

North Pacific Fishery Management Council

Dan Hull, Chairman
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June 20, 2017

Mr. Chris Oliver
Assistant Administrator
NOAA Fisheries
1315 East West Highway
Silver Spring, MD 20910-3282

Dear Mr. Oliver:

At the June 2017 Council meeting, the Council reviewed the most recent Annual Report on the Alaska Groundfish and Halibut 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. The program is divided into vessels that are subject to full or partial coverage, and in 2016, observers operated onboard groundfish vessels with full coverage for over 39,000 observer days, which is entirely funded by industry. Additionally, observers were deployed for 4,677 days on groundfish and halibut vessels subject to partial observer coverage. Since 2013, when the Council restructured the Observer Program in order 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 vessels in partial coverage.

For the 2017 fishing year, the Council was informed 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. That has resulted in a dramatic decline in projected observer coverage for partial coverage vessels in 2017, with sampling rates for some gear sectors (i.e., pot vessels) as low as 4%, and coverage for hook-and-line vessels and trawl vessels at 11% and 18%, respectively. The projected observer days for 2017 are estimated at 3,121 days, funded exclusively by the industry observer fee. At these coverage levels, the Council is concerned about continued public support for and confidence in observer program data. In the 2016 Annual Report, it was noted that at the higher 2016 coverage levels, spatial and temporal bias were eliminated from the observer data, compared to 2014, when the selection rate was 15%.

The Council has initiated an effort to evaluate potential options for addressing low sampling rates in the partial coverage fisheries, both in the short and long term, by considering changes in the sampling design, including cost efficiencies through the use of EM, as well as potential regulatory amendments to increase the observer fee or restructure the cost model. Implementation of the more effective long-term solutions will require at least two to 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 also understand there is discretionary funding for at-sea programs to be distributed among regions. The Alaska 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, and we hope that you will continue to consider the needs of the Alaska program when allocating funding.

Those needs become more acute when industry funds are not available in timely manner, and are subject to sequestration. While we have raised this issue with you in the past, and NMFS has tried to resolve this issue, it raises concerns for an entirely industry-funded program when our funds are not readily accessible.

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,

A handwritten signature in blue ink that reads "Dan Hull". The signature is written in a cursive, flowing style.

Dan Hull
Chairman