



North Pacific Fishery Management Council

Simon Kinneen, Chair | David Witherell, Executive Director
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October 18, 2018

Mr. Chris Oliver
Assistant Administrator
NOAA Fisheries
1315 East West Highway
Silver Spring, MD 20910-3282
VIA EMAIL: chris.w.oliver@noaa.gov

Dear Mr. Oliver:

The North Pacific Fishery Management Council (Council) writes to you today to request additional funding for supplemental observer days in the partial coverage category of the Alaska Groundfish and Halibut Observer Program for 2019. At their October 2018 meeting, the Council reviewed the Draft 2019 ADP for the Observer Program and continues to be concerned about funding levels for at-sea observer deployment for vessels subject to partial observer coverage.

As you know, the Alaska Observer Program has a longstanding history of being funded largely by industry contributions. Since 2013, when the Council restructured the Observer Program to assess a 1.25% fee on the fishing industry's catch landings, the Council and NMFS have used industry funding in combination with supplementary Federal funding to support reliable and scientifically valid observer coverage for groundfish and halibut vessels subject to partial observer coverage. The Council is aware that the agency is trying to move all regional observer programs towards funding of at-sea days to be borne entirely by the fishing industry. In 2017, observers were deployed for 3,606 days on partial coverage groundfish and halibut vessels, which represented a decline in observer days from 4,677 in 2016. In the 2016, it was noted that higher coverage levels that year eliminated spatial and temporal bias from the observer data, compared to 2014, when the selection rate was 15%. The projected observer days for 2019 are only 3,110 days, funded exclusively by the industry observer fee. Projected coverage for 2019 is expected to again barely achieve a 15% selection rate. At these coverage levels, the Council is concerned about continued public support for and confidence in observer program data.

The Council appreciates the additional funding received from the agency to elevate coverage levels in 2018. When you reported to the Council on this supplemental funding in October 2017, we understood that this would not be a regular funding source, and as a result, the Council took action to initiate an aggressive timeline for an analysis to raise the partial coverage fee for the Observer Program. That document is scheduled to come back for action in the spring, but even so, the Council remains concerned that rising costs will lead to further decreases in coverage going forward. There remains considerable uncertainty with respect to changes in cost structure resulting from a new observer contract in 2019, and the implementation of electronic monitoring funded from the observer fee, and how it will affect the overall monitoring program. The Council has initiated an effort to develop additional recommendations for lowering costs and increasing coverage rates in the partial coverage fisheries in the short and long term, while maintaining: the data sufficient for managing the fisheries; randomized deployment; and, cost equity among participants. Operationalizing effective long-term solutions will require at least three years to analyze, review, and implement.

We understand the agency's goal is for industry to bear the cost of at-sea funding entirely, and we are committed to continuing our industry fee assessment to support observer coverage. At the same time, we understand there is discretionary funding for at-sea programs to be distributed among regions. The Alaska

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fisheries are the Nation's largest and most valuable, and it is critical to our conservation and management objectives that they be supported by reliable and scientifically valid observer information. We would not have been able to achieve as much as we have without the supplementary funding we have received from NMFS in past years and we hope you will continue to consider the needs of the Alaska program when allocating funding.

In closing, we appreciate the supplementary funding that you have provided in the past for at-sea observer days and have garnered great benefit in terms of the robustness of our observer data for groundfish and halibut fisheries. We hope you will be able to continue a level of supplementary support to our industry-funded observer program that will allow us to continue to plan observer coverage rates to yield approximately 5,000 observer at-sea days per year. This level of support will enable us to maintain high quality and unbiased observer data for the benefit of our mutual stewardship objectives.

Sincerely,



Simon Kinneen
Chairman, NPFMC

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cc: Dr. Jim Balsiger, AKRO
Dr. Jeremy Rusin, AFSC
Ms. Elizabeth Chilton, NMFS NOP
Ms. Jane DiCosimo, NMFS