



State of California - The Resources Agency
DEPARTMENT OF FISH AND GAME
<http://www.dfg.ca.gov>
916-653-7667



July 31, 2006

The Honorable Maria Cantwell
717 Hart Senate Office Building
Washington, DC 20510

Dear Senator Cantwell:

I am writing on behalf of the California Department of Fish and Game and as a member of the Pacific Fishery Management Council ("the Council") to respectfully request your assistance on legislation that would reauthorize the Magnuson-Stevens Fishery Conservation and Management Act ("MSA"), specifically a potential provision legislating a "two-pie" management plan for the hake (or whiting) fishery over the express objections of the Council. Such a provision would have serious negative consequences for fisheries management in California and off the west coast, and we urge you not to include any provisions dictating such a management plan to the Council.

The Pacific Fisheries Management Council is hard at work looking at opportunities and options for establishing a "dedicated access" program for the groundfish fishery that would provide, we believe, important economic and conservation benefits to a fishery that is in very poor shape from both perspectives. The State of California has invested heavily in this process and believes this important work should come to fruition. The Council expects to complete the final environmental impact statement for the whiting fishery catch shares program within the next twelve to eighteen months. The proper design of the program is essential to achieve conservation benefits and economic stability to the coastal communities that depend upon these fisheries. We are on track to achieve this, but the potential last-minute intervention into the process legislatively threatens progress and undermines the investment of the Council, the industry, the states and many others in this effort.

Certain interests, namely west coast processors, have aggressively advocated for legislation establishing a mandatory "two pie" quota program consisting of both harvester shares and controversial processor shares. Legislation was introduced in the Senate by Senator Gordon Smith (OR) to legislate a "two-pie" management plan. That legislation, S. 1549, the Cooperative Hake Improvement and Conservation Act, was introduced earlier this Congress and has generated substantial opposition within the fishing industry and among the fishery managers along the west coast, including myself. (Notably, the Senate passed legislation reauthorizing the MSA without including the language of Sen. Smith's bill.) S. 1549 would require harvesters to match up their catch shares with an equal amount of processor catch shares before harvesters could go fishing. The Department of Justice has opined that processor quotas, such as those in S. 1549, result in severe anticompetitive practices, limit markets for fishermen and increase consolidation in the industry. Processor quotas would also disproportionately advantage the two processing corporations now dominating the industry - and thus hurt the smaller processors. The outcomes would be bad for the fishing community, bad for the coastal economies that depend on widely dispersed processing opportunities, and bad for competition.

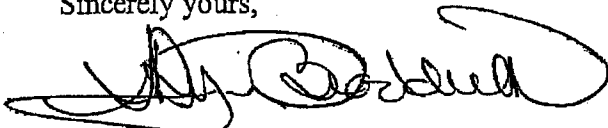
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Requiring a "two pie" system also would set a very bad precedent for other fisheries across the country, including the west coast groundfish fishery, and it would be a severe setback for the current efforts of the Council to properly design a program that will work for the fishery as a whole.

For these reasons, I am respectfully requesting that you oppose legislation mandating a "two-pie" fishery management system for Pacific whiting, including as part of a MSA reauthorization bill. Legislating highly controversial processor quotas or "two-pie" management systems for the whiting fishery would significantly undermine the Council process and would have adverse impacts on the Council's efforts to effectively manage its groundfish fishery. At the very least, the Council should be given an opportunity to complete its work on developing a comprehensive groundfish management program before Congress steps in to legislate a management program for a particular species of groundfish.

In closing, we encourage your support for the passage of a strong reauthorization of the MSA this year, and also request that you oppose any provisions as part of that bill, including in conference, that would legislate processor quotas or a "two-pie" management system (e.g. provisions of S. 1549) as part of the MSA reauthorization bill. Should your staff have any questions about this request or need additional information, please encourage them to contact me directly or Marija Vojkovich, at 805-568-1246.

Sincerely yours,



L. Ryan Broddrick
Director

cc. Members, Pacific Fisheries Management Council
William Hogarth, Director, National Marine Fisheries Service
Members of the Subcommittee on Fisheries and Coast Guard of the Senate Commerce
Committee
Members of the Subcommittee on Fisheries and Oceans of the House Resources
Committee
House and Senate Leadership