

**WRITTEN TESTIMONY BY
JOHN K. BULLARD
NORTHEAST REGIONAL ADMINISTRATOR
FOR THE NATIONAL MARINE FISHERIES SERVICE
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE**

HEARING ON

**“NEW ENGLAND AND MID-ATLANTIC PERSPECTIVES ON MAGNUSON-STEVENSON ACT
REAUTHORIZATION”**

**BEFORE THE
SUBCOMMITTEE ON OCEANS, ATMOSPHERE, FISHERIES, AND COAST GUARD
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION**

UNITED STATES SENATE

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Introduction

Good afternoon, Mr. Chairman and Members of the Committee. Thank you for the opportunity to testify before you today. My name is John K. Bullard and I am the Northeast Regional Administrator for the National Oceanic and Atmospheric Administration’s (NOAA) National Marine Fisheries Service (NMFS). NMFS is dedicated to the stewardship of living marine resources through science-based conservation and management. Much of this work occurs under the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), which sets forth standards for conservation, management and sustainable use of our Nation’s fisheries resources.

Marine fish and fisheries, such as salmon in the Pacific Northwest and cod in New England, have been vital to the prosperity and cultural identity of coastal communities in the United States (U.S.). U.S. fisheries play an enormous role in the U.S. economy. Commercial fishing supports fishermen and fishing communities, and provides Americans with a sustainable, healthy food source. Recreational fishing is an important social activity for individuals, families, and communities, and it is a critical economic driver of and contributor to local and regional economies, as well as the national economy. Subsistence fishing provides an essential food source and is culturally significant for many people.

Our most recent estimates show that the amount landed and the value of commercial U.S. wild-caught fisheries was up in 2011 while recreational catch remained stable. U.S. commercial fishermen landed 9.9 billion pounds of seafood valued at \$5.3 billion in 2011, increases of 1.6 billion pounds (20%) and \$829 million (18%) over 2010 figures; the highest landings volume since 1997 and highest value in nominal

terms ever recorded.¹ The seafood industry—harvesters, seafood processors and dealers, seafood wholesalers and seafood retailers, including imports and multiplier effects—generated an estimated \$129 billion in sales impacts, \$37 billion in income impacts and supported 1.2 million jobs in 2011. Recreational fishing generated an estimated \$70 billion in sales impacts, \$20 billion in income impacts, and supported 455,000 jobs in 2011. Jobs supported by commercial businesses held steady from the previous year, while jobs generated by the recreational fishing industry represented a 40% increase over 2010.²

The Federal fishery management system is effectively rebuilding overfished fisheries. We continue to make progress towards long-term biological and economic sustainability and stability. Since its initial passage in 1976, the Magnuson-Stevens Act has charted a groundbreaking course for sustainable fisheries. When reauthorized in 2007, the Act gave the eight Regional Fishery Management Councils (Councils) and NMFS a very clear charge and some new tools to support improved science and management. It mandated the use of science-based annual catch limits and accountability measures to prevent and end overfishing, provided for market-based fishery management through Limited Access Privilege Programs (or catch shares), focused on collaborative research with the fishing industry and bycatch reduction, addressed the need to improve the science used to inform fisheries management, and sought to end illegal fishing and bycatch problems around the globe so that foreign fishing fleets are held to equivalent standards as, and do not economically disadvantage, U.S. fleets.

While significant progress has been made since the last reauthorization, we recognize that this progress has not come without a cost. Fishermen, fishing communities, and the Councils have had to make difficult decisions and many areas have had to absorb the cost of conservation and investment in long-term economic and biological sustainability. The U.S. now has effective tools to address marine fisheries management, and as we look to the future, we must look for opportunities to increase flexibility in our management system. We need to approach that challenge in a holistic, deliberative, and thoughtful way that includes input from the wide range of stakeholders who care deeply about these issues.

My testimony today will focus on NMFS' progress in implementing the Magnuson-Stevens Act's key domestic provisions, and some thoughts about the future and the next reauthorization.

Implementing the Magnuson-Stevens Act

The Magnuson-Stevens Act created broad goals for U.S. fisheries management and a unique, highly participatory management structure centered on the Councils. This structure ensures that input and decisions about how to manage U.S. fisheries develops through a "bottom up" process that includes fishermen, other fishery stakeholders, affected states, tribal governments, and the Federal Government.

The Magnuson-Stevens Act guides fisheries conservation and management through 10 National Standards. These standards, which have their roots in the original 1976 Act, provide a yardstick against

¹ See NOAA Annual Commercial Fisheries Landings Database, available at <http://www.st.nmfs.noaa.gov/commercial-fisheries/commercial-landings/annual-landings/index>

² See Fisheries Economics of the U.S. 2011. NMFS Office of Science & Technology, available at: http://www.st.nmfs.noaa.gov/economics/publications/feus/fisheries_economics_2011

which all fishery management plans and actions developed by the Councils are measured. National Standard 1 requires that conservation and management measures prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery. Optimum yield is the average amount of fish from a fishery that, over the long-term, will provide the greatest overall benefits to the Nation, particularly by providing seafood and recreational opportunities and affording protection to marine ecosystems.

The Councils can choose from a variety of options to manage fish stocks – quotas, catch shares, area closures, gear restrictions, etc. – and also determine how to allocate fish among user groups. These measures are submitted to the U.S. Secretary of Commerce for approval and are implemented by NMFS. Thus, the Councils, in developing their plans, must carefully balance fishing jobs and conservation, while ensuring that overfishing is eliminated and overfished stocks are rebuilt. Other National Standards mandate that conservation and management measures be based upon the best scientific information available, not discriminate between residents of different states, take into account variations in fisheries and catches, minimize bycatch, and promote the safety of human life at sea.

Central to many of the Council decisions are fishing jobs. Fishing-related jobs, both commercial and recreational, are the lifeblood of many coastal communities around our Nation. Fishermen and fishing industries rely not only on today's catch, but the predictability of future catches. Under the standards set in the Magnuson-Stevens Act, and together with the Councils, states, tribes, and fishermen, we have made great strides in ending overfishing, rebuilding stocks, and building a sustainable future for our fishing dependent communities. Thanks in large part to the strengthened Magnuson-Stevens Act and the sacrifices of fishing communities across the country, the conditions of many of our most economically important fish stocks have collectively improved steadily over the last decade.

We all share the common goal of healthy fisheries that can be sustained for generations. Without clear, science-based rules, fair enforcement, and a shared commitment to sustainable management, short-term pressures can easily undermine progress toward restoring the social, economic, and environmental benefits of a healthy fishery. Though challenges remain in some fisheries, the benefits for the resource, the industries it supports, and the economy are beginning to be seen as fish populations grow and catch limits increase.

Progress in Implementation

Working together, NMFS, the Councils, coastal states and territories, and a wide range of industry groups and other constituents have made significant progress in implementing key provisions of this legislation.

Ending Overfishing, Implementing Annual Catch Limits, and Rebuilding

One of the most significant management provisions of the 2007 reauthorization of the Magnuson-Stevens Act was the mandate to implement annual catch limits, including measures to ensure accountability and to end and prevent overfishing in federally managed fisheries by 2011. An annual catch limit is an amount of fish that can be caught in a year such that overfishing does not occur. Accountability measures are management controls to prevent the limits from being exceeded, and to correct or mitigate overages of the limits if they occur. This is an important move away from a management system that could only be corrected by going back through the full Council process – often taking years to accomplish, all while overfishing continued. Now, when developing a fishery management plan or amendment, the Councils

must consider the actions that will occur if a fishery does not meet its performance objectives. As of December 31, 2012, assessments demonstrated that overfishing ended for 58% of the 38 domestic U.S. stocks that were subject to overfishing in 2007 when the Magnuson-Stevens Act was reauthorized.³ Annual catch limits designed to prevent overfishing are in place for all stocks, and we expect additional stocks to come off the overfishing list as stock assessments are updated in the coming years.

There are many examples of what fishermen, scientists, and managers can do by working together to bring back a resource that once was in trouble. The Atlantic sea scallop resource was rebuilt after fishermen partnered with academic and NOAA scientists to learn more about scallop abundance and distribution, and then embraced a rotational management approach focused on long-term sustainability. Valued at over \$380 million dollars in 2011, the scallop fishery has made New Bedford, MA, the top revenue port in the U.S.

In fact, many fisheries in the Northeast and Mid-Atlantic are a significant part of the national success story. Of the 32 stocks rebuilt nationally since 2000, 18, more than half, were rebuilt by NOAA, the Northeast and Mid-Atlantic Fishery Management Councils, the fishing industries, recreational anglers, and other partners on the Atlantic coast. In addition to Atlantic sea scallops, these include other important stocks such as summer flounder and Atlantic swordfish.

We recognize that learning from our past actions and making adjustments as needed is important. With that in mind, the agency has already begun the process of reviewing the National Standard 1 guidelines, which were last modified in 2009 to focus on implementing the requirement for annual catch limits. This was a major change in how many fisheries were managed, and we want to ensure that the guidance we have in place reflects current thinking on the most effective way to meet the objectives of National Standard 1, and builds on what we and the Councils have learned in applying the latest requirements of the Act. An Advance Notice of Proposed Rulemaking was published in May 2012, which was followed by an almost 6-month public comment period where we asked the public for input on 11 topics addressed in National Standard 1. We received a lot of input, and are in the process of working through the comments and developing options for moving forward, be it through additional technical guidelines, regulatory changes, or identifying issues for discussion as part of a reauthorization of the Magnuson-Stevens Act.

The Magnuson-Stevens Act also includes requirements to rebuild any overfished fishery to the level that can support the maximum sustainable yield, and as I mentioned, as of December 31, 2012, we have rebuilt 32 stocks nationally.⁴ We estimate that rebuilding all U.S. fish stocks would generate an additional \$31 billion in sales impacts (including multiplier effects), support an additional 500,000 jobs, and increase dockside revenues to fishermen by \$2.2 billion, a more than 50-percent increase over current annual dockside revenues.⁵

³ See Fish Stock Sustainability Index. This report was the source for the underlying data, but the numbers presented here were compiled specifically for this hearing. The report is available at:

<http://www.nmfs.noaa.gov/sfa/statusoffisheries/2012/fourth/Q4%202012%20FSSI%20Summary%20Changes.pdf>

⁴ See Fish Stock Sustainability Index. Available at:

http://www.nmfs.noaa.gov/sfa/statusoffisheries/2012/fourth/MapRebuiltStocksCY_Q4_2012.pdf

⁵ See the NMFS Commercial Fishing & Seafood Industry Input/Output Model. The change in landings revenue for each species was derived using the calculation: (Current Price*MSY) – (Current Price*Current Landings). If MSY is not available,

Improvements to Science and Recreational Fishing Data

Without high quality fishery science, we cannot be confident that the Nation is attaining optimum yield from its fisheries, or that we're preventing overfishing and harm to ecosystems and fishing communities. Attaining optimum yield requires an investment in information about fish stocks, their fisheries, and their ecosystems, including habitat requirements. NMFS is committed to generating the best fishery science to support the goals of the Magnuson-Stevens Act. Increasingly, we are conducting research and analyses to understand the environmental and habitat factors affecting the sustainability of fish populations. Today, we know more about our fish stocks than ever before, and it is vital that our science not regress, as this would inevitably lead to declines in our stocks and a loss in the economic and social values they provide.

The importance of increasing the frequency of stock assessments, improving the quality of fisheries science with a better understanding of ecosystem factors, investing in cooperative research and electronic monitoring technology, and enhancing our engagement with fishermen cannot be stressed enough. Partnerships with industry and academia are a key component of successful fisheries management. Cooperative research provides a means for commercial and recreational fishermen to become involved in the science and data collection needed to improve assessments, and develop and support successful fishery management measures. The Northeast Cooperative Research Program, for example, enhances NOAA's capacity to respond to emerging management needs and research priorities associated with improving stock assessments, and has helped support the industry during the transition to sector management and the implementation of annual catch limits. Through cooperative research, fishermen and scientists learned that they could use smaller mesh fishing nets to more effectively target Acadian redfish and still have low bycatch of other overfished groundfish stocks. Based on this research, we were able to quickly authorize this fishing gear to provide some New England groundfish fishermen with an opportunity to pursue redfish while their access to rebuilding groundfish stocks, such as Gulf of Maine cod and haddock, was limited. This year we will be carrying out a new, pilot flatfish survey in New England using a chartered commercial fishing vessel; results will be evaluated to determine the potential for establishing an annual survey based on this approach. We will also work with commercial vessels to compare survey catches from commercial vessels with those from NOAA's Fishery Survey Vessel, Bigelow. In addition, HABCAM, a video-based, non-invasive survey technology that has been developed in partnership with the Woods Hole Oceanographic Institution, is now integral to our annual scallop surveys.

The Magnuson-Stevens Act also required improvements to recreational fisheries data collected by NMFS for use in management decisions. In October 2007, NMFS established the Marine Recreational Information Program, a new program to improve recreational fishery data collection efforts, consistent with the Magnuson-Stevens Act requirement and the 2006 recommendations of the National Research Council. The Marine Recreational Information Program is a national system of coordinated regional data collection programs designed to address specific needs for improved recreational fishing information. One major component of the Marine Recreational Information Program is the development of a national registry of anglers, also required by the Magnuson-Stevens Act, which NMFS has been using in a series of pilot studies to test more efficient mail and telephone surveys for the collection of data on recreational

a zero value is assumed for the change in landings revenue. These values were then entered into the model, which produced the job and sales impacts estimates. The model is available at:

<https://www.st.nmfs.noaa.gov/documents/Commercial%20Fishing%20IO%20Model.pdf>.

fishing activity. Based on the results of these studies, NMFS expects to be ready to implement new registry-based survey designs on all coasts in 2014. The Marine Recreational Information Program is also developing and implementing numerous other survey improvements to address the National Research Council's recommendations, including improved estimation methodologies, improved shoreside survey design, and improvements in for-hire fishery data collections.

Adequate observer coverage also is critical for improving data collection related to bycatch. National standard 9 requires fishery management plans to take into account the impact of the fishery on bycatch, particularly for protected species. NMFS continues to work with the Councils and through take reduction teams established under the Marine Mammal Protection Act to identify measures that can be taken to minimize serious injury and mortality to harbor porpoises, right whales, and other marine mammals in New England and mid-Atlantic fisheries.

Looking to the Future

Remaining Challenges

Even with these successes, we know that there are challenges that remain. While the Northeast and Mid-Atlantic lead the Nation in the number of rebuilt stocks, the Northeast also has some of the Nation's most depleted stocks; some of which have been overfished for more than a century. Some key stocks, including Atlantic cod, are having difficulty rebuilding. On September 13, 2012, then-Acting Secretary Dr. Blank determined a commercial fishery failure because a fishery resource disaster had occurred. This determination includes the 2013 fishing year, which started May 1. The decline in productivity and the need to prevent overfishing so the stocks can rebuild have resulted in significant reductions in allowable catch levels, with great economic impact on Northeast fisheries. We are actively engaged in research to better understand the drivers affecting these stocks. A recent study by NOAA scientists found that changing ocean water temperatures and circulation patterns have greatly affected key zooplankton species in recent decades, and may be limiting survival of cod larvae and impeding recovery of cod and other stocks. We determined that last year, sea surface temperatures in the Northeast Shelf Large Marine Ecosystem were the highest recorded in 150 years. In response, you'll see the FY 2014 President's Budget Request reflects a \$10 million increase for NOAA to fund research on the impacts of climate on fisheries with a focus on the Northeast groundfish region.

Looking ahead, we must continue to improve the quality and quantity of scientific data, continue progress made on addressing overfishing and rebuilding stocks, and better address the difficult transitions that can come with management changes leading to more biologically and economically sustainable fishery resources. For example, in New England, we are trying to cushion the effects of groundfish rebuilding measures by optimizing fishing opportunities on stocks that are not overfished, and by supporting marketing strategies that improve fish prices.

The most effective annual catch limits and accountability measures will require further improvements to our stock assessments and monitoring efforts. Ensuring solid, science-based determinations of stock status and responsive management will also require better linkages to ever-shifting biological, socio-economic, and ecosystem conditions. U.S. fisheries are extraordinarily diverse in value, participation, and science needs. The Magnuson-Stevens Act provides flexibility in adapting management plans to the life history differences among species and nuances of particular fisheries, as well as to the unique regional and operational differences among fisheries and in the fishing communities that they support.

We value the important partnerships we have formed, such as with the Atlantic States Marine Fisheries Commission, in helping address these challenges. NOAA's work with the Commission in support of effective science and management has been the backbone of valuable commercial and recreational fisheries. Together with our partners, we continue to explore alternative and innovative approaches that will produce the best available information to incorporate into management.

It is also increasingly important that we better understand ecosystem and habitat factors, including climate change, and incorporate them into our stock assessments and management decisions, because resilient ecosystems and habitat form the foundation for robust fisheries and fishing jobs. Similarly, it is important that we meet our responsibilities under the Magnuson-Stevens Act in concert with related legislation, such as the Marine Mammal Protection Act and the Endangered Species Act, to reduce bycatch of protected species to mandated levels. As we end overfishing and rebuild stocks, the strategic alignment of habitat and protected species conservation efforts with rebuilding and managing fish stocks will be a key component of NOAA's success.

General Views on Legislation Proposed in the 112th Congress

NOAA supports the collaborative and transparent process embodied in the Councils, as authorized in the Magnuson-Stevens Act, and strongly believes that all viable management tools should continue to be available as options for the Councils to consider when developing management programs.

It is critical that we maintain progress towards meeting the mandate of the Magnuson-Stevens Act to end overfishing and, as necessary, rebuild stocks. Annual catch limits are an effective tool in improving the sustainability of fisheries around the Nation, and NOAA has concerns with efforts that would create exemptions or otherwise weaken provisions regarding annual catch limits. Managing fisheries using annual catch limits and accountability measures was a major change for some fisheries, and the initial implementation has identified some areas where we can improve that process. We will continue to work with the Councils to achieve the best possible alignment of science and management for each fishery to attain the goals of the Magnuson-Stevens Act.

In an increasingly constrained fiscal environment, we must not mandate duplicative or otherwise unnecessary actions. Additional stages of review for certain types of fisheries data, or repeating data collection and stock assessment efforts when there are already sound peer review processes in place are examples of actions that will divert resources to a select few fisheries at the expense of others with little additional benefit. Moreover, legislation should be cost-effective, particularly during this time of constrained funding. NMFS welcomes the opportunity to work closely with Congress, the Councils, and the recreational and commercial fishing industries, to use the best available science to seek opportunities for efficiency and improved management in order to end overfishing, rebuild stocks, and achieve stable economic opportunities for our fishermen and coastal communities.

The Next Reauthorization of the Magnuson-Stevens Act

With some of the largest and most successful fisheries in the world, the U.S. has become a global model of responsible fisheries management. This success is due to strong partnerships among the commercial and recreational fishing, conservation, and science and management communities. Continued

collaboration is necessary to address the ongoing challenges of maintaining productive and sustainable fisheries.

The *Managing Our Nation's Fisheries 3* conference—co-sponsored by the eight Councils and NMFS—brought together a broad spectrum of partners and interests to discuss current and developing concepts addressing the sustainability of U.S. marine fisheries and their management. The conference was developed around three themes: (1) improving fishery management essentials; (2) advancing ecosystem-based decision making; (3) and providing for fishing community sustainability.

We were excited to see a wide range of stakeholders represent many points of view, from commercial and recreational fishing, to the conservation and science and management communities. Before the last reauthorization, we co-sponsored two of these conferences, and they played an important role in bringing people together and creating an opportunity to present ideas and understand different perspectives. We expect that the ideas that emerged from this event will inform potential legislative changes to the Magnuson-Stevens Act, but the benefits are much greater than that. The communication across regions and Councils provided an opportunity to share best practices and lessons learned, and could also inform changes to current policy or regulations that can be accomplished without statutory changes.

Conclusion

Because of the Magnuson-Stevens Act, the U.S. has made great progress in ending overfishing in federally-managed fisheries, rebuilding stocks, and ensuring conservation and sustainable use of our marine fisheries. Fisheries harvested in the U.S. are scientifically monitored, regionally managed, and enforced under 10 national standards. But, we did not get here overnight. Our Nation's journey toward sustainable fisheries has evolved over the course of 35 years.

In 2007, Congress gave NOAA and the Councils a clear mandate, new authority, and new tools to achieve the goal of sustainable fisheries within measureable timeframes. Notable among these were the requirements for annual catch limits, and accountability measures to prevent, respond to, and end overfishing – real game changers in our national journey toward sustainable fisheries, and ones that are rapidly delivering results.

This progress has been due to the collaborative involvement of our U.S. commercial and recreational fishing fleets and their commitment to science-based management, improving gear-technologies, and application of best-stewardship practices. We have established strong partnerships among NOAA, the states, the Councils, and the fishing industry. By working together through the highly participatory process established in the Magnuson-Stevens Act, we will continue to address management challenges in a changing environment.

It is important to take time and reflect on where we have been to understand where we are. We will take the recommendations from the *Managing Our Nation's Fisheries 3* conference, and look to the future in a holistic, comprehensive way that considers the needs of the fish and the fishermen, and the ecosystems and communities. We look forward to these discussions, and will happily work with Congress on any efforts to reauthorize the Magnuson-Stevens Act.

Thank you again for the opportunity to discuss implementation progress of the Magnuson-Stevens Act and future efforts of reauthorization. I am available to answer any questions you may have.