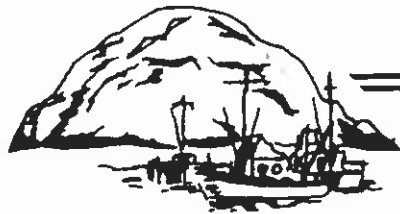

Morro Bay Commercial Fishermen's Organization Inc.



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March 2, 2009

RECEIVED

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

PFMC

Dear Mr. Hansen,

The Morro Bay Commercial Fishermen's Organization was recently asked by one of our Congressional Offices, what it would take to create 1000 jobs ? In our area on the Central Coast of California we face many challenges and one of them is our geographical remoteness. Jobs are hard to come-by and the loss of any that are existing are harder to replace. We are not alone in this situation along the west coast of America, and feel that some special needs and attention will be nessary to protect these Communities from extreme economic hardship in the upcoming transition to the ITQ system. We ask that you please identify our communities and our fragile economies and allow for some form of community set back that would insure the well being of our cities and towns as well as the fishermen that work out of these ports. In this adverse economic atmosphere the creation of jobs is of utmost importance as our communitys have been bleeding fishery jobs for far to long. Please help insure that jobs will not leave our area and possibly help

us make that 1000 job number become a reality. It doesn't take very many fishermen jobs to create that 1000 number as there are many on the beach needed to support those actually at sea.

We urge you to provide for the development of Community Fishing Associations (CFAs) within the IFQ process by taking the following actions:

1. Develop a framework for CFAs in the current set of trailing actions to be completed by June 2009 , including specific accumulation limit rules for CFAs that meet the requirements.
2. Allow entities that qualify for quota share in excess of individual accumulation limits the opportunity to divest of the excess after initial allocation. Low individual accumulation limits without a grandfather or divestiture provision could lead to a major redistribution of access with serious impacts on communities.
3. Please develop and analyze the current plans impact to areas that are likely to suffer the greatest loss to fishing access and offer support to these areas.

Sincerely,



Jeremiah O'Brien

President, Morro Bay Commercial Fishermen's Org.

Coos Bay Trawlers' Association, Inc.

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A Non-Profit Organization Since 1997

Nowhere in the "Community Fishing Association Strawman for the Groundfish Allocation Committee" dated January 28, 2009 or in the "Proposed Framework for Establishment of Community Fishing Associations" dated February 18, 2009 is the concept of fishing the trawl quota on trawl vessels mentioned, yet this proposal deals with the trawl rationalization program.

TNC has been allowed to operate under an EFP to see if pot and longline gear can fish trawl bi-monthly catch limits for sablefish and other species. The strawman paper suggests that community fishing associations need more quota shares than other cooperatives, pooling groups or entities because they need to "provide viable opportunity for several harvesters that will produce material community benefit". TNC is a very wealthy conservation group that has teamed up with well to do communities to form a very powerful organization. How can a mom and pop fishing business compete with such a strong entity?

The QUOTA in a rationalization program will provide increased opportunity for several harvesters that will produce material community benefit similar to what is currently produced with our bi-monthly harvest limits without the pressure on the resource. The trawl sector that has been working on the IQ program never envisioned that the trawl quota would be given to other sectors to fish on anything other than trawl vessels. But the TNC's EFP has demonstrated to ports in California that if they organize into community groups, then they may get trawl quota and fish it on any vessel they wish to use, as long as it is part of the community plan. Gear switching and even gear conversion was always understood by the committee to mean a trawl permitted vessel fishing trawl quota shares and pounds and not as it is being used under this EFP. The ITQC never seriously considered any kind of distribution of quota other than catch history and equal shares of buy-back vessel quota within a window period. To allow an entity to control its distribution, even to non-trawl vessels, WAS NEVER THE INTENT OF THE COMMITTEE.

We believe all pooling groups, all association, all coops that focus on reduction of bycatch and discards through the organizational efforts should have the same considerations as a group that has been labeled as a "community fishing association". The Midwater Trawlers Cooperative is a community fishing association; Coos Bay Trawlers Association is a community fishing association; The Coalition of Coastal Fisheries is a community fishing association. These three groups will no doubt act as bycatch, discard reducing groups and do not believe NMFS or PFMC need to reward such groups with accumulation limits that are above the entity limits that will be established by the Council.

No community fishing association should receive more quota unless they are proposing a new start-up project that may require “an extra shot” of “adaptive management quota” for a very short time to be used as an incentive to attract the input required to reach a successful conclusion of the project. This incentive quota (from the 10% set-a-side) should be set for very limited duration and should only be used to reach the end goal of the project. For example, a port no longer has an ice plant. A community fishing association could apply for some of the set-a-side quota to bring extra fish into the port so the extra revenue could be used to restore, refurbish, reestablish or replace the ice plant.

In the Proposed Framework paper starting on page three is a list of **benefits** of CFAs. Local Access and Opportunity the entity is able to anchor access to the resource for the benefit of the local fishing community. The entity will dictate when fishing will occur, where fishing will occur, where deliveries will occur and who can fish these quota pounds. Some may say that this is what coops do but this goes beyond cooperatives. This could turn out to be over bearing power. Fishing Participants will benefit by reduced costs of observers/monitoring is an unfounded claim because reducing the cost of monitoring by sharing the cost does not reduce the time it will take to monitor the entire catch. If the CFA is allowed to distribute the quota over more vessels and more fishermen, then the monitoring costs will increase exponentially. Fishing Business benefits statement is meaningless. Crew and New Entrants will benefit because they will have access to quota they never had before as long as they are in the good graces of the CFA. The CFA will be able to help out a brother-in-law or cousin by giving trawl quota to them and assigning the quota to be caught with pot gear. Fishery Managers will directly benefit by the improved accountability of the IQ program with almost live, continuous data updates of total mortality. CFAs will add very little to compliance but will be able to track their quota pounds no matter how scattered or diluted the quota pounds become. CFAs could also hide what vessels were used to catch the quota pounds with some internal record keeping. All current fishing associations act as entities that provide management services to its members. Current associations if engaged in by-catch reduction and over exploited species avoidance will become more involved in the conservation of the resource. Any trawl vessel operating smartly within the IQ program will also have the same effects.

In part 4. Requirements for Community Fishing Associations, states that the CFA could hold quota shares (QS) and each year distribute quota pounds (QP) to its members. It further states that the CFA must comply with the requirements of the MSA, the PCGFMP and the rules governing the trawl rationalization program. As it stands now, that would mean that trawl quota would be caught on trawl permitted vessels AND NO OTHER SECTOR.

Under section 4.1 Eligibility criteria, the TNC wants to remove the healthy competition that has helped the industry grow by saying only one association in an given area will be allowed to claim to be a community fishing association. TNC hasn't even figured out how to keep what quota they may receive over the caps and they are already thinking of eliminating the competition. So why can a community support more than one CFA? To remove the chance of competition! The third bullet in this section is what really defines what a CFA is: “two fishermen and one fish buyer”. Then TNC states that “this will ensure that the CFA represents and engages diverse fishing community sectors, not only a single sector”. So one has to assume that one of those fishermen is a trawler with a permit and a permitted trawl vessel and the other

fishermen must be from another sector. And then there is the fish buyer. But this statement shows that TNCs intent is to distribute the quota to other sectors which is not what the committee intended to do! And under the last bullet of this section under the fourth sub-bullet it states, "Statement describing procedures that will be used to distribute QP each year to members of the community". Their intent is clear.

In the section about "Reporting Requirements" the TNC continues to state that the QP will be distributed to other sectors to establish community stability meaning that they will re-allocate these fish they way they believe the Council should have done it in the first place.

In Section 5 Accumulation Limits, TNC offers two options. The first option uses a specified cap that they may control with corresponding caps for individual species. They suggest 10%; we say it should be the same as any other entity. The Council should consider the same limit as everyone else but allow a CFA to have more only if it operates like the whiting cooperatives using their "Golden Rule" of quota ownership. The second option is too bizarre to seriously consider. The TNC intent here is clear, down with trawl and up with hook and line. What trawl fishermen could support this trawl quota give-a-way? The TNC also is confusing the issue of adaptive management here under initial allocation and accumulation caps.

We can not support the TNC's proposal of allowing higher accumulation caps for CFA. The trawl industry came forward requesting the formation of the trawl rationalization program. It was never our intent or desire to give our allocation away to other sectors. The TNC bought trawl permitted vessels with the intent to mothball the vessels and stop, what they claimed is/was, destructive fishing practices and learned just how important the trawl industry is to real fishing communities. The TNC learned that without the trawl industry, processors don't need a workforce but just a couple of laborer will do, that processors can't make it financially on the quota from the open access fishery, that without processors or the trawl industry you just have another community, it just happens to be on the coast.

Sincerely,

Steve Bodnar