October 28, 2008

Mr. Donald K. Hansen  
Chairman  
Pacific Fishery Management Council  
7700 NE Ambassador Place, Suite 101  
Portland, Oregon 97220-1384

Dear Chairman Hansen:

I am writing to express my support for the proposal before the Council to include voluntary community fishing associations as part of the Pacific Fishery Management Council’s final preferred alternative for rationalization of West Coast Groundfish Fishery and transition to an individual fishing quota management system.

While IFQ systems can pave the way for management improvements and other benefits, the design features of such systems can strongly determine the nature and magnitude of transitional impacts on participants. Many of these critical design features are included in the standards for limited access privilege programs established in the 2007 amendments to the Magnuson-Stevens Fishery Conservation and Management Act, and have been outlined in numerous expert reports.

With respect to the Council’s current rationalization plan, fishermen, fishing related businesses, community leaders, and Council members have expressed strong concern recently that an IFQ management scheme will lead to increased consolidation of quota and adversely impact small-scale, local fishing operations. Their concerns are supported by Council projections and analyses that suggest quota could be consolidated in the hands of a few large businesses and fishing ports and reduce overall fishing opportunity in numerous West Coast communities that depend on the groundfish fishery to maintain their fishing business and culture.

Allowing the formation of voluntary community fishing associations, such as the one the Council has approved on an experimental basis in Morro Bay, would empower local fishermen to take steps to prevent unwanted consolidation and to realize a number of benefits offered by IFQ programs, which could include the ability to: (i) anchor quota and access in a community, (ii) share risks and costs inherent in the new management regime, (iii) offer opportunity for new entrants, and (iv) explore more sustainable fishing practices.

Within the West Coast Groundfish Fishery, such associations could share many of the characteristics of harvesting cooperatives as well as hold quota share, which could enable an association to raise capital to acquire quota from local permit holders interested in selling. In this way, associations could help proactively preserve local industry and fishing heritage, making quota share available to interested fishermen and generating incentives to land catch locally and sustainably. Support for the association approach has been expressed by trawl fishermen and fishing associations in a number of California ports, including Morro Bay, Half Moon Bay, Fort Bragg, and Eureka.

While the transition to IFQ management has caused very real and disruptive effects in other fisheries, a carefully designed IFQ system can contribute to the sustainability of the resource, the
value of the fishery, and the well-being of historic fishing communities. I hope that as the Council takes the next important step in this complex and difficult process, you will include options that allow communities to take advantage of the opportunity to preserve their fishing heritage.

I urge you to provide establishment of voluntary community fishing associations within the IFQ process by taking following actions:

1. Affirm that the Council would like the rationalization program to encourage fishermen to work together in community-based associations to anchor quota in its historic location.

2. Establish special accumulation limits for associations so they can hold quota share above the limits for individuals, up to some reasonable amount.

3. Allocate quota share to permit holders based on their permit history, but require that amounts over the accumulation limits be divested over a reasonable period, including to such associations.

Sincerely,

Leon E. Panetta

LEP:c
Enclosure