

PACIFIC FISHERY MANAGEMENT COUNCIL

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CHAIRMAN
Jim Lone

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Testimony of Mr. Jim Lone, Chairman
Pacific Fishery Management Council
to
Subcommittee on Oceans and Fisheries
of the
Senate Committee on Commerce, Science, and Transportation
Seattle, Washington
January 19, 2000

Madame Chairman and committee members:

My name is Jim Lone. I chair the Pacific Fishery Management Council (Pacific Council). Thank you for this opportunity to offer comments related to implementation of the 1996 Sustainable Fisheries Act (SFA) and the reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act).

This is a challenging time for fishery management on the West Coast. Several important salmon and groundfish stocks are depressed or overfished and our fishing industry is severely overcapitalized. Recently, this Council sent letters to the governors of the three West Coast states, warning them of a potential disaster in the groundfish fishing industry. Many small fishing businesses are in danger of failing this year, or in the near future. It is likely the crisis comes from the combined effects of a change in the ocean environment, inadequate scientific data collection and analysis, and a national policy that encouraged capital infusion into the fishing industry.

On July 29, 1999, you received the joint recommendations of the eight regional councils for the reauthorization of the Magnuson-Stevens Act as an attachment to the testimony of Mr. Richard Lauber, Chairman of the North Pacific Fishery Management Council.^{1/} The Pacific Council fully endorses those recommendations. In particular, we want to emphasize our support of the recommendations to rescind the moratorium on individual fishing quotas and provide discretionary authority to establish fees for observer programs. The rest of my comments will be specific to the management experience and recommendations of the Pacific Council.

1/ The collective recommendations were presented on July 22, 1999 to the House Subcommittee on Fisheries Conservation, Wildlife, and Oceans by Mr. Joseph Brancaleone, Chairman of the New England Fishery Management Council.

The Pacific Council has fishery management plans (FMP) for three fisheries—groundfish, salmon, and coastal pelagic species (CPS; e.g., anchovy, sardines, and mackerel). Work is progressing on development of a fourth plan for highly migratory species (tunas and billfish). The Pacific Council and National Marine Fisheries Service (NMFS) have completed and implemented amendments to the groundfish and coastal pelagic species FMPs to meet the requirements of the SFA.^{2/} Amendments to the salmon FMP were delayed due to an existing commitment to update the entire salmon FMP and its environmental impact statement. The Council approved the salmon plan amendments in March 1999 and they should be implemented this year.

Groundfish

Overcapitalization is the single most important issue challenging the West Coast fishing industry and this Council. For years, national policy encouraged industry growth and development as we “Americanized” the groundfish fishery. We didn’t recognize quickly enough that we had achieved that goal. The Pacific Council took steps to stem the tide by establishing a groundfish license limitation program that took effect in 1994. We also took steps toward better management of the sablefish fishery by developing an individual fishing quota (IFQ) program. We delayed action on the IFQ program in response to strong signals from Congress. With the 1996 reauthorization, we lost the ability to implement an IFQ program. We strongly support an end to the moratorium on IFQs. We believe we need this management tool as a means to stabilize the industry and rebuild stocks.

On the West Coast, we are now facing the results of years of inadequate funding for research and data collection. There is widespread concern about the quality and quantity of scientific information on current stock conditions. The decisions we make based on this information are vigorously questioned. Some believe on-the-water observations by fishermen indicate the Pacific Council’s harvest restrictions are not justified. Others believe the Council should be even more restrictive until the science supports greater exploitation. We are also required to assess the social and economic impacts of management on the fishing industry and communities, yet we are not provided adequate funds. We are required to reduce bycatch, yet we have no funds for an observer program to collect

2/ The section on bycatch in the groundfish FMP, and the sections on bycatch and maximum sustainable yield for squid in the coastal pelagic FMP were not approved and are being modified by the Council at this time.

bycatch data. I have appended three letters to my testimony which document the funding issue in more detail.^{3/}

Regarding future reauthorization of the Magnuson-Stevens Act, it is our opinion that if NMFS and the councils cannot conduct the basic stock assessments and collect the necessary fishery information, the system won't be able to make good management decisions regardless of how the law is constituted. Simply put, we cannot do the job you want us to do, and the job we want to do, without the necessary resources.

In line with our need for more and better information, the Council needs discretionary authority to establish fees to help fund observer programs. This authority would be the same as granted to the North Pacific Council under Section 313 of the Magnuson-Stevens Act. In the long term, the fishing industry may be able to shoulder more of the costs to reduce overcapitalization and monitor the catch. In the short term, however, our industry cannot afford these additional burdens.

Salmon

The SFA required little substantive change in the way we manage salmon. Over the last several years, many coho and some chinook salmon stocks have been at chronic low levels and several have been listed under the Endangered Species Act. However, for the most part, the management of salmon under the current FMP already met the more conservative definition of optimum yield contained in the SFA. The ongoing low stock levels are currently much more the result of long-standing and continued degradation of freshwater habitat and unfavorable marine survival than of any continuing impacts of fisheries. Despite some draconian fishery reductions by the Council beginning in the early 1990s, little or no recovery is evident for most of the salmon stocks listed as overfished. The numerous variables affecting abundance make it impossible to specify a time period in which an overfished salmon stock will be rebuilt.

3/ The following three letters are appended to this testimony to document recent and future Council funding needs:

- (1) Letter of December 22, 1998 from Mr. Lawrence D. Six, Executive Director, Pacific Fishery Management Council, to Dr. William Hogarth and Mr. Will Stelle, NMFS.
- (2) Letter of December 14, 1999 from Mr. Robert K. Mahood, Executive Director, South Atlantic Fishery Management Council, to Mr. Alan Risenhoover, NMFS.
- (3) Letter of December 17, 1999 from Mr. Pete Moffitt, Chairman of the South Atlantic Fishery Management Council, on behalf of the Regional Council Chairmen, to Ms. Penny Dalton, Assistant Administrator for Fisheries, NMFS.

The biggest change in salmon management under the SFA has been the inclusion of the description and identification of essential fish habitat and the consultation requirements it includes. Since Amendment 14 to the salmon FMP has not yet been implemented, it is not possible to determine the impacts of the essential fish habitat requirements. However, considerable public input during the amendment process indicates opposition among the general business community to the breadth of the essential salmon habitat description. There is a fear of additional permit requirements and delays in land use or development projects. This is especially pertinent for salmon due to the inclusion of thousands of miles of freshwater streams. Conversely, we have received numerous comments deploring the lack of teeth in the essential fish habitat measures to require compliance with NMFS or Council recommendations. The extent of increased workload for the councils and NMFS remains in question. We view the SFA essential fish habitat requirements as a logical, though controversial, step in increasing the recognition of the importance of salmon habitat and ensuring its protection and restoration, which is vital to long-term salmon recovery.

Coastal Pelagic Species

The most significant impact of the SFA on coastal pelagic species (CPS) fisheries was expansion of the FMP. Spurred by requirements of the SFA, increased abundance of Pacific sardine, and high demand for market squid, the Pacific Council greatly expanded the scope and authority of the FMP. Of particular interest in the Pacific Northwest, is the expansion of effort in Pacific sardine fisheries off Oregon and Washington. Favorable oceanic and climatic conditions have caused an increase in both biomass and geographic range of Pacific sardine. In response, fishers and processors have become interested in these new fishing opportunities which may compensate for reductions in groundfish optimum yields by providing opportunity to use idle fishing and processing capacity. There is also potential for increased investment in fishing and processing capacity. With any expansion in capacity, it is likely the Council will have to grapple with an overcapitalized fishery in the future, as sardine abundance will naturally decrease in response to changing oceanic conditions. There is also concern that expanding sardine fisheries in Oregon and Washington could catch significant numbers of Pacific salmon (as bycatch). Preliminary data and information from fishers indicate that incidental catch of salmon is minimal, and the industry is working with the states to develop ways to minimize salmon bycatch and bycatch mortality.

Summary

In summary, Madame Chairperson, the Pacific Council fully supports the intent of the Magnuson-Stevens Act and, with certain exceptions previously noted, has developed workable plan amendments to implement it. Moreover, the Council has begun

development of a strategic plan to address the major groundfish issues and to help move the fisheries towards recovery and prosperity. To implement the strategic plan, we will likely need legislation and financial support to help reduce the number of fishing vessels that harvest fish off the West Coast and to collect the necessary data for competent management. We appreciate the efforts and attention Congress has given to improve and guide our management through the passage of the SFA and in your current efforts to make further beneficial changes in our fishery management. We know that there are many other interests throughout the nation competing for your attention and funding. We hope that our comments to you today have been helpful and will try to be responsive to any other information or input you may need. Thank you again for this opportunity. I will be happy to answer any questions you or the other Senators may have.

PACIFIC FISHERY MANAGEMENT COUNCIL

2130 SW Fifth Avenue, Suite 224
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Telephone: (503) 326-6352

CHAIRMAN
Jerry Mallet

EXECUTIVE DIRECTOR
Lawrence D. Six

December 22, 1998

Dr. William Hogarth, Regional Administrator
Southwest Region
National Marine Fisheries Service
501 W Ocean Blvd., Suite 4200
Long Beach, CA 90802-4213

and

Mr. Will Stelle, Regional Administrator
Northwest Region
National Marine Fisheries Service
7600 Sand Point Way NE, BIN C15700
Seattle, WA 98115-0070

Dear Bill and Will:

Representatives of the Pacific Fishery Management Council (Council) and Pacific States Marine Fisheries Commission met December 10, 1998, with representatives of the National Marine Fisheries Service (NMFS) Northwest Region (NWR) and Southwest Region (SWR); and Alaska Fisheries Science Center (AFSC), Northwest Fisheries Science Center (NWFSC), and Southwest Fisheries Science Center (SWFSC) to develop a consensus package of budget initiatives to meet Council information needs for fiscal year (FY) 2001. We agreed on nine major initiatives, which are described below. We recommend this package be submitted to NMFS headquarters by mid January as input into formulation of the President's FY 2001 budget request. These initiatives are not presented in priority order. They represent the highest priority needs, which were boiled down from a long list of needed projects identified by the Council and participants at the December 10 meeting. This package addresses Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act) mandates only. We did not attempt to address marine mammals, protected species, or other NMFS mandates.

In addition, the group expressed support for seven other activities, most of which are national in scope and critically important to successful implementation of the Magnuson-Stevens Act. These efforts are described after the West Coast initiatives.

Finally, as a result of our discussion of FY 2001 needs, it became apparent there are significant shortfalls in funding for critical West Coast programs in FY 1999 and potentially for FY 2000. These shortfalls are described herein.

West Coast Initiatives Implementing Magnuson-Stevens Act in FY 2001

1. Maintain and Enhance the Pacific Fishery Information Network (PacFIN) **\$1,166,000**

This initiative has two components: improving economic data collection and increased port sampling of groundfish landings. The augmentations are in addition to the base program of \$3.0 million for PacFIN. With enhancements, the total amount needed is \$4,166,000.

• Economic Data Collection **\$700,000**

Economic data is needed to develop and implement fishery management plans, assess the effects of those plans, and fairly allocate limited resources among competing users. Further, the courts in two recent cases have overturned management decisions, because the accompanying economic analysis was insufficient. This initiative will implement the Economic Data Plan, which was developed by Council, NMFS, and other economists and then adopted by the Council. Funds are needed to implement the plan beginning in FY 2000 and annually thereafter.

• Increased Port Sampling **\$466,000**

Current funding is not adequate to sample nontrawl groundfish fisheries, including the open access fishery and the live-fish landings. Additional samplers in California, Oregon, and Washington would provide the necessary coverage at a cost of \$466,000.

2. Maintain and Enhance the Recreational Fishery Information Network **\$1,082,000**

As the Council more actively manages the recreational fishery for groundfish, it is apparent the current marine recreational fishery statistics program on the West Coast is not providing adequate information for management purposes. There is a need for more reliable estimates by species, time, and area on a finer scale. Sampling of anglers needs to be increased, and the method of estimating effort needs to be improved. The current funding allocation for the West Coast intercept survey is \$918,000, which does not even provide for a 12-month effort. An additional \$1,082,000 is needed to bring the total to \$2,000,000.

3. Improve and Expand Groundfish Surveys and Stock Assessments **\$3,500,000**

GOAL: Build a scientifically sound resource survey and stock assessment program in the NWFSC and SWFSC and transition to allow redirection of the AFSC resources to critical stock assessment problems off Alaska.

BACKGROUND: Commercial, recreational, and tribal harvest of the 83 species of West Coast groundfish is important to communities along California, Oregon, and Washington. An investment in improved monitoring of these species is necessary to guard against inadvertent overharvest due to lack of adequate scientific information and to reduce the need for precautionary harvest reductions. The scientific basis for safe harvest levels typically comes from stock assessment models which incorporate resource survey and fishery data. The critical need for fishery-independent resource survey data is one of the primary recommendations in the National Research Council's review of stock assessment methods. A scientifically sound stock assessment program will conduct frequent and timely assessments for all species groups;

will include relevant ecological, social, and economic information in these assessments; and will engage in sufficient outreach to build public understanding and trust in assessment results. The resource survey program would conduct frequent standardized surveys of each major fish assemblage, including adult and prerecruit life stages and would engage in research to understand how environmental factors affect survey results and to improve the calibration of the survey methods. A combination of acoustic, trawl, egg/larval, hook-and-line, and new advanced technologies is needed to cover the complexity of life stages and habitats for groundfish. The program requires both a Fisheries Research Vessel (FRV) and chartered vessels to deploy appropriate survey methods over the entire West Coast range of the species. The FRV would focus on studies that require specialized equipment, high levels of standardization, and multi-sampler projects. Multiple charter vessels would be used for surveys that must cover broad geographic areas in short time periods.

PROPOSAL: The expanded West Coast survey and stock assessment program will be able to provide critical information for management of West Coast groundfish. The program will conduct an annual bottom trawl survey covering the depth range of nearshore flatfish, shelf rockfish, and deep slope species. Such a survey was broadly endorsed by a science/industry workshop in 1998. The program will conduct a hydroacoustic survey for whiting, develop and deploy new survey methodology for nearshore rockfish, and conduct specialized surveys such as fixed gear surveys for sablefish and recruitment surveys for key species. The enhanced stock assessment program will be able to turn these expanded survey results into timely, comprehensive, and well-understood recommendations on safe harvest levels for West Coast groundfish.

New Funding Need: \$3,500,000, plus access to a FRV, plus use of an allocation of the annual quota to partially compensate chartered vessels.

4. Groundfish Observer Program

\$4,700,000

Reliable estimates of total catch of West Coast groundfish are not available because of unknown amounts of discard at sea caused by regulations and markets. Current estimates of discards are based on old and very limited studies. A comprehensive observer program covering all gears and areas is required to obtain reliable estimates of total catch. This information is needed before the Council can adequately address the mandate to minimize bycatch. Given the economic condition of the industry as a result of reduced optimum yields, an industry-funded program is not feasible. Federal funding is required. The estimated annual cost of an observer program, including NMFS infrastructure, is \$4,700,000.

5. Essential Fish Habitat (EFH)

\$1,000,000

There are three components to this initiative: marine reserves, gear impacts, and habitat areas of particular concern. Total annual long-term costs are \$1,000,000.

- **Marine Reserves**

Areas closed to fishing are widely viewed as having potential to protect EFH and marine ecosystems and to serve as important tools for fishery management. There is a pressing need to gather the socioeconomic and scientific data required to rigorously evaluate marine reserves as a fishery management tool on the West Coast. This will require research to

identify the management needs that may be achievable through marine reserves (e.g., which species and life stages), design optimal reserves through modeling, and implement these designs through field testing to evaluate the potential benefits. A major component of this initiative will involve socioeconomic studies of interested parties from potentially affected groups (e.g., tribal, other governmental, recreational, commercial, community, and environmental) to improve consideration of social needs and desires and to foster acceptance of results and potential designation of marine reserves for fishery management purposes.

- Gear Impacts on Habitat

The Magnuson-Stevens Act requires the regional fishery management councils to minimize to the extent practicable adverse effects on habitat caused by fishing. Information on the effects of fishing gear on West Coast habitat is inadequate. There is a need to (1) evaluate the effects of trawl, longline, and pot gears on a variety of bottom habitats on the West Coast; (2) conduct experiments to identify the short-term and long-term effects of gear deployment and of repetitive deployment (e.g., in situ studies of trawling and other gear impacts on the benthos); (3) as feasible, implement a program to obtain longline effort information; and (4) conduct experiments (e.g., with modifications to gear or fishing practices, areas, or times) to test ways to reduce adverse effects and develop recommendations that may be implemented.

- Habitat Areas of Particular Concern (HAPCs)

To support the evaluation of marine reserves and EFH consultation efforts, NMFS should (1) identify marine HAPCs for groundfish, salmon, and coastal pelagic species (CPS) off the West Coast; (2) inventory and increase accessibility to available data from state, federal, tribal, and private sources and include the information in a global information system (GIS); (3) identify data gaps and research needs; and (4) evaluate the condition of these HAPCs, if known, and recommend necessary conservation measures.

6. Salmon Encounter Rates and Hooking Mortality

\$100,000

The ability to harvest salmon from hatchery programs and other healthy salmon stocks without risking the continued existence of some weak stocks, including those listed under the Endangered Species Act (ESA), depends on accurate estimates of hook-and-release mortality rates and encounter rates in fisheries. The Council has appointed an ad-hoc committee to address additional research needs related to estimates of hooking mortality and encounter rates. At this juncture it is clear that adequate estimates of encounter rates are lacking, and this situation must be rectified. Additional research needs may be forthcoming from the ad-hoc committee and Council in the future. Encounter rates vary with relative stock abundances and ocean conditions as well as gear and fishery. A program to have fishers report encounters, coupled with a limited observer program, was successful in 1995 to 1997, but discontinued in 1998 due to a lack of funds. Such a program needs to be done annually to provide in-season measures of encounter rates and develop a long-term data base for prediction. This could be combined with stock identification research to provide real-time fishery assessment capabilities. An additional \$100,000 per year is required to address this need.

7. Application of Genetic Stock Identification for Salmon Management

\$300,000

Increased listing of salmon stocks under the ESA and implementation of mass marking and selective fishery programs will require much more intensive evaluations of mixed salmon harvests in the future. No single method will be able to provide all the necessary information; rather, a variety of approaches will be required, including coded-wire tags and other physical marks, genetic stock identification (GSI), otolith marking, and perhaps others. Under the aegis of the Pacific Salmon Treaty (PST), GSI research has produced a coastwide data set that is used for stock composition in PST-related fisheries. Work should be expanded into three areas: (1) extend the use of GSI analysis of chinook salmon populations into areas of southern Washington, Oregon, and California. This will provide the capability to respond to Council and ESA mandates in fisheries not directly related to the PST; (2) initiate the use of molecular markers for GSI of coho salmon. Although most of the major populations of coho salmon have been examined for protein genetic variation and regional patterns of variability have been described, additional research is required to use genetic markers for mixed-fishery analysis; and (3) initiate genetic stock identification of chinook and coho salmon juveniles in coastal and estuarine waters. Although the early migration patterns of hatchery-reared juveniles have been studied to some extent with coded-wire tags, little is known about the coastal migratory habits of juveniles from wild populations. Identification of populations of origin is an important element in interpreting the results of ongoing ecological studies of early life-history stages in coastal waters. This phase of the research would utilize juvenile samples collected as part of other research projects. All three phases will be accomplished by extending and updating the protein genetic baseline for chinook and coho salmon populations, analyzing mixed-stock fisheries with current statistical procedures, and developing the use of DNA markers for GSI estimations for chinook and coho salmon. New funding needed is \$300,000 per year.

8. Coastwide Coastal Pelagic Species Assessments

\$660,000

The recently adopted fishery management plan for CPS includes two actively-managed species, Pacific sardine and Pacific (chub) mackerel. Both of these stocks now span thousands of miles of coastline from British Columbia to southern Baja California. The biomass of sardine has climbed to about 1.2 million tons, a level not seen for over 50 years, and the biomass of mackerel is around 130,000 tons. These estimates, based on many assumptions, are very uncertain and may be underestimated, because no coastwide measure of abundance exists. A coastwide abundance estimate is needed to ground-truth the biomass assessment models. A survey approach is proposed that combines simultaneous (April) acoustic trawl surveys (ATS) (a precise relative measure of biomass) and daily egg production (DEP) surveys (an absolute measure of biomass). The ratio between ATS and DEP surveys in the south (Mexico and California) will be used to calibrate ATS surveys off Oregon and Washington. Two chartered commercial fishing vessels (30 days each) will be used along with data collected from routine April survey data from existing CalCOFI and IMECOCal (Mexico) surveys. The work will be a cooperative project involving the SWFSC and NWFSC. Costs are estimated to be \$660,000 per year.

9. Development of an Economic and Social Science Program

\$1,300,000

The National Oceanic and Atmospheric Administration (NOAA) must develop an infrastructure for the social sciences and incorporate these disciplines in the living resource management processes, including strategic placement of economists, anthropologists, and sociologists.

Good social science programs should be located in each of the NMFS Science Centers. The NWFSC needs full time employees (FTEs) to institute a program, and the SWFSC needs additional FTEs to expand its program to needed areas. For a solid infrastructure, social science FTEs should also be strategically located within regional offices and councils. These FTEs are needed to apply the available data and scientific analyses to the policy, decision, and regulatory requirements associated with Executive Order 12866, Magnuson-Stevens Act, the Regulatory Flexibility Act, National Environmental Policy Act, and ESA. The NMFS NWR and SWR need FTEs to address the new Magnuson-Stevens Act requirements and to address upcoming capacity/fleet reduction programs and user group allocation issues. The NMFS NWR and SWR also need FTEs to meet the growing policy and regulatory demands associated with habitat restoration and protected resource/ESA issues. To establish a good program within the NMFS NWR and NWFSC, and to appropriately expand the NMFS SWR and SWFSC program, \$1.3 million is needed.

Support of Other Budget Initiatives for FY 2001

Ecosystem Management

The Magnuson-Stevens Act mandated appointment of an advisory panel to develop recommendations to expand the application of ecosystem principles in fishery conservation and management activities. The panel's final report is imminent. The eight regional fishery management council chairs listed ecosystem management as one of the priority activities which should be funded in the NMFS budget.

Minimize Bycatch and Bycatch Mortality

A new national standard in the Magnuson-Stevens Act calls for bycatch to be minimized to the extent practicable. A national effort is needed to address this vital mandate. On the West Coast, an initial step must be to implement a comprehensive groundfish observer program to document the extent of bycatch and bycatch mortality.

Increase Regional General Counsel for Fisheries Staff

Regional offices of NOAA General Counsel are understaffed and cannot provide timely reviews of numerous Council and NMFS actions under the Magnuson-Stevens Act. This is particularly a problem at the NMFS NWR. Additional attorneys are needed.

Highly Migratory Species in the Pacific

We support NMFS SWR efforts to improve the science and management of Pacific highly migratory species. These efforts benefit the Western Pacific and Pacific fishery management councils. The Pacific Council expects to become active in the management of highly migratory species on the West Coast.

Electronic Data Collection and Fish Statistics

On the West Coast, there is a pilot program to evaluate electronic recording of logbook data. The Council supports expansion of electronic data systems (including fishtickets and logbooks) on the West Coast in FY 2001 and beyond.

Enforcement

Council-approved management measures are only as good as our capability to enforce them. Enforcement resources on the West Coast are stretched to the limit. They cannot adequately cover certain existing fisheries, such as the live-fish fishery, and will not be adequate to enforce significant new programs, such as individual quotas, which are anticipated in the year 2000 and beyond.

Klamath and Trinity Rivers Chinook Escapement Estimation

The critical effort to estimate the spawning escapement of chinook salmon in the Klamath and Trinity rivers is in danger of not being funded in 1999 and beyond. NMFS should make sure that this program is funded by the Bureau of Reclamation or other entity.

Critical Funding Shortfalls in FY 1999

NMFS SWFSC

NMFS SWFSC, La Jolla laboratory, has lost its only stock assessment modeler (Dr. Larry Jacobson). Owing to the SWFSC deficit, the position will not be filled after Dr. Jacobson's departure in January 1999. This is clearly a loss of a most vital function for a fishery laboratory (see Natural Resource Consultants report *Improving Fish Stock Assessments*). This has grave consequences for the Council and the La Jolla laboratory, because it will not be able to carry out its fishery responsibilities in the NMFS SWR including: pending stock assessments on mackerel and sardine under the new CPS plan; SWFSC support for groundfish stock assessments; assessment modeling on the Highly Migratory Species Plan Development Team; subsequent stock assessments for West Coast tunas, billfish, and sharks. The loss is also of deep concern to California Department of Fish and Game (CDFG), because it closes a long-term stock assessment support provided to CDFG as part of joint research carried out over the last 25 years. Salary range for a Senior Stock Assessment Specialists for NMFS (level GS-14) ranges from about \$69,000 to \$90,000 per year.

Elimination of overtime at NMFS SWFSC will eliminate the collection of data needed for trends in abundance collected by CalCOFI surveys for mackerel, sardine, and various groundfishes. For the two CPS species it is the primary source of information for trends in abundance, and without it we will be totally blind to changes in abundance.

NMFS NWFSC

NMFS NWFSC has identified a shortfall of approximately \$400,000 to conduct the late summer slope bottom trawl survey using chartered fishing vessels in 1999. This was a successful cooperative program begun in 1998, which the Council believes must continue. The research vessel (R/V) Miller Freeman is expected to be available in 1999 to conduct the late fall slope survey on the West Coast, but there are insufficient days at sea for the necessary level of sampling (see NMFS AFSC below).

NMFS AFSC

There are insufficient days at sea for the necessary level of sampling for the West Coast slope survey aboard the R/V Miller Freeman. The Council encourages NMFS to find the necessary funds to cover this need.

In closing, we hope you agree with these high priority research needs and submit them as regional input into the FY 2001 budget request. Also, it is critical that funding shortfalls in FY 1999 and 2000 be addressed. I thought the December 10 session was extremely productive in achieving a consensus package, and I look forward to continuing this process each year. Thank you for your support of the Council fishery management process.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry", written over the printed name.

Lawrence D. Six
Executive Director

LDS:klr

c: Dr. James Balsiger
Council Members
Mr. Randy Fisher
Dr. Michael Tillman
Dr. Usha Varanasi



SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL

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December 14, 1999

MEMORANDUM

TO: Alan Risenhoover
FROM: Bob Mahood *RM*
SUBJECT: Regional Councils' 2002 Funding Request

The Councils appreciate the opportunity to participate in the DOC/NOAA/NMFS budget process. Based on your guidance we are submitting our request in a format compatible with the development of NMFS's 2002 budget. Our budget request consists of two parts, administrative funding and programmatic funding, however, the total requested should be maintained as one amount under the Regional Fishery Management Council line item in the NMFS budget. The administrative funding level requested will allow the Councils to conduct and improve current management programs in a continuing effort to meet the mandates of the Sustainable Fisheries Act. The programmatic funding requested will allow the Councils to address specific information and data needs that are essential for managing our fisheries.

Recommendations for funding priorities: The Councils are requesting a total funding level of \$19,047,000 (\$15,624,000 in administrative funds and \$3,423,000 in programmatic funds). The total funding requested represents a 12% increase over the Councils' 2001 budget request. The administrative portion of the funding request represents a modest increase of 9 % per year over the Councils' 2000 budget and is our highest priority. The administrative funding level requested is necessary to maintain, and in some cases expand, current management activities to meet the mandates of the SFA. Programmatic funds have not been available to the Councils since the 1980's. We believe if funding above our administrative (basic operational) requirements can be obtained the Councils will be in a position to help NMFS address critical data needs on a real time basis.

BUILD SUSTAINABLE FISHERIES: Most council activities fall under building sustainable fisheries. The SFA passed in 1996 significantly increased the Councils' management responsibilities and we are still struggling to obtain the financial resources to meet those responsibilities. The Act will be reauthorized in 2000 or 2001 and the Councils will respond accordingly to any new requirements that result from changes to the Act.

To continue basic Council operations/activities at current levels in 2002 (allowing for anticipated increases in fixed costs such as personnel, facilities, etc.) will require \$14,387,000. Mandated expansion of current programs will require \$1,167,000 and additional needed infrastructure costs will require \$70,000.

New Initiatives - \$3,423,000 (main focus of programmatic funds)

- >> Develop plans for and/or conduct (contract) data collection programs to fill the gaps in the data necessary to meet the required provisions of the Magnuson Stevens Act, specifically in the areas of EFH, bycatch, stock assessments, overfished species (MSY biomass determinations), fishing communities, and economic and social assessments.
- >> Establish recreational fishery data collection programs or enhance existing programs.

Expansion of Current Programs - \$1,167,000

- >> Develop new FMPs and/or amend current FMPs to meet management goals of rebuilding overfished species; achieving MSY and OY; and addressing EFH, bycatch and fishing communities.
- >> Address development of ecosystem management.
- >> Develop new or refine existing limited access, IFQ/TTQ and other similar programs.
- >> Assess and improve reporting and monitoring programs.
- >> Conduct comprehensive reviews of various FMPs to determine their effectiveness.
- >> Coordinate international species management.
- >> Enhance public information/education dissemination.
- >> Manage Pacific HMS.

Address Current Shortfalls - \$1,850,000

- >> Funds are currently not available for the Councils to:
 - meet the SFA requirements relative to EFH, bycatch, overfishing and fishing communities
 - conduct international fisheries management
 - develop and monitor marine reserves
 - establish observer and other reporting and monitoring programs
 - address issues related to seabird interactions, marine debris, endangered species and marine mammals

Infrastructure Costs - \$70,000

- >> Increase in Council office space and/or costs.
- >> Develop video conference capability in some areas.

RECOVER PROTECTED SPECIES: The Councils have some management activities that fall under this category, such as minimizing protected species interactions and impacts from fishing operations.

SUSTAIN HEALTHY COASTS: Council activities addressing essential fish habitat relate to this category.

If you require any further or more detailed information, or have any questions relative to our 2002 funding request, please contact me.

cc: Penny Dalton
NMFS Regional Administrators
Council Chairmen
Executive Directors



SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL

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December 17, 1999

Ms. Penny Dalton
Assistant Administrator for Fisheries
National Marine Fisheries Service, NOAA
1315 East-West Highway
Silver Spring, MD 20910

Dear Ms. Dalton:

We regret you were unable to attend the budget meeting with us on October 29, 1999. A number of issues were discussed relative to the FY 2000 appropriations, the FY 2001 budget request and development of the FY 2002 budget. We also discussed ways to improve the Councils' input into the NOAA/NMFS budget process. Alan Risenhoover did his usual excellent job of briefing us on the status the budgets and provided guidance on how we could more effectively participate in the budget process for FY 2002. Following his guidance we have already submitted the Councils' FY 2002 budget request. We hope you will strongly support our request through the NMFS/NOAA/Commerce budget development process.

As you are aware, the eight regional Councils requested an appropriation of \$15 million for FY 2000. The proposed funding level of \$13.15 million creates a shortfall of \$1.85 million which will greatly impede the Councils' ability to meet the mandates of the SFA and to manage the fisheries resources in their jurisdictions. The attached "Funding Shortfalls" document outlines the activities each Council will not be able to undertake because of the proposed budget shortfall, and the approximate additional funding that would be required to accomplish these activities. In cases where these listed activities are mandated by law the Councils will have to delay or eliminate other on going management programs if additional funding can not be obtained. We are requesting that NMFS provide the Councils with additional funding to help us do our job as specified in the Magnuson-Stevens Act. We realize you may not be able to make up the entire \$1.85 million shortfall, however, any additional support you can provide would be greatly appreciated.

If you have any questions please do not hesitate to call.

Sincerely,

A handwritten signature in black ink that reads "Pete Moffitt" with a stylized flourish at the end.

Pete Moffitt
On behalf of the Regional
Council Chairmen

Enclosure

cc: Council Executive Directors

**FUNDING SHORTFALLS FOR
FISHERY MANAGEMENT COUNCILS
IN CY 2000**

The eight regional Councils requested an appropriation of \$15 million for FY 2000 to meet their fisheries management responsibilities. The proposed funding level of \$13.15 million creates a shortfall of \$1.85 million which will greatly impede the Council's ability to meet the mandates of the SFA and to manage the fisheries resources in their jurisdictions. The following briefly outlines the activities each Council will not be able to undertake because of the proposed budget shortfall, and the approximate additional funding that would be required to accomplish these activities. In cases where these listed activities are mandated by law the Councils will have to delay or eliminate other on going management programs if additional funding can not be obtained.

New England Council

- >> Develop new FMPs for skates, red crab and shrimp
- >> Program for managing capacity in the ground fish and scallop fisheries
- >> Fund activities of the Research Steering Committee
- >> US/Canada relations

Additional funding needs for these activities - \$500K

Mid-Atlantic Council

- >> EFH research to address adverse effects of fishing gear on EFH
- >> Conservation engineering research to address bycatch reduction

Additional funding needs for these activities - \$590K
(includes COLA adjustments and non-labor costs)

South Atlantic Council

- >> Collection/analysis of community related socioeconomic data

Additional funding needs for these activities - \$75K

Caribbean Council

- >> Stock assessments for key FMP species
- >> Develop/monitor marine reserves to comply with EFH requirements

Additional funding needs for these activities - \$127K

Gulf Council

- >> Hire consultant to write FMP/amendment regulations
- >> Develop amendments to address marine reserves, shrimp, spiny lobster, mackerel and vessel monitoring systems

Additional funding needs for these activities - \$187K

Pacific Council

- >> Develop rebuilding plans for 5 species of ground fish
- >> Develop new HMS FMP
- >> Meet AFA requirements
- >> Marine reserves analysis
- >> Community impacts analysis
- >> Groundfish capacity reduction (strategic plan implementation)

Additional funding needs for these activities - \$271K

The Pacific Council also needs \$2 million to fund the proposed observer program.

North Pacific Council

- >> Receiving additional funds to meet needs

Western Pacific Council

- >> Unknown

Total additional funding needs for these activities - \$1.75 million

QUESTIONS FROM SENATOR SNOWE:

Senator Snowe: Such as the observer program?

Ms. Dalton: The observer program would be a huge help on getting fishery-dependent data and also getting information on bycatch. And that was one reason why it was in our request last year.

Senator Snowe: Mr. Lone, can you address that? I would like to have the rest of the panel address this issue, because obviously you have all raised it in your testimony.

Mr. Lone: Thank you Senator Snowe, I can address two or three items. Number one, I am a strong supporter of our need for an observer program to identify what our bycatch is. We are severely constrained as we establish annual allocations for the various species, since we do not have an observer program.

Speaking about the fishermen involved in the assessment process, we have looked into this issue on the West Coast on a limited basis. As you have pointed out, there are bureaucratic challenges to implementing such an approach. Please note the letters that I appended regarding funding needs. In December of 1998, with the help of the NMFS Northwest and Southwest Regions and the Science Centers, the Council prepared a plan describing the need for additional funding. Unfortunately, we have been unable to secure funding to date. While this plan was for the year 2001, it can serve as somewhat a master plan for what is needed in future years.

Senator Snowe: Can I just ask one other question on IFQ's just very quickly. I gather you agree about lifting the moratorium on the IFQ's. Would you recommend that Congress establish certain conditions of criteria with respect to the IFQ's? Do you have any thoughts on that?

Mr. Phil Anderson: I believe that the National Academy of Science, that did the review for Congress, recommended that certain criteria be established by Congress in the Act relative to IFQ's. I would support that.

Senator Snowe: Mr. Lone, do you have any thoughts, and Mr. Harp, on that matter?

Mr. Lone: I agree with Mr. Anderson.

Mr. Harp: I agree with Mr. Anderson and Mr. Lone.

Post Hearing Questions - Submitted by Senator Kerry

Mr. Jim Lone

1. I saw the letter you submitted to Dr. Bill Hogarth and Mr. Will Stelle regarding budget initiatives necessary to obtain adequate data in the fisheries under your jurisdiction. I understand that in your region in particular, there has been a serious problem with obtaining adequate data upon which to make sound management decisions.

A. How does the Council and/or the Scientific and Statistical Committee prioritize research needs?

Response: The Council reviews its research and data needs every two years. This review includes consultation with the SSC, Groundfish Management Team, Groundfish Advisory Subpanel, other advisory groups and the public. The Council sets priorities for research and data needs based on the following ranked criteria.

1. Projects that address long term fundamental problems of West Coast fisheries.
2. Projects that improve the quality of information, models, and analytical tools used for biological assessment and management.
3. Projects that increase the long run market competitiveness and economic profitability of the industry.
4. Projects that contribute to the understanding by decision makers of social and economic implications in meeting biological and conservation objectives.
5. Projects that provide data and/or information to meet the requirements of the Magnuson-Stevens Act, the Regulatory Flexibility Act, and other applicable laws.

The list of research and data needs is made available to NMFS and various research institutions (universities, etc.).

B. Once these needs are prioritized, is there adequate funding available to do the necessary research? Is a lack of adequate funding the reason for the poor information we have on rockfish?

Response: There is a severe shortage of basic information about many west coast groundfish species, and this is particularly true of rockfish. There are over 50 species of rockfish listed in the groundfish fishery management plan, and we have comprehensive stock assessments on fewer than ten of them. Rockfish typically grow and mature more slowly than many other types of fish, and many species live 50-75 years and even longer. Most rockfish species are not distributed evenly, but rather have patchy distributions that are often associated with rockpiles, pinnacles, reefs, and ridges along the ocean floor. These areas are difficult to survey because trawl nets (which are the primary sampling gear) tend to snag on rocks and other obstacles. In addition, the NMFS research surveys do not go shallow enough to sample many species. This leaves many areas neglected. Within the survey areas, the patchy distribution of rockfish requires that many more samples be taken in order to accurately assess how many fish are present. NMFS does not have the personnel, equipment and technology to survey these areas, nor the funds to develop the technology and acquire the equipment. Given the current level of survey activity, NMFS is doing a good job; but more survey activity is needed, which will require additional funds and personnel.

While stock assessment is one of the Council's highest priorities, information on economic and social conditions is also essential for informed decision making. There has not been adequate funding for development of biological, economic and social data collection and research on a number of fronts. Improved estimates of the total rockfish catch will require additional funding for observer programs and other data collection activities. This is because commercial vessels typically land a mix of species in a single load, and often record the amounts under broad categories such as "small red rockfish." The west coast data system relies on port samplers to sample representative catches to determine the ratios of various species that are caught. Fishers and fish

buyers generally record the landed amounts by species group rather than individual species receipts because (1) a substantial sorting and paperwork burden would be placed on fishers and processors to identify and weigh each species of rockfish in a landing, and (2) it is often extremely difficult and time consuming to differentiate among the 60+ species of rockfish on the coast, and not all fishers have the necessary expertise to identify every species. Trawl vessels take the large majority of the catch, therefore much of the port sampling effort has been focused on trawl vessels. The number and size of trawl landings have declined with declining stocks and more stringent regulations, and it has become more difficult to get adequate sampling of the trawl catch. Additionally, as the importance and concern over species taken by non-trawl vessels have increased, the inadequacies of the sampling efforts for these non-trawl species has become more apparent. More port samplers are needed to collect species composition and collect the biological data needed for stock assessments. This information is also needed for addressing allocation issues. While port sampling is important, it does not reveal the amount of catch that may have been discarded at sea. For that an at-sea observer program is needed. An observer program could offset to a certain degree the amount of port sampling needed.

- C. Could you explain the different sorts of data and research necessary to improve management (i.e. life history information, population dynamics, surveys, etc.)?

Response: In order to set appropriate target harvest levels, the Council needs accurate estimates of current biomass of the various fish populations, the age structure and distribution, how fast they grow, how old they are when they start breeding, how long they live, and other basic information. In addition, it is important to know the total amount of fish caught and killed, including the size and age of those fish, and size of incoming year classes. Some of this information comes from scientific resource assessment surveys, and some from the commercial and recreational fisheries.

Resource Assessment Surveys. The current west coast groundfish survey strategy is primarily based on a triennial schedule that includes a bottom trawl survey of the continental shelf resources and a combined acoustic and midwater trawl survey for Pacific whiting. The bottom trawl survey design is inadequate for estimating many of the nearshore flatfish, does not extend deeper than the shelf, and has too few stations to estimate shelf rockfish with the desired level of precision. Annual plankton and larvae surveys off California have been used for coastal pelagic stocks and can be used for some groundfish stocks such as nearshore flatfish. An annual trawl survey of the continental slope groundfish resources has not had sufficient number of days to adequately cover the entire coast line. With the expanding emphasis to improve the stock assessments for the groundfish, new opportunities and sampling technologies are needed to expand the survey frequency, areas and species.

Fishery Monitoring and Data Collection. One of the most important Council needs is accurate assessment of total removals to estimate fishing mortality and accurate tally of fishery landings in-season. The benefits of fishing regulations cannot be evaluated unless there is good information on the effects of the regulation on harvest. In-season monitoring of catch rates is necessary to ensure that harvests do not substantially deviate from target levels. Currently, the greatest concerns are accurate estimates of amounts of fish discarded in multi-species fisheries and unreported or under reported landings.

Fishery and Productivity Parameters. Assessment models of the productivity of the various groundfish stocks depend on good estimates of fishery catch by age, current estimates of biomass and recruitment, and also reliable estimates of growth in length and weight, fecundity and sexual maturity, natural mortality, and differential location/movement by size, age, and sex. The data for these come from sampling fish in commercial and recreational catches and from scientific surveys. Expansion of survey activities and increased fishery sampling would improve fishery and biological parameters and result in better stock assessments.

Stock Assessment Modeling. Development of reliable stock assessment models of the dynamics

of the important fish stocks is critical to evaluating optimum yield and MSY control rules for species or species groups for managing annual fisheries. These model results are usually presented as updated stock assessment reports. Typically, models are more complex when little information is available, or when there is conflicting information.

Habitat. The Sustainable Fisheries Act established new priorities for the consideration of impacts on habitat. More information is needed to understand the impacts of different fishing gears on habitat and the importance of different habitats and/or refugia for maintaining the fishery.

In summary, the following data collection and research activities need additional support.

- Fishery independent surveys – estimate total biomass, estimate year class sizes, better understand the influence of environmental factors. All major fish assemblages and habitats need to be covered as well as various life stages.
 - Port sampling – to determine the species composition of landing and collect the biological data needed for stock assessments.
 - Observer program – to determine the composition of catch and better account for total mortalities; and to increase the understanding of stock aggregations by gathering tow by tow or set-by-set information rather than aggregate trip information. This information would improve stock assessments and provide managers with a better understanding of how regulations influence discards.
 - Recreational fishery surveys – estimate effort, species composition, catch rates, and intended target species in order to conduct stock assessments; estimate local income impacts and net economic values; predict effects of regulatory changes. More precise information is needed for smaller geographic areas, particular with respect to management of the rockfish fisheries, assessment of community impacts, and assessment of the potential conservation benefits and impacts of marine reserves.
 - Habitat studies – determine gear impacts on habitat and identify habitat areas of particular concern in order to develop management recommendations that take better account of habitat.
 - Economic data collection and an economic and social science program on the west coast – project effects of regulations on fisher behavioral response and hence fishing mortality, in addition to meeting the regulatory requirements and facilitating more socially acceptable management decisions.
2. NMFS has been criticized for its lack of compliance with National Standard 8 and the Regulatory Flexibility Act which requires NMFS to consider the economic impacts of regulations on small businesses. These regulations can be quite complex and they can have a tremendous effect on the day-to-day life of fishermen - the vast majority of which are indeed small, family-run businesses.

Do you believe that National Standard 8 has been properly considered or do you feel that more emphasis should be placed on the socio-economic impacts of fisheries regulations?

Response: I believe NMFS and the Council have tried to comply with National Standard 8 and the Regulatory Flexibility Act, and they have done a credible job with the available information. However, there is definitely a need for improvement in the information available on socio-economic impacts of fisheries regulations on businesses and communities. The Council is in the process of completing a profile of west coast fishing businesses and communities that will help predict the economic impacts on businesses and communities. However, we are facing declining stocks and more stringent requirements to prevent overfishing and practice risk-averse management. Increased emphasis on socio-economic impacts should not come at the expense of resource conservation.