



**UNITED STATES DEPARTMENT OF COMMERCE**  
**National Oceanic and Atmospheric Administration**  
 NATIONAL MARINE FISHERIES SERVICE  
 1315 East-West Highway  
 Silver Spring, Maryland 20910  
 THE DIRECTOR

Mr. Chris Oliver  
 Executive Director  
 North Pacific Fishery Management Council  
 605 W. 4<sup>th</sup> Avenue  
 Anchorage, AK 99501-2252

**RECEIVED** JUL 24 2014

JUL 29 2014

Dear Mr. Oliver:

Thank you for your letter regarding the North Pacific Fishery Management Council's efforts to address concerns raised by Mr. Michael Lake about insurance requirements applicable to his company under the North Pacific Groundfish Observer Program regulations.

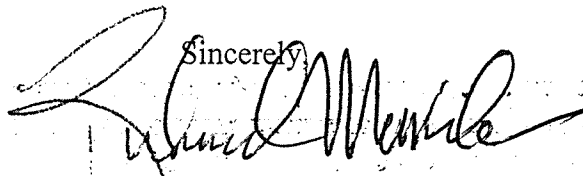
I think we all recognize that insurance issues are complex, involve some legal specialties regarding maritime law, and have been evolving over the years. Staff advice on the Alaskan regulatory requirements developed with input from a Council-initiated insurance technical committee in the early 1990s. Given the state of the law at that time, the requirements that were put in place had several redundancies that ensured that observers were protected. Further work on this issue at the national level led to a NOAA technical insurance workshop in 2001 and development of internal draft legislation in 2004 to solve insurance issues nationally. The draft legislation did not move forward at that time, and the legal issues associated with insurance may have evolved further since then.

It may be time to reexamine this issue to fully understand the current law and to evaluate options for moving forward. NOAA's National Marine Fisheries Service (NMFS) is committed to ensuring that there are sufficient safeguards for observers while minimizing the regulatory burden on industry and observer providers.

I have directed NMFS' National Observer Program to work in conjunction with NOAA's Office of General Counsel to evaluate the legal issues raised in Mr. Lake's letter, and to engage Alaska and potentially other regions to determine whether a Plan amendment, or some other action, may be appropriate. I understand that insurance can be a large cost driver in all Observer Programs, so I have asked for this evaluation to be completed by October 2014. Once the evaluation is complete, we will advise the Council, as well as notify the Council Chairs committee if our findings have national implications.

I appreciate your interest in this matter, and I look forward to working with the Council on this and other issues. If you have further questions, please contact Dennis Hansford, National Observer Program, at (301) 427-8136.

Sincerely,



*ES*  
Eileen Sobeck

THE ASSISTANT ADMINISTRATOR  
 FOR FISHERIES

