## WRITTEN TESTIMONY BY ROY E. CRABTREE SOUTHEAST REGIONAL ADMINISTRATOR FOR THE NATIONAL MARINE FISHERIES SERVICE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION U.S. DEPARTMENT OF COMMERCE

#### **HEARING ON**

## "SOUTHEAST REGIONAL PERSPECTIVES ON MAGNUSON-STEVENS ACT REAUTHORIZATION"

# BEFORE THE SUBCOMMITTEE ON OCEANS, ATMOSPHERE, FISHERIES, AND COAST GUARD COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

#### November 14, 2013

#### Introduction

Good morning, Mr. Chairman and Members of the Committee. Thank you for the opportunity to testify before you today. My name is Roy Crabtree and I am the Southeast Regional Administrator for the National Oceanic and Atmospheric Administration's (NOAA) National Marine Fisheries Service (NMFS). NMFS is dedicated to the stewardship of living marine resources through science-based conservation and management. Much of this work occurs under the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), which sets forth standards for conservation, management and sustainable use of our Nation's fisheries resources.

Marine fish and fisheries, such as red snapper in the Gulf of Mexico and salmon in the Pacific Northwest, have been vital to the prosperity and cultural identity of coastal communities in the United States (U.S.). U.S. fisheries play an enormous role in the U.S. economy. Commercial fishing supports fishermen and fishing communities, and provides Americans with a sustainable, healthy food source. Recreational fishing is an important social activity for individuals, families and communities, and is a critical economic driver of and contributor to local and regional economies, as well as the national economy. Subsistence fishing provides an essential food source and is culturally significant for many people. Our most recent estimates for 2012 show that the amount landed and the value of commercial U.S. wild-caught fisheries remained near high levels posted in 2011 while recreational catch remained stable.<sup>1</sup>

The Federal fishery management system is effectively rebuilding overfished fisheries. We continue to make progress towards long-term biological and economic sustainability and stability. Since its initial passage in 1976, the Magnuson-Stevens Act has charted a groundbreaking course for sustainable

<sup>&</sup>lt;sup>1</sup> See NOAA Annual Commercial Fisheries Landings Database, available at http://www.st.nmfs.noaa.gov/commercial-fisheries/commercial-landings/index

fisheries. When reauthorized in 2007, the Act gave the eight Regional Fishery Management Councils (Councils) and NMFS a very clear charge and some new tools to support improved science and management. Key requirements mandated the use of science-based annual catch limits and accountability measures to prevent and end overfishing, provided more explicitly for market-based fishery management through Limited Access Privilege Programs, and addressed the need to improve the science used to inform fisheries management.

The U.S. now has effective tools to address marine fisheries management and, as we look to the future, we must look for opportunities to increase flexibility in our management system. While significant progress has been made since the last reauthorization, we recognize this progress has not come without a cost and that challenges remain. Fishermen, fishing communities, and the Councils have had to make difficult decisions and many areas have had to absorb the cost of conservation and investment in long-term economic and biological sustainability. In some cases, as with the Gulf of Mexico recreational red snapper fishery, such investment has produced the expected biological benefits in the form of many more and larger fish, but has not produced the expected socioeconomic benefits in the form of increased fishing opportunities. We need to address management challenges and explore new opportunities in a holistic, deliberative and thoughtful way that includes input from the wide range of stakeholders who care deeply about these issues.

My testimony today will focus on NMFS' progress in implementing the Magnuson-Stevens Act's key domestic provisions, and some thoughts about the future and the next reauthorization.

## Implementing the Magnuson-Stevens Act

The Magnuson-Stevens Act created broad goals for U.S. fisheries management and a unique, highly participatory management structure centered on the Councils. This structure ensures that input and decisions about how to manage U.S. fisheries develop through a "bottom up" process that includes fishermen, other fishery stakeholders, affected states, tribal governments and the Federal Government.

The Magnuson-Stevens Act guides fisheries conservation and management through 10 National Standards. These standards, which have their roots in the original 1976 Act, provide a yardstick against which all fishery management plans and actions developed by the Councils are measured. National Standard 1 requires that conservation and management measures prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery. Optimum yield is the average amount of fish from a fishery that, over the long-term, will provide the greatest overall benefits to the Nation, particularly by providing seafood and recreational opportunities and affording protection to marine ecosystems.

The Councils can choose from a variety of options to manage fish stocks and meet this mandate – catch shares, area closures, gear restrictions, etc. – and also determine how to allocate fish among user groups. These measures are submitted to the U.S. Secretary of Commerce for approval and are implemented by NMFS. Thus, the Councils, in developing their plans, must carefully balance fishing jobs and conservation, while ensuring that overfishing is eliminated and overfished stocks are rebuilt. Other National Standards mandate that conservation and management measures be based upon the best scientific information available, not discriminate between residents of different states, take into account variations in fisheries and catches, minimize bycatch and promote the safety of human life at sea.

Central to many of the Council decisions are fishing jobs. Fishing-related jobs, both commercial and recreational, are the lifeblood of many coastal communities around our Nation. Fishermen and fishing industries rely not only on today's catch, but the predictability of future catches. Under the standards set in the Magnuson-Stevens Act, and together with the Councils, states, tribes and fishermen, we have made great strides in ending overfishing, rebuilding stocks and building a sustainable future for our fishing dependent communities. Thanks in large part to the strengthened Magnuson-Stevens Act and the sacrifices and investment in conservation by fishing communities across the country, the condition of many of our most economically important fish stocks has improved steadily over the last decade.

We all share the common goal of healthy fisheries that can be sustained for generations. Without clear, science-based rules, fair enforcement and a shared commitment to sustainable management, short-term pressures can easily undermine progress toward restoring the social, economic and environmental benefits of a healthy fishery. Though challenges remain in some fisheries, the benefits for the resource, the industries it supports, and the economy are beginning to be seen as fish populations grow and catch limits increase.

## **Progress in Implementation**

Working together, NMFS, the Councils, coastal states and territories, and a wide range of industry groups and other stakeholders have made significant progress in implementing key provisions of this legislation.

## Ending Overfishing, Implementing Annual Catch Limits and Rebuilding

One of the most significant management provisions of the 2007 reauthorization of the Magnuson-Stevens Act was the mandate to implement annual catch limits, including measures to ensure accountability and to end and prevent overfishing in federally managed fisheries by 2011. An annual catch limit is an amount of fish that can be caught in a year such that overfishing does not occur. Accountability measures are management controls to prevent annual catch limits from being exceeded, and to correct or mitigate overages of the limits if they occur. Now, when developing a fishery management plan or amendment, the Councils must consider the actions that will occur if a fishery does not meet its performance objectives. As of December 31, 2012, assessments demonstrated that overfishing ended for 58% of the 38 domestic U.S. stocks that were subject to overfishing in 2007 when the Magnuson-Stevens Act was reauthorized.<sup>2</sup> Annual catch limits designed to prevent overfishing are in place for all stocks, and we expect additional stocks to come off the overfishing list as stock assessments are updated in the coming years. The Magnuson-Stevens Act also includes requirements to rebuild any overfished fishery to the level that can support the maximum sustainable yield, and we have rebuilt 33 stocks nationally since 2000.<sup>3</sup>

 $<sup>^{2}</sup>$  See Fish Stock Sustainability Index. This report was the source for the underlying data, but the numbers presented here were compiled specifically for this hearing. Available at:

http://www.nmfs.noaa.gov/sfa/statusoffisheries/2012/fourth/Q4%202012%20FSSI%20Summary%20Changes.pdf <sup>3</sup> See Fish Stock Sustainability Index. Available at:

http://www.nmfs.noaa.gov/sfa/statusoffisheries/2012/fourth/MapRebuiltStocksCY\_Q4\_2012.pdf

There are many examples of what fishermen, scientists and managers can do by working together to bring back a resource that once was in trouble. In the Southeast Region, NOAA, the Gulf of Mexico and South Atlantic Fishery Management Councils, the fishing industries, recreational anglers and other partners have successfully rebuilt a number of once overfished stocks, including red grouper and king mackerel in the Gulf of Mexico, black sea bass in the South Atlantic, and yellowtail snapper, which is shared by both the Gulf of Mexico and South Atlantic regions. These and other conservation gains enabled NMFS to increase catch limits for six stocks or stock complexes and eliminate or reduce two fixed seasonal closures over the last year. The additional harvest opportunities attributed to rebuilding the South Atlantic black sea bass stock alone have increased annual consumer surplus for recreational anglers, annual ex-vessel revenues for commercial fishermen and annual profits for for-hire vessels by about \$13 million, \$1 million and \$350,000, respectively.<sup>4</sup> And we continue to see remarkable progress in rebuilding other stocks, including the iconic Gulf of Mexico red snapper. Both fishermen and scientists agree, and the most recent stock assessment confirms, there are more red snapper in the Gulf of Mexico

But meeting mandates to end overfishing, implement annual catch limits and rebuild overfished stocks can be challenging and we recognize the importance of learning from our past actions and making adjustments as needed. With that in mind, the agency has already begun the process of reviewing the National Standard 1 guidelines, which were last modified in 2009 to focus on implementing the requirement for annual catch limits. This was a major change in how many fisheries were managed, and we want to ensure the guidance we have in place reflects current thinking on the most effective way to meet the objectives of National Standard 1, and builds on what we and the Councils have learned in applying the latest requirements of the Act. An Advance Notice of Proposed Rulemaking was published in May 2012, which was followed by an almost 6-month public comment period where we asked the public for input on 11 topics addressed in National Standard 1. We received a significant amount of input, and are in the process of working through the comments and developing options for moving forward, be it through additional technical guidelines, regulatory changes, or identifying issues for discussion as part of a reauthorization of the Magnuson-Stevens Act.

#### Improvements to Science and Recreational Fishing Data

Without high quality fishery science, we cannot be confident the Nation is attaining optimum yield from its fisheries, or that we're preventing overfishing and harm to ecosystems and fishing communities. Attaining optimum yield requires investing in information about fish stocks, their fisheries and their ecosystems, including habitat requirements. NMFS is committed to generating the best fishery science to support the goals of the Magnuson-Stevens Act. Increasingly, we are conducting research and analyses to understand the environmental and habitat factors affecting the sustainability of fish populations. Today, we know more about our fish stocks than ever before, and it is vital that our science not regress, as this would inevitably lead to increased uncertainty and potentially reduced annual catch limits, resulting in lost economic opportunities.

The importance of increasing the frequency of stock assessments, improving the quality of fisheries science with a better understanding of ecosystem factors, and enhancing our engagement with fishermen

<sup>&</sup>lt;sup>4</sup> Regulatory Amendment 19 to the Fishery Management Plan for the Snapper Grouper Fishery of the South Atlantic Region. Available at: <u>http://sero.nmfs.noaa.gov/sustainable\_fisheries/s\_atl/sg/2013/reg\_am19/documents/pdfs/sa\_reg\_am19\_appen.pdf</u>

cannot be stressed enough. The SouthEast Data, Assessment, and Review (SEDAR) is a cooperative process initiated in 2002 to improve the quality and reliability of Southeast Region stock assessments, and to increase stakeholder participation in the process. SEDAR is managed by the Caribbean, Gulf of Mexico, and South Atlantic Fishery Management Councils in coordination with NMFS and the Atlantic and Gulf States Marine Fisheries Commissions. SEDAR emphasizes stakeholder participation in assessment development, transparency in the assessment process, and a rigorous and independent scientific review of completed stock assessments.

The Magnuson-Stevens Act required improvements to recreational fisheries data collected by NMFS for use in management decisions. In October 2007, NMFS established the Marine Recreational Information Program, a new program to improve recreational fishery data collection efforts, consistent with the Magnuson-Stevens Act requirement and the 2006 recommendations of the National Research Council. The Marine Recreational Information Program is a national system of coordinated regional data collection programs designed to address specific needs for improved recreational fishing information. One major component of the Marine Recreational Information Program is the development of a national registry of anglers that, in the Southeast Region, relies on data from state-issued fishing licenses. Also required by the Magnuson-Stevens Act, that registry is being used in a series of pilot studies to test more efficient mail and telephone surveys for the collection of data on recreational fishing activity. Based on the results of these studies, NMFS expects to be ready to implement new registry-based survey designs on all coasts in 2015.

The Marine Recreational Information Program is also developing and implementing numerous other survey improvements to address the National Research Council's recommendations, including improved estimation methodologies, improved shoreside survey design, and improvements in for-hire fishery data collections. We are now integrating the more accurate and precise catch estimates produced by the survey into stock assessments and management decision making for fish stocks in the Southeast Region with recreational catches. Also, we are working with the states to address unique or specialized needs like those of pulse fisheries such as Gulf of Mexico red snapper, which may open and close before data are available to monitor or evaluate catches. The Marine Recreational Information Program is not currently designed to support real-time monitoring or management of recreational fisheries, as it delivers data in two-month increments and does not cover all areas of the country, including the U.S. Virgin Islands in the Southeast Region. In addition, we are implementing electronic reporting requirements for Gulf of Mexico and South Atlantic headboat vessels and are considering extending those requirements to charter vessels to help to get recreational data into scientists' and managers' hands more quickly.

Adequate observer coverage also is critical for improving data collection related to bycatch. National standard 9 requires fishery management plans to take into account fishery impacts on bycatch, particularly for protected species. NMFS continues to work with the Councils and through take reduction teams established under the Marine Mammal Protection Act to identify measures to minimize bycatch and other impacts on sea turtles, corals, dolphins and other protected species in Gulf of Mexico, South Atlantic and U.S. Caribbean waters.

## Limited Access Privilege Programs (LAPPs)

The Magnuson-Stevens Act authorizes the use of LAPPs, which dedicate a secure share of fish to fishermen for their exclusive use via a Federal permit. NMFS has implemented LAPPs in multiple fisheries nationwide and additional programs are under development. Both in the U.S. and abroad, such

programs are helping to achieve annual catch limits, reduce the cost of producing seafood, extend fishing seasons, increase revenues and improve fishermen's safety.

NMFS has three LAPPs in the Southeast Region, including a South Atlantic commercial wreckfish individual transferable quota program implemented in 1992, a Gulf of Mexico commercial red snapper individual fishing quota program implemented in 2007 and a Gulf of Mexico commercial grouper and tilefish individual fishing quota program implemented in 2010. While the grouper and tilefish program is too young to fully evaluate, recent reviews of the wreckfish and red snapper programs demonstrate they are working as intended. The wreckfish program eliminated excess fleet capacity and the race to catch fish and reduced gear and fishing area conflicts. The red snapper program is better aligning the capacity of the fleet with the commercial catch limit, mitigating short fishing seasons, improving safety at sea and increasing the profitability of the fishery. Individual fishing quota participants are targeting red snapper year round, compared to an average of 121 day seasons prior to implementation of the LAPP. And the average ex-vessel price of red snapper in 2012 was 27 percent greater than the average inflation adjusted ex-vessel price in 2007. While limited access privilege programs are just one of many management options the Councils can consider, they have proven to be effective in meeting a number of management objectives when they have broad stakeholder support.

## Looking to the Future

#### Remaining Challenges

Even with these successes, we know that challenges remain. The Southeast Region has made remarkable progress ending overfishing and rebuilding overfished stocks in recent years. But we face formidable challenges managing recovering stocks to benefit both commercial and recreational user groups with fundamentally different goals and objectives. This is perhaps most evident in the Gulf of Mexico red snapper fishery. Rebuilding measures put in place in 2007 are working. That stock is rapidly recovering and now supports the largest combined commercial and recreational catch quota ever specified for this stock. Commercial individual fishing quota program participants directly benefit from stock recovery by receiving additional pounds of quota that can be fished more efficiently as catch rates and fish size increase over time. But recreational fishermen who simply desire the opportunity to fish are seeing that opportunity progressively restricted as the stock recovers because they are able to reach their quota in fewer and fewer days. Also, inequities created by state jurisdictional and regulatory inconsistencies have affected the distribution of recreational fishing opportunities and rebuilding benefits, deeply polarizing the Gulf Council on critical decisions needed to effectively address long-standing issues. A lasting red snapper management strategy will require broad agreement, equitable application and management support at both state and federal levels.

Currently, all Gulf Coast states have expressed support for moving to a regional red snapper management strategy which could provide greater flexibility in tailoring the recreational fishing season, bag limit and minimum size limit to meet constituent needs. The Gulf Council is working toward implementing such a regime in the recreational fishery for the 2015 fishing year. NMFS fully supports this and any other management option that has broad stakeholder support and provides the fishery greater stability, while meeting conservation objectives. The Council also is considering reallocating red snapper catches between the commercial and recreational sectors, and exploring other innovative approaches, such as authorizing recreational participation in the commercial individual fishing quota program through intersector trading, and separate management of the for-hire and private sectors, commonly known as

sector separation. But the potential benefits of all these approaches are limited by several outdated and unique statutory requirements specific to Gulf of Mexico red snapper. For example, section 407(c) of the Magnuson-Stevens Act provides specific criteria for identifying participants in, and weighing votes cast, in referenda conducted in the fishery based on participation in the fishery between 1993 and 1996, restricting our ability to conduct fair and meaningful referenda on current management proposals. And section 407(d) of the statute requires the Gulf Council and NMFS to establish a separate catch limit for the recreational fishery to apply to both for-hire and private participants, and to close that fishery inseason when we determine the catch limit has been reached.

Many fish stocks in the Southeast Region are managed together with other stocks in mixed stock complexes. The requirement to end overfishing of all stocks in mixed-stock fisheries has protected less productive species but could reduce the yield of healthy stocks in the same complex. Also, a number of fisheries in the Southeast Region are extremely data limited, making it challenging to manage and monitor annual catch limits in the way Congress envisioned when they last reauthorized the Magnuson-Stevens Act in 2007. In the U.S. Caribbean, data are too limited to produce meaningful stock assessments. Looking ahead, we must continue to improve the quality and quantity of scientific data, continue progress made on addressing overfishing and rebuilding stocks, continue to explore new and innovative management tools, and better address the difficult transitions that can come with management changes leading to more biologically and economically sustainable fishery resources.

Improvements to our stock assessments and monitoring efforts will lead to more effective annual catch limits and accountability measures. Ensuring solid, science-based determinations of stock status and responsive management will also require better linkages to ever-shifting biological, socio-economic and ecosystem conditions. U.S. fisheries are extraordinarily diverse in value, participation and science needs. The Magnuson-Stevens Act provides flexibility in adapting management plans to the life history differences among species and nuances of particular fisheries, as well as to the unique regional and operational differences among fisheries and in the fishing communities that they support.

We value the important partnerships we have formed with the states, fishermen and other interest groups in helping address these challenges. These partnerships are critical to developing successful management strategies. Together with our partners, we continue to explore alternative and innovative approaches that will produce the best available information to incorporate into management.

It is also increasingly important that we better understand ecosystem and habitat factors, such as the effects of climate change, hurricanes, large-scale flooding and drought events, and oil spills in the Gulf of Mexico, and incorporate them into our stock assessments and management decisions, because resilient ecosystems and habitat form the foundation for robust fisheries and fishing jobs. The Gulf of Mexico has experienced an unprecedented number of natural and man-made disasters over the last decade, all of which have impacted commercially and recreationally important species and their habitats. Most recently, U.S. Secretary of Commerce Penny Pritzker declared a commercial fishery failure for the oyster fishery along the west coast of Florida, which was impacted by excessive drought conditions in Apalachicola Bay and elsewhere in the Florida panhandle during the 2012-2013 winter fishing season. Similarly, it is important that we meet our responsibilities under the Magnuson-Stevens Act in concert with related legislation, such as the Marine Mammal Protection Act and the Endangered Species Act, to reduce by catch of protected species to mandated levels. As we end overfishing and rebuild stocks, the

strategic alignment of habitat and protected species conservation efforts with rebuilding and managing fish stocks will be a key component of NOAA's success.

NOAA supports the collaborative and transparent process embodied in the Councils, as authorized in the Magnuson-Stevens Act, and strongly believes that all viable management tools should continue to be available as options for the Councils to consider when developing management programs.

It is critical that we maintain progress towards meeting the mandate of the Magnuson-Stevens Act to end overfishing and rebuild overfished stocks. Annual catch limits have been an effective tool in improving the sustainability of fisheries around the Nation, but managing fisheries using annual catch limits and accountability measures was a major change for some fisheries, and the initial implementation has identified some areas where we can improve that process. We will continue to work with the Councils to achieve the best possible alignment of science and management for each fishery to attain the goals of the Magnuson-Stevens Act. A primary goal in the Southeast Region is to bring more stability to recreational fisheries and ensure the fishery management response to recreational catch trends is appropriate. Also, we want to ensure that fishermen are motivated to provide timely, accurate catch data.

## The Next Reauthorization of the Magnuson-Stevens Act

With some of the largest and most successful fisheries in the world, the U.S. has become a global model of responsible fisheries management. This success is due to strong partnerships among the commercial and recreational fishing, conservation, and science and management communities. Continued collaboration is necessary to address the ongoing challenges of maintaining productive and sustainable fisheries.

The *Managing Our Nation's Fisheries 3* conference—co-sponsored by the eight Councils and NMFS brought together a broad spectrum of partners and interests to discuss current and developing concepts addressing the sustainability of U.S. marine fisheries and their management. The conference was developed around three themes: (1) improving fishery management essentials; (2) advancing ecosystembased decision making; (3) and providing for fishing community sustainability.

We were excited to see a wide range of stakeholders represent many points of view, from commercial and recreational fishing, to the conservation and science and management communities. Before the last reauthorization, we co-sponsored two of these conferences, and they played an important role in bringing people together and creating an opportunity to present ideas and understand different perspectives. We expect the ideas that emerged from this event to inform potential legislative changes to the Magnuson-Stevens Act, but the benefits are much greater than that. The communication across regions and Councils provided an opportunity to share best practices and lessons learned, and could also inform changes to current policy or regulations that can be accomplished without statutory changes.

## Conclusion

Because of the Magnuson-Stevens Act, the U.S. has made great progress in ending overfishing in federally-managed fisheries, rebuilding overfished stocks, and ensuring conservation and sustainable use of our marine fisheries. Fisheries harvested in the U.S. are scientifically monitored, regionally managed, and enforced under 10 national standards. But, we did not get here overnight. Our Nation's journey toward sustainable fisheries has evolved over the course of 35 years.

In 2007, Congress gave NOAA and the Councils a clear mandate, new authority, and new tools to achieve the goal of sustainable fisheries within measurable timeframes. Notable among these were the requirements for annual catch limits and accountability measures to prevent, respond to, and end overfishing – real game changers in our national journey toward sustainable fisheries, and ones that are rapidly delivering results.

This progress has been made possible by the collaborative involvement of our U.S. commercial and recreational fishing fleets and their commitment to science-based management, improving gear-technologies and application of best-stewardship practices. We have established strong partnerships among NOAA, the states, the Councils and the fishing industries. By working together through the highly participatory process established in the Magnuson-Stevens Act, we will continue to address management challenges in a changing environment.

It is important to take time and reflect on where we have been to understand where we are. We have made great progress but our achievements have not come easily, nor will they be sustained without continued attention. This is a critical time in the history of federal fisheries management, and we must move forward in a thoughtful and disciplined way to ensure our nation's fisheries are able to meet the needs of both current and future generations. We will take the recommendations from the *Managing Our Nation's Fisheries 3* conference, and look to the future in a holistic, comprehensive way that considers the needs of the fish and the fishermen, and the ecosystems and communities. We look forward to these discussions.

Thank you again for the opportunity to discuss implementation progress of the Magnuson-Stevens Act. I am available to answer any questions you may have.