BENJAMIN: Yes. We have seven minutes. I'm
4 trying to expedite this thing.

5 MS. HUNT: Good. I should've held so much more for
6 the last seven minutes. I could've asked some harder
7 questions. Okay. Also, we currently have the seafood
8 marketing surcharge. We've talked about this. I just didn't
9 get a recommendation.

10 We have a seafood marketing surcharge that the
11 harvesters paid for. The dealers currently do not pay this
12 marketing surcharge, though they certainly do benefit from
13 some marketing efforts. Do we want to charge a dealer
14 marketing surcharge? If so, how much?

15 MR. BENJAMIN: No. We paid enough.

16 MS. HUNT: I guess part of that question might --
17 you might want to answer by well, how much is the dealer fee?
18 Right now, it stays the same.

19 MS. SINDORF: Where I was going.

20 MS. HUNT: It's the same but they don't pay for
21 marketing.

22 MR. BENJAMIN: If I had to get the dealer license to
23 sell my own catch, I don't need marketing because I'm selling
24 my own stuff.

25 MR. : You're doing it --- house.

1 MS. HUNT: You pay the marketing fee.

2 MR. BENJAMIN: Yes.

3 MR. : You're paying TFL ---.

4 MS. HUNT: Coye's does not. You know it's shellfish
5 -- shellfish does not.

6 MR. BENJAMIN: Yes, then vote that Coye's should pay
7 for it.

8 (Laughter.)

9 MR. BENJAMIN: They make more than I do.

10 MR. : Yes. That's what she's getting at.

11 MS. SINDORF: I think we already have enough in our
12 advertising fees. I mean we pay --

13 MS. HUNT: The \$55,000.00 that we bring in in
14 marketing?

15 MS. SINDORF: No, we're saying we advertise ourself
16 for ourselves. That's all, not pay for advertising --

17 MR. : So what were you thinking, Gina?
18 Just put a -- all gear licenses --

19 MS. HUNT: Well, either charge the marketing fee
20 towards -- which currently, you know -- it was \$10.00.

21 MR. : Yes.

22 MS. HUNT: This proposal raises it to \$50.00.

23 MR. : Change to \$50.00.

24 MS. HUNT: But either charge them the seafood
25 marketing surcharge as it is charged to a harvester or create

1 one for a dealer or leave it alone and don't charge dealers
2 for marketing.

3 MR. BENJAMIN: How much is a dealer license?

4 MS. HUNT: Right now, it's \$150.00.

5 MR. BENJAMIN: It went from what?

6 MS. HUNT: It didn't move at all because --

7 MR. BENJAMIN: It didn't move at all. Then ---
8 right? So why don't we raise them up?

9 MR. : The same as ---.

10 MR. BENJAMIN: \$20.00 like the permit people.

11 MR. : I don't know.

12 MS. HUNT: Well, okay. We can make them \$20.00.

13 You're -- under this proposal, you're paying \$50.00 but
14 that's --

15 MR. BENJAMIN: Yes. You can raise them up to cover
16 it.

17 MS. HUNT: Raising it would be just charging them in
18 the first place. They currently pay nothing.

19 MR. BENJAMIN: Okay, then make them pay.

20 MS. HUNT: Make them pay what?

21 MR. BENJAMIN: \$20.00. I don't know. Give me a
22 number.

23 MS. HUNT: I need a recommendation though --

24 MR. : \$50.00.

25 MR. BENJAMIN: \$50.00.

1 MS. HUNT: -- that everybody agrees with.

2 MR. GILMER: They should pay as much as us.

3 MR. : Yes. There you go. Good answer.

4 MS. HUNT: Yes? Yes.

5 MR. : It's 8:56. I'm on my way out of
6 here and the score is nothing to nothing in the ballgame in
7 the fourth inning.

8 MR. RICE: Right. If that concludes your questions,
9 Gina, what's -- Marty, you need to go over some actions items
10 please.

11 MR. GARY: Yes. I just wanted to go ahead and read
12 these back. I'm not hooked up to the screen tonight. If you
13 could just listen. I think the --- let me know if I missed
14 any but two came out of the scoping discussion. Here's the
15 first one.

16 TFAC would like DNR to reach out to the Blue Crab
17 Industry Work Group to scope regulations on blue crab trot
18 lines. In addition, scoping would be done on the DNR website.

19 MR. RICE: Does that capture it?

20 MR. : Yes.

21 MR. GARY: Second, one out of the scoping discussion
22 regarded the pound nets. TFAC would like DNR to conduct a
23 public scoping meeting on pound net management. DNR will
24 advertise on the website and discuss at the October meeting of
25 the Chesapeake Bay Commercial Fishermen's Association meeting

1 in Cambridge.

2 MS. HUNT: No.

3 MR. GARY: Is that wrong. What did I get wrong
4 about that?

5 MR. O'CONNELL: Basically to -- I think their steps
6 were send something out to the pound net holders --

7 MR. GARY: Do a mailing to them?

8 MR. O'CONNELL: Yes.

9 MR. GARY: Okay.

10 MR. O'CONNELL: Then go to the Chesapeake
11 Association meeting and then not proceed with the meeting only
12 -- unless we hear further guidance from you guys.

13 MR. : That's good.

14 MR. GARY: So we're not having a meeting?

15 MS. HUNT: No.

16 MR. GARY: Okay, and the meeting, just to be clear
17 -- the meeting at -- with Gibby's group is open to anyone.

18 MR. : No.

19 MR. GARY: It's not. It's going to be just with
20 them. All right. Well, that's why I'm asking. So it's
21 open --

22 MS. HUNT: It's open to all commercial harvesters.

23 MR. GARY: -- to any commercial fishermen.

24 MS. HUNT: Yes.

25 MR. GARY: Okay, so --

1 MR. : Whether they're members or not.

2 MR. GARY: So for those that are not members of
3 Gibby's association, they're going to receive notification
4 that these are going to be scoped through the mailing right?

5 MS. HUNT: Yes.

6 MR. O'CONNELL: So the three steps --

7 MS. HUNT: All pound netters.

8 MR. O'CONNELL: All pound netters are going to
9 receive a letter --

10 MR. GARY: Yes.

11 MR. O'CONNELL: -- we're going to present the idea
12 at Gibby's association, which is open to all commercial
13 fishermen and not have any further meetings unless we hear
14 back from you guys that you want something. So I can help you
15 clean it up tomorrow.

16 MR. GARY: The third item we talked about is part of
17 the questions and this also was referred back to the Blue Crab
18 Industry Work Group. It was the CB6 and the fairness issue of
19 the CB6 and the CB9 rules. Is that the one we were
20 discussing?

21 MR. GILMER: You said it was crew, yes.

22 MR. GARY: You said it was question number --

23 MR. GILMER: Crew.

24 MS. HUNT: There was a crew requirement.

25 MR. GILMER: Crew requirement.

1 MR. GARY: A crew requirement.

2 MS. HUNT: So if you guys think we should ask them
3 about crabbing fees --

4 MR. GARY: But it's the crew requirement issue --

5 MR. : ---.

6 (Laughter.)

7 MS. HUNT: Lest we get stoned.

8 MR. DEAN: So we can --

9 MR. WEBSTER: Yes, the crew would be required.

10 MR. GARY: Wasn't that eliminated with the increase
11 in fees on the licenses, the crew requirement? Didn't we --

12 MS. HUNT: No, we said that --

13 MR. GARY: It was a question. I asked a question
14 about that. If we could then eliminate that, it would help on
15 the costs.

16 MS. HUNT: Or we said we'd take it back to the Blue
17 Industry Team.

18 MR. GARY: So it's the crew requirement for CB6 and
19 CB9 be taken back to the Blue Crab Industry Work Group. Okay.
20 All right. Were there any others?

21 (No response.)

22 MR. GARY: I guess not. The last thing I was going
23 to mention is I didn't give you a handout for the meetings for
24 2013 but unless there's any opposition, we're going to mimic
25 the same schedule as last years. There will be quarterly

1 meetings.

2 They would be in the afternoon between 2:00 and 4:00
3 p.m., and I can tell you they would be in February, May, July
4 and October. Those meetings would be -- they would precede
5 the Atlantic States Marine Fisheries Commission and
6 MidAtlantic Fishery Management Council meetings.

7 Those are the times we're trying to get feedback.
8 So I can send those dates out to confirm but again, we would
9 be more or less mimicking the schedule from last year. Of
10 course, there's the option to add meetings if necessary, and
11 if they were unscheduled added meetings, we would have a
12 meeting like we do now.

13 MR. YOUNG: Is it possible to make those meetings on
14 Mondays?

15 MR. GARY: I think -- I can't recall exactly but
16 Gail, you had an issue with Monday.

17 MS. SINDORF: I can't do Mondays.

18 MR. : I did too.

19 (Simultaneous talking.)

20 MR. GARY: Okay. So for the preference of the week
21 is Monday okay with everybody?

22 (Chorus of "No.")

23 MR. GARY: All right.

24 MR. : Sorry Richard.

25 MR. YOUNG: It's okay.

1 MS. SINDORF: Sorry Richard.

2 MR. YOUNG: Any other day I've --

3 MR. GARY: I was actually targeting Thursday, which
4 has always been a tradition TFAC meeting night going back a
5 couple of decades.

6 MR. O'CONNELL: Can we move the July meeting to
7 evenings?

8 MR. : That would be ---.

9 MS. SINDORF: Just one?

10 MR. O'CONNELL: Well, we did but its Swordfish
11 Advisory Commission for their summer meeting. We went to a
12 3:00 to 6:00 rather than 2:00 to 5:00. I'm willing to
13 entertain that I really want -- don't want to go any later
14 than that. Would 6:00 to 6:00 be more helpful to you?

15 MR. : Yes. That would be helpful. Yes.

16 MR. GARY: Okay. So then we'll go ahead and pursue
17 the same strategy we do with SFAC. That July meeting then
18 will be 3:00 to 6:00 p.m., but again I'm going to -- I can't
19 guarantee because I've got to check room availability but
20 we're going to target Thursday if that's all right with
21 everyone.

22 (Chorus of "Yes.")

23 MR. RICE: So you need public comment.

24 MR. : Poor Bill.

25 MR. RICE: Do we have any public comment tonight?

1 MR. HASTINGS: Yes.

2 MR. RICE: Yes, sir.

3 *Public Comment*

4 MR. RICE: Ken, if you could go up by Gina and use
5 that microphone please. Ken, just try and keep it as brief as
6 possible because we're going over the 9:00 --

7 MR. HASTINGS: Yes.

8 MR. RICE: Thank you.

9 MR. HASTINGS: Yes. This isn't going to take any
10 time at all.

11 MR. RICE: Okay. Good.

12 MR. HASTINGS: My name is Ken Hastings. I'm a
13 recreational fisherman. I come to a lot of these meetings
14 because I know that the things that happen at these meetings
15 are going to have an impact on me and the things that I think
16 are important.

17 I believe that you guys should be able to run your
18 fishery and pay for your fishery however, you wanted to, but I
19 don't want to pay for it anymore, okay? I've had enough of
20 that part of it.

21 Now tonight get me -- challenge me. I wouldn't be
22 here right now talking and taking up your time but Gibby
23 called me out from the podium and he suggested that maybe I
24 was getting things kind of screwed up. Well, Gibby, you had I
25 have had this conversation before and I did not write about

1 this in tidal fish yet, okay?

2 So whatever you see there is not attributed to me.

3 Now as far as getting things wrong, and I'm not going to go
4 through much of this but you hit on one I can agree with you
5 on and that's MRFSS. MRFSS is probably the most screwed up
6 database you've ever seen in your life.

7 Once you decide that, you have to admit it could go
8 either way, okay? It could be screwing the recreational
9 fisherman by charging them for more than they caught or it
10 could go the other way, and you're naughty but you didn't even
11 consider the other option. I have.

12 MR. DEAN: It's 11 percent.

13 MR. HASTINGS: I've taken the data, okay? I've
14 looked at the data and I can make a compelling argument for it
15 being the other way. I don't know any more than you know,
16 okay?

17 However, to assume that it's always going to go the
18 way you want it to go is probably a mistake and then you would
19 be wrong and not me. Thank you.

20 MR. RICE: Anybody else?

21 (No response.)

22 MR. RICE: Seeing none, do we have anything
23 else ---?

24 MR. O'CONNELL: Yes. I've got one thing.

25 MR. RICE: Tom?

1 MR. O'CONNELL: One nothing Orioles.

2 (Laughter.)

3 MR. RICE: Thank you all.

4 (Whereupon the meeting was adjourned at 9:05 p.m.)

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