DEPARTMENT OF TRANSPORTATION
UNITED STATES COAST GUARD
STATEMENT OF
REAR ADMIRAL TERRY M. CROSS
ON
INDIVIDUAL FISHERY QUOTAS
BEFORE THE
SUBCOMMITTEE ON FISHERIES CONSERVATION, WILDLIFE AND OCEANS
COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVES
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Good morning, Mr. Chairman and members of the Subcommittee. I am pleased to appear before you today, on behalf of the Commandant of the Coast Guard, to discuss the effects of individual fishing quota (IFQ) programs on fisheries enforcement and fishing vessel safety. I applaud your efforts to develop standards for the implementation of future IFQ programs. I know this is a management tool that a number of the Regional Councils and the National Marine Fisheries Service (NMFS) are interested in exploring for application in certain fisheries. As the Coast Guard's Assistant Commandant for Operations and former Commander of the Coast Guard District in Alaska, I have some first hand insight into the effects of these programs on fisheries enforcement efforts and safety.

In general, I can sum up the Coast Guard's experience with existing IFQ programs as follows. First, any quota system that lengthens the fishing season will likely (a) require increased enforcement resources and (b) lead to a safer fishery by giving fishermen greater choice as to when to go out. Secondly, the Coast Guard supports the Fishery Management Councils and their process. Should the Congress decide to lift the moratorium on IFQs, we will assist the Councils with our best recommendations on enforcement and safety issues related to their implementation of IFQs for certain fisheries.

There are currently three individual fishing quota systems in use in this country: the Surf Clam/Ocean Quahog fishery in the Northeast, the Wreckfish fishery in the Southeast and the Halibut and Sablefish fishery in the North Pacific. The Halibut and Sablefish fishery is the newest IFQ program, established in 1995. As such, it has reaped the benefits of lessons learned from previous IFQ regimes. This program is the most widely studied of the IFQ fisheries and reflects the most significant enforcement efforts and challenges. When viewed together (as they typically are), the Halibut and Sablefish fishery is the largest individual quota managed fishery in the world. Through these experiences, we, along with our other management partners, have garnered numerous lessons learned to aid in developing guidelines for future IFQ programs.

The Coast Guard and the Department of Transportation are firmly committed to effective enforcement of our nation's fisheries conservation and management programs. We, along with our federal enforcement partner, the National Marine Fisheries Service, worked extensively with the North Pacific Regional Fishery Management Council during the early 1990s to craft the individual fishing quota program for the Alaska Halibut and Sablefish fisheries. This comprehensive process, which occurred over a four-year period, combined industry with management and enforcement agencies to develop a realistic management alternative to the derby fishery that existed. Since the implementation of this program, we have learned enforcement, both at-sea and dockside, is a challenging task; a task far more complex and resource intensive

than the derby style fishery that previously existed. IFQ management requires a much more extensive permitting and catch monitoring system, which leads to more complex regulations and more extensive enforcement considerations. Because IFQs required the inspection of vessels over greatly extended fishing seasons, the Coast Guard increased the number of cutter days spent on enforcement of the Halibut and Sablefish fisheries by approximately 40 percent averaged over the years since the IFQ was implemented. Similarly, we nearly quadrupled the number of aircraft hours dedicated to this mission during the same period.

In addition to our at-sea efforts, shore side enforcement responsibilities have also grown tremendously. Despite a significant increase in NMFS personnel in the Alaska region, the magnitude of the shore side enforcement effort requires significant Coast Guard participation as well. As a result, the Coast Guard and NMFS are working more closely to coordinate dockside monitoring and surveillance efforts to ensure compliance with the IFQ in this fishery, especially in a post-September 11 world. We have been very pleased with the compliance rates in these fisheries. The violation rate has been cut from an average of 67 violations per year to an average of 19 per year since implementing the IFQ. This represents a reduction of over 70%.

In addition to improved compliance rates, fishing vessel safety has been enhanced. Before the transition to the individual quota system, the Halibut and Sablefish fisheries were textbook examples of the dangers associated with derby fisheries. They were open for short 1-3 day periods, and due to the normally harsh and unpredictable weather conditions in Alaska, they often opened during periods of inclement weather. During the three years prior to IFQs, the Coast Guard conducted an average of 28 search and rescue missions per year and an average of 2 lives were lost per year in these fisheries. Since implementation of the IFQ program, the average number of search and rescue missions has dropped to 8 per year, with an average of 1 life lost every two years. While other commercial fishing vessel safety initiatives implemented during this period also contributed to these positive statistical trends, the change in fishing management techniques was likely a primary factor. This notion is supported by a 1999 study conducted by the University of Alaska's Institute for Social and Economic Research, which found that more than 85% of the Halibut-Sablefish permit owners felt that the transition to the IFQ system had made their fishery safer.

What I have shared with you today are recent examples of the experiences we have had in what I believe is the very successful management of the Alaska Halibut and Sablefish fisheries. However, this does not mean IFQs are appropriate in every fishery. The social, biological, law enforcement and safety impacts of future management programs, will vary depending greatly on how the program is crafted. In general, a fishery management regime spreading effort over a longer time period will require additional enforcement resources. It will also allow fishermen to take into consideration such factors as weather, market conditions, crew availability, and vessel condition in order to maximize profitability and minimize risk. As future programs develop, Coast Guard representatives on the Regional Fishery Management Councils will continue to advise the councils on the enforcement and safety impacts of any proposed management decisions.

Only through open and honest communication about these issues, as happened extensively leading up to the implementation of the Alaska IFQ program, can our fisheries management system work for the American public. These same types of open communications are occurring more and more often today as the Department of Transportation and the Coast Guard strive to protect both our economic resources and our nation's security. Protecting America from terrorist threats requires constant vigilance across every mode of transportation: air, land, and sea. Without a robust transportation network our nation's vast fisheries off Alaska would be nearly worthless. The agencies within the Department of Transportation, including the U.S. Coast Guard, Federal Aviation Administration, Federal Highway Administration, and the Maritime

Administration (MARAD), touch all three modes of transportation and are cooperatively linked. This is especially true of the maritime mode. Ensuring robust port and maritime security is a national priority and an intermodal challenge, with impacts in America's heartland communities just as directly as the U.S. seaport cities where cargo and passenger vessels arrive and depart daily. The United States has more than 1,000 harbor channels, 25,000 miles of inland, intracoastal and coastal waterways and 95,000 miles of coastline serving 361 ports containing more than 3,700 passenger and cargo terminals. This maritime commerce infrastructure, known as the U.S. Marine Transportation System, or MTS, has long been a Department of Transportation priority. The U.S. MTS handles more than 2 billion tons of freight, 3 billion tons of oil, transports more than 134 million passengers by ferry, and entertains more than 7 million cruise ship passengers each year. The vast majority of the cargo handled by this system is immediately loaded onto, or has just been unloaded from, railcars or truckbeds, making the borders of the U.S. seaport network especially abstract and vulnerable, with strong, numerous and varied linkages direct to our Nation's rail and highway systems.

Thank you for your continued leadership in our nation's fight against terrorism, for your support of the fisheries management process, and for providing this opportunity to discuss the possible impacts of this new fishery management method. I will be happy to answer any questions that you may have.

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