

**Written Statement of David Krebs
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Representing the Gulf Seafood Institute
Before the
House Natural Resources Committee
“H.R. ____ Strengthening Fishing Communities and Increasing Flexibility in Fisheries Management Act”
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Chairman Hastings, Ranking Member DeFazio, and Members of the Committee, my name is David Krebs and I am pleased to be here to testify before you today on the Committee’s draft reauthorization of the Magnuson Stevens Fishery Conservation and Management Act (MSA). I am a lifelong commercial fisherman and owner of Ariel Seafoods based in Destin, Florida. For purposes of today’s hearing, I will be speaking as a Board member of the Gulf Seafood Institute (GSI), a broad-based group representing all facets of the Gulf of Mexico seafood distribution chain.

The mission of the Gulf Seafood Institute (GSI) is to protect the Gulf’s unique culture and environment while elevating the Gulf seafood brand with consumers, customers and policy leaders through advocacy, education and science. The GSI’s board of directors represents every Gulf state as well as every aspect of our industry – both commercial, charter for hire, and recreational – and is positioned to be a leading voice on key issues including sustainability, seafood safety, disaster mitigation and recovery, and data collection. Additionally, GSI seeks to bolster fisheries science and research to help preserve the Gulf seafood resource and contribute to the longevity of the industry overall. The GSI came together in July 2013 and is currently taking the steps necessary to organize under the laws of the state of Louisiana and will then seek approval of the IRS for determination of approved 501(c)(6) status.

Today, I will highlight several areas of the discussion draft that GSI sees as improvements to current law, I will outline a few additional measures for you to consider, and I will give you our perspective on Section 10, “Gulf of Mexico Cooperative Research and Red Snapper Management” which drastically modifies Sec. 407 of the current statute.

Overall, GSI maintains that the process outlined under MSA is working. The Department of Commerce, the National Marine Fisheries Service (NMFS) and the eight Regional Fishery Management Councils work together to monitor, manage and enforce a program that has led the United States to its position as a global leader in responsibly managed fisheries and sustainable seafood. Guided by 10 National Standards of sustainability, these agencies monitor, manage and legally enforce all marine fisheries in the United States under the most restrictive regulations in the world. As a result, U.S. fish populations are rebuilding and overall fish abundance is improving. Since 2000, thirty-two fish stocks in the U.S. have been rebuilt meaning that routine stock assessments conducted by fishery scientists indicate that the abundance of the stock is above the maximum sustainable yield.

Prior to seeing the Committee’s discussion draft, GSI had already outlined a platform for reauthorization that included the following:

Flexibility in Rebuilding Timelines:

- Timelines for rebuilding fisheries must be relaxed to enhance flexibility for fishery managers. The current MSA requirement for rebuilding overfished fisheries within ten years, with certain exceptions, is an arbitrary time frame and totally unrelated to the biological needs at hand. Similarly, the requirement to end overfishing immediately considers no other factors. These

strict, arbitrary timelines for rebuilding fisheries lead to significant disruptions for the seafood community while the fishery is usually capable of a far more gentle transition.

- A recent National Research Council (NRC) report issued in September 2013¹ addresses the existing rebuilding needs and realities.¹ GSI is in full agreement with NRC's recommendations, which include support for a biologically-based approach to rebuilding plans. We urge incorporation of those recommendations into the revised MSA. Recognition of the need for establishing a biological basis to rebuilding strategies is a fundamental change to achieve success for the fish stocks and the populace.

Annual Catch Limits:

- The process for establishing ACLs should be revised to increase flexibility, particularly in cases where a fish stock lacks enough data to make sound management decisions.
- In order for fishery managers to set appropriate ACLs, data collection must be improved by accounting for actual "take," both retained and discarded. While the current consideration of revision of National Standard 1 Guidelines might well address this concern, it should be explicitly defined in MSA.

New Funding Sources:

- Monies collected from marine enforcement actions and permitting fees should stay within the region in which they were collected and **not** be transmitted to the general fund. These funds should be managed by the relevant Regional Fishery Management Council.
- Balance should be incorporated into MSA's enforcement language to ensure that the collection of fines does not drive the process, but instead helps to achieve the true objective of 100% compliance and \$0 in fines.

Role of Science and Statistical Committees:

- In today's fast-moving world, we should be able to react swiftly by calling SSC and other Council meetings in a more timely manner. The notice period for meetings should be more flexible to help address very time-sensitive matters quickly and efficiently. The process is overly long and needs better integration with the demands of NEPA requirements to achieve a balance in time, public access, and reasonable deliberation.

Regional Fishery Management Council Accountability:

- Strict accountability measures must be established for the Councils and their actions. Measures should include a revision of the Council membership and appointment process to ensure fair and equitable representation from both the commercial and recreational communities as well as consumers. One way to achieve this important goal would be to revive language from Section 302(b)(2)(D)(i) of the 2006 MSA reauthorization that required governors from states participating in the Gulf of Mexico Fishery Management Council to include at least one nominee each from the commercial, recreational and charter fishing sectors and at least one other individual who is knowledgeable regarding the conservation and management of fisheries resources when making appointments to the Council. Unfortunately, this provision of the 2006 bill has since expired,

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¹ National Research Council. Division of Earth Life Sciences. Ocean Board. *Evaluating the Effectiveness of Fish Stock Rebuilding Plans in the United States*. Washington, D.C.: U.S. National Academies Press, 2013.

leaving the balanced makeup of the Gulf Council in jeopardy. GSI strongly recommends that this language be renewed and made permanent.

The GSI is pleased to note that several of these priority issues are adequately addressed in the discussion draft and we thank you for seeing our concerns were met. For example, on the issue of **rebuilding timelines**, the Committee draft vastly improves current law by allowing for three years to end overfishing for highly dynamic fisheries and provides that rebuilding times must be as short as “practicable” as opposed to short as “possible” which we feel gives more appropriate consideration for human needs.

Regarding **Annual Catch Limits (ACLs)**, the draft bill provides for consideration of the economic needs of fishing communities when establishing and modifying ACLs which GSI believes is a step in the right direction. We are also pleased to see language providing for 3 year ACLs which is an improvement over the current one year requirement. One area that could still be improved would be to require fishery managers to incorporate actual “take,” both retained and discarded, when setting ACLs as suggested in our list of recommendations.

Further, the GSI supports language in Sec. 6 requiring the Science and Statistical Committees (SSCs) to develop their advice in a more **transparent** manner that allows for greater public involvement.

Regarding **catch share programs**, Section 7 would require a referendum by a majority of the permit holders prior to the Gulf of Mexico Fishery Management Council submitting any new catch share program for approval by Commerce. GSI would appreciate some clarification on whether this new requirement would impact pilot programs and, if so how? Also, Section 7(b)(1)(D)(i) provides that in order to be eligible for the referendum, you must have fished in the past 5 years, yet Section 7(b)(1)(D)(iii) provides that you must have fished in 3 out of the 5 last years. It should be made clearer as to what the exact eligibility requirements are. Further, is a petition required before any catch share program can be considered? If a petition by the majority is required, then a potential catch share program is given a thumbs up or a thumbs down before it is even designed and its ramifications determined, effectively shutting down consideration of catch share programs before the Council can thoroughly evaluate them. This may pose a serious challenge to Councils as they work on a regional basis to implement management programs that may make sense in their areas.

With regard to **data collection**, Sec. 8 requires the Councils to work with the fishing industry to develop regulations to govern the use of electronic monitoring for data collection within 6 months of enactment. GSI strongly supports the use of electronic monitoring and has already been working independently with the charter boat fishery in the Gulf to establish similar, voluntary programs. Electronic monitoring has come a long way in recent years with the introduction of smartphone and tablet apps that can be available to all fishers in the industry. We believe electronic monitoring is an important part of the data collection process and programs that encourage its use should absolutely be supported wherever possible.

Section 8(d) provides for the use of the asset forfeiture fund to pay for surveys on **data-poor fisheries**. GSI supports this concept as many of our stocks are considered data-poor and any additional funding to increase science in those areas is appreciated. We also support the concept of making fisheries that have not been surveyed in the preceding 5-year period a top priority. However, given that many species in the Gulf would meet that requirement, we may have a very long list of priorities and conducting surveys on such a broad list might be unrealistic.

RED SNAPPER/ Section 10

Section 10 of the discussion draft addresses management of the red snapper fishery in the Gulf of Mexico, an issue that has become fairly volatile in the Gulf seafood community in recent years. This section will uniquely impact GSI, our customers and all those that depend on a healthy Gulf seafood supply chain. I know this Committee held a hearing on red snapper management in June of last year and GSI's interim Chairman, Harlon Pearce, was a witness at that hearing. During his testimony, Harlon outlined the importance of preserving a healthy, commercial red snapper fishery for the benefit of consumers nationwide and I fully support that position. I would ask that the Committee revisit his written testimony while deliberating this section as it outlines some very important concepts of importance to GSI and the commercial seafood community broadly.

While there have been management challenges in the recreational red snapper fishery in recent years, the current program on the harvest side is working. Yes, there have been challenges with overfishing of the stock in the past, however the species is no longer undergoing overfishing and it is now being managed under a rebuilding plan which will allow the species to rebuild back to target population levels. The Commercial red snapper Individual Fishing Quota (IFQ) program, which began in 2007, has reduced the number of vessels and improved the operation of this fishery. The IFQ program now provides the harvesting sector with flexibility to fish during times that suit their needs and the needs of the market resulting in less pressure on the fishery and less pressure on the resource. Unfortunately, the recreational red snapper sector has yet to adopt a similar solution and federal management of the recreational side of the business is in turmoil. Fishery managers, still relying on the antiquated "days at sea" model for management, have drastically reduced fishing days for recreational red snapper leading to serious economic implications for the Gulf coast economy. While I agree that Congress should take steps to improve management of recreationally-caught red snapper, any solution that upsets the success of the commercial red snapper program is not a solution at all and would only harm the industry, seaside communities and the millions of consumers who depend on the year-round availability of red snapper.

Section 10(f) of the discussion draft simply extends state seaward boundaries in the Gulf to 9 miles which would have the effect of turning management of red snapper over to the five Gulf states. While this seems like a simple, straightforward solution, the devil is in the details.

Most importantly, we need to clarify that this section **only** applies to the recreational red snapper fishery. Simply inserting the word "recreational" before the term "red snapper" in this section should meet this important goal. Management of the commercial red snapper fishery is working and to throw that program into turmoil would be detrimental to communities and to consumers who might lose access to the resource. Of equal importance to the future of the fishery would be to ensure that the sustainability standards required by MSA be preserved in any new state-run red snapper management program. It is in all our best interests to maintain strong federal oversight of these new state programs to ensure a positive long-term prognosis for the species and those who rely upon it to make a living. Finally, we would like clarification on the seaward boundary lines. Section 10(f) seems to extend the seaward boundary for red snapper to 9 miles two separate times so it is unclear if the final boundary is 9 miles or 18 miles. A final boundary of 9 miles is acceptable and would be comparable to the territorial sea boundaries of Texas and the west coast of Florida, while 18 miles is not and would be inconsistent with the boundaries of Texas and Florida.

Of further concern is the impact of the extension of state water boundaries on the commercial fleet if they are excluded from operating in traditional areas. For example, In Florida, commercial vessels are

prohibited from harvesting reef fish in state waters and currently, those waters extend to 9 miles. So, if the boundaries are extended to nine miles in Alabama, Louisiana and Mississippi as well, the vibrant commercial red snapper fishery that has been operating in those areas traditionally will suddenly be shut out causing serious challenges to our community. Congress must ensure that traditional fishing grounds for the commercial red snapper fleet are maintained.

The Committee should also take this opportunity to reassess language found in Sec. 407(d)(1) of the current MSA that mandates the shut-down of the entire recreational fishery, which currently includes charter boats, when that sector's quota is met. Under the current MSA, charter boats are considered part of the recreational fishery, despite the fact that the Gulf Council is moving forward with some innovative new management programs that apply to charter boats only. If the broader recreational community exceeds their quota, under current law, the shut down of that sector would also handicap the charter boats. One way to address this might be to remove language in Sec. 407(d)(1) that states that the term "recreational " shall include charter boats for purposes of this subsection. The GSI would appreciate an opportunity to discuss this concept in more depth with the Committee as this reauthorization moves forward.

Some other questions that you should consider before moving forward with this section include questions of state enforcement capabilities, state scientific data collection capabilities, state funding ability, and the enforcement of interstate boundaries at sea. Despite the usual procedural challenges, the Council management process works as intended and to throw one fishery into a state-run model might set a misguided precedent that threatens to undermine the great successes MSA has had overall.

While GSI has reservations about the state boundary language of Section 10, the remainder of the section addressing research is very positive. We strongly support the development of a real-time reporting and data collection program, increased frequency of stock surveys, and the use of updated fisheries information in red snapper stock assessments. In fact, it would be helpful if these concepts were expanded to all fisheries in the Gulf of Mexico, not just red snapper. We look forward to working closely with the Committee to see these priorities are enacted.

With this testimony, I hope I have provided the Committee with more clarity on how the proposed changes to MSA will impact the Gulf of Mexico seafood community and consumers who depend on us. Again, maintenance of the federal framework for sustainability and the preservation of the current IFQ program for the commercial community is imperative to any plan designed to eliminate confusion in the red snapper fishery. Our consumers and the American public depend on it. Further, I hope I've given you some food for thought with regard to additional modifications to the draft bill that might benefit our nation's fishery management system overall.

I look forward to working with the Committee on these important issues and I welcome any questions you may have.