

**TESTIMONY OF
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U.S. DEPARTMENT OF COMMERCE**

ON

**IMPLEMENTATION OF THE MAGNUSON-STEVEN'S FISHERY CONSERVATION
AND MANAGEMENT ACT**

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

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Chairman Begich and members of the Subcommittee, thank you for the opportunity to testify before you today on the *Magnuson-Stevens Fishery Conservation and Management Act* (*Magnuson-Stevens Act*). My name is Eric Schwaab and I am the Assistant Administrator for Fisheries, within the National Oceanic and Atmospheric Administration (NOAA), Department of Commerce. Accompanying me is Dr. Douglas DeMaster, Acting Director of Scientific Programs and Chief Science Advisor for NOAA's National Marine Fisheries Service (NMFS.) NMFS is dedicated to the stewardship of living marine resources through science-based conservation and management, and the promotion of healthy ecosystems. As a steward, NOAA's National Marine Fisheries Service conserves, protects, and manages living marine resources to ensure functioning marine ecosystems and recreational and economic opportunities for the American public.

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 for hundreds of years. As of our most recent estimate, in 2008, U.S. commercial and saltwater recreational fisheries supported 1.9 million full- and part-time jobs and generated \$163 billion in sales impacts¹. Americans are the third largest consumers of seafood in the world and are global leaders in marine sport fishing.

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. Take for example, the Gulf of Mexico and the Southeast Atlantic regions,

¹ [National Marine Fisheries Service. 2010. *Fisheries Economics of the United States*, 2008. U.S. Dept. Commerce, NOAA Tech. Memo. NMFS-F/SPO-109, \[177 pp\]](#)

where our most recent statistics (2008) show combined expenditures on saltwater fishing trips and durable fishing equipment total \$20 billion dollars annually; or the Mid-Atlantic and Pacific regions where expenditures for these items reach \$4.1 billion and \$2 billion respectively, on an annual basis. This significant economic activity generates local jobs – that cannot be outsourced – which support communities large and small in our Nation’s coastal states, territories, and commonwealths.

The *Magnuson-Stevens Fishery Conservation and Management Reauthorization Act (Magnuson-Stevens Act)* was groundbreaking in many respects and gave NMFS a very clear charge. It mandated the use of science-based annual catch limits and accountability measures to prevent and end overfishing, provided for widespread 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 science used to inform fisheries management, and increased international authorities to end illegal fishing and bycatch problems around the globe so that foreign fishing fleets are held to the same standards as, and do not economically disadvantage, U.S. fleets.

My testimony today will focus on NMFS’s progress in implementing the *Magnuson-Stevens Act’s* key domestic provisions. Specifically, I will address progress implementing provisions to end and prevent overfishing and improvements to fish stock population assessments and recreational fisheries data. Additionally, I will discuss our efforts to support Limited Access Privilege Programs, a management approach that has been used in the U.S. since 1990, but that received additional guidance with the 2007 *Magnuson-Stevens Act* reauthorization. All of these efforts contribute to the success of U.S. fisheries management and to ensuring sustainable fisheries and strong economic opportunities for fishermen and coastal communities.

Implementing the Magnuson-Stevens Fishery Conservation and Management Act

The *Magnuson-Stevens Act* created broad goals for U.S. fisheries management and a unique, highly participatory management structure centered on the eight Regional Fishery Management Councils (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 Councils are charged with developing fishery management plans to “achieve and maintain, on a continuing basis, the optimum yield from each fishery.” 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 the National Marine Fisheries Service.

The *Magnuson-Stevens Act* guides fisheries management by 10 National Standards for fishery conservation and management. These standards, which have their roots in the original 1976 Act, provide a yardstick against which all fishery management plans and measures 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 for the U.S. fishing industry. 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.

Thus, the Councils in developing their plans must carefully balance fishing jobs and conservation. 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.

Working with the Councils, coastal states, and a wide range of industry groups and other constituents, NMFS has made significant progress in implementing key provisions of this legislation. For the rest of this testimony, I want to focus on progress implementing some of the key domestic provisions of the *Magnuson-Stevens Act* and the results that we are already seeing with the modernization of fisheries management.

Progress implementing the *Magnuson-Stevens Act*

Implementing Annual Catch Limits

One of the most significant new management provisions of the 2007 *Magnuson-Stevens Act* reauthorization is the mandate to implement annual catch limits, including measures to ensure accountability and to end and prevent overfishing in federally managed fisheries by a certain deadline.

Overfishing has both ecological and economic impacts for the U.S. Overfishing reduces fish stock abundance, threatens and alters the coastal and marine ecosystem productivity and negatively impacts the economy. Depleted fish stocks reduce the Nation's supply of U.S. wild-caught seafood and recreational opportunities, resulting in economic revenue and employment losses, particularly in coastal economies. Overfishing also contributes to increased dependence on foreign seafood imports, often from countries using fishing practices that are more harmful to ocean ecosystems. Overfishing jeopardizes the health of fish stocks and ecosystems, the economic viability of the fisheries, and the economic and cultural heritage of fishing-dependent communities. Moreover, there are long-term economic benefits to rebuilding our stocks. We estimate that if all stocks were rebuilt and harvested at maximum sustainable yield, it would generate an additional \$31 billion in sales impacts, support an additional 500,000 jobs, and increase ex-vessel value by \$2.2 billion.²

As noted in the 2007 reauthorization's Senate report, "requiring routine adherence to an annual catch limit or TAC [total allowable catch] is a well-known management approach that has been utilized effectively by several Councils, but failure to adopt this technique more broadly has contributed to continued overfishing." Federal fishery management plans now must establish mechanisms for annual catch limits and accountability measures such that overfishing does not

² Internal analysis using the National Marine Fisheries Service Commercial Fishing & Seafood Industry Input/Output Model. For additional information on this model, see "The NMFS Commercial Fishing & Seafood Industry Input/Output Model." available at <https://www.st.nmfs.noaa.gov/documents/Commercial%20Fishing%20IO%20Model.pdf>.

occur, with exceptions for stocks with a life cycle less than one year or stocks otherwise provided for under an international agreement in which the United States is a participant. Annual Catch Limits were in place by 2010 for stocks subject to overfishing and must be put in place by 2011 for all others. If the limits are exceeded in a fishing year, accountability measures should provide for adjusting harvest levels within the season or setting responsive levels for the following year. This is an important move away from a management system that could only be corrected by going back through the Council process – often taking years to accomplish, all while overfishing continues. Now, when developing a fishery management plan or amendment, the Councils must consider the actions that will result if a fishery does not meet its performance objectives.

Toward this end, NMFS has been working closely with the Councils to ensure compliance with these requirements and statutory deadlines. In January 2009, NMFS published new guidance on ending overfishing and implementing annual catch limits through revised National Standard 1 Guidelines. Most significantly, the National Standard 1 Guidelines describe how scientific and management uncertainty should be taken into account as Councils establish annual catch limits and accountability measures. NMFS is also working to ensure that the Councils have the best available science upon which to base annual catch limits and that they are accompanied by effective and credible accountability measures to prevent catch limits from being exceeded and to make necessary adjustments, if these limits are exceeded.

The strict deadlines for implementing annual catch limits required, in many cases, difficult decisions and short-term sacrifice on the part of commercial and recreational fishermen. We recognize this sacrifice and are working to provide the Councils with the best scientific and economic information available upon which to base management decisions, to ensure that management actions are as precise and focused as possible. However, history has shown that effective management does end overfishing. For example, overfishing of North Atlantic swordfish occurred from 1998 to 2002, but has not occurred since, due to action taken by NMFS and the International Commission for the Conservation of Atlantic Tunas to lower catch quotas and close areas to protect juveniles. This fishery is now rebuilt. In the Pacific Northwest, lingcod was designated as overfished in 1999, with overfishing occurring for several years. Quotas, trip limits, depth restrictions, size limits, seasonal closures, and gear restrictions ended lingcod overfishing in 2005, and the stock was rebuilt several years ahead of schedule. Atlantic sea scallops were once severely overfished, but with cooperation from scallop fishermen the stock was rebuilt in 2001 and is now the top-valued fishery in the United States. Compared to the 1990-1999 time period when scallops were overfished, New England scallop fishermen are now sustainably harvesting an additional 17.5 million metric tons per year (131% higher landings) and ex-vessel revenues have increased by \$93 million annually.

Rebuilding overfished stocks

In addition to measures to end and prevent overfishing, the *Magnuson-Stevens Act* includes actions to rebuild any overfished fishery. If a stock is determined to be overfished, a Council, in coordination with NMFS, must immediately end overfishing on the stock, and within two years of the determination, develop and implement management measures to rebuild the stock to healthy levels. The requirement that rebuilding measures immediately end overfishing was added by the 2007 reauthorization. Rebuilding of overfished fisheries is required in as short a

time as possible taking into account the status and biology of the stock, needs of fishing communities, international commitments, and the stocks' interactions within the marine ecosystem. In addition, the time period for rebuilding cannot exceed 10 years except where biology, environmental conditions, or international agreements dictate otherwise.

Measuring progress in eliminating overfishing and rebuilding stocks

Between 2000 and 2010, there have been a total of 84 stocks on the overfished list; in that same timeframe, 36 stocks have come off the list. Similarly, there have been a total of 76 stocks subject to overfishing; 36 stocks have come off that list. There are currently 48 stocks that are overfished and 40 stocks subject to overfishing.

For fisheries subject to the 2010 deadlines, the Councils have taken final actions to end overfishing and put annual catch limits in place. The Councils and NMFS are also on track to meet the 2011 deadline to have annual catch limits in place for all managed stocks. Even though measures have been implemented to end overfishing, we will still report stocks as subject to overfishing until a new stock assessment confirms that the management measures were successful. Preventing future overfishing will be maintained only through continued strong science, monitoring of fisheries, and adaptive management that can quickly respond to new information and problems that may arise. Also, ending overfishing is only one part of sustainable fisheries. For stocks that are overfished, we need to continue our efforts to rebuild those stocks.

Our progress and performance is also tracked by the Fish Stock Sustainability Index, an overall index of sustainability for 230 U.S. fish stocks selected for their importance to commercial and recreational fisheries. The Fish Stock Sustainability Index tracks both improvements in our knowledge about fish stocks, as well as performance in ending overfishing and rebuilding stocks. According to the 4th Quarter Update of the Status of U.S. Fisheries for 2010, our index score increased by 63 percent over the last ten years (from 357.5 to 583 points out of 920 possible points). Twenty one fish stocks have been rebuilt in this same time period. The Fish Stock Sustainability Index will continue to increase as overfishing ends and stocks rebuild to the levels that provide for maximum sustainable yield.

Limited Access Privilege Programs

The 2007 reauthorization also added a new Section 303A, which established rules governing the development and use of Limited Access Privilege Programs in fisheries where Councils have voluntarily adopted this management approach. Limited Access Privilege Programs include programs that allocate harvest privileges exclusively to individual entities, and the recipient of the harvest privilege is directly accountable to stop fishing when its exclusive share or allocation is reached. These programs were first implemented in the 1990s in the surf clam/ocean quahog, wreckfish, and halibut/sablefish fisheries.

Limited Access Privilege Programs provide a valuable fishery management tool that can play a significant role in meeting our national goal of rebuilding and sustaining our U.S. fishery resources. While not appropriate for all fisheries, Limited Access Privilege Programs can bring a wide range of social, economic, and biological benefits to a fishery. For example, these approaches can eliminate the undesirable "race-to-fish" or fishing derby conditions, thereby

improving safety for fishermen. They have also demonstrated increased landings, reduced bycatch, improved stability and increased season length in some fisheries. These conditions encourage product innovation, encourage savings in fishing costs and result in higher profits. For example, in the long-overfished Gulf of Mexico commercial red snapper fishery, quotas were regularly exceeded and fishing derby conditions were resulting in shorter and shorter seasons. In 2007, an individual fishing quota program was implemented as well as measures to end overfishing. Since then the commercial season length has been extended from an average of 88 days before the individual fishing quotas to year-round access after program implementation. In combination with other favorable factors, the quotas have also been increased. Additionally the share price, which reflects the long-run expectations of economic returns, has more than doubled since program implementation and ex-vessel prices for red snapper had increased by 14% (6% when adjusted for inflation).

In many cases, Limited Access Privilege Programs can also help modernize a fishery. In particular, these programs tend to require more detailed and timely monitoring of the landings of the individual entity holding the harvest privilege. This both ensures transparency in the program, and facilitates market-based transfers between eligible entities, which drives economic efficiency. With this, the quality and quantity of fishery data improve significantly through new catch accounting, monitoring and compliance systems, as well as improved tracking systems for social and economic outcomes. These requirements improve our scientific estimates of overfishing levels and reduce scientific uncertainty in setting annual catch limits. With more precise scientific data, further increases in allowable biological catches are often possible.

The most recent program, the Northwest trawl individual transferable quotas program, is a significant achievement modernizing the management of this major U.S. fishery that was developed over many years with significant input from industry groups in the Council process. This program, as all other fishery management programs in the U.S., will continue to evolve and adapt to meet changing management objectives identified by NMFS, the Councils, and industry.

Limited Access Privilege Programs are a type of catch share program. Catch share is a more general term used to describe fishery management programs that allocate a specific portion of the total allowable catch to individuals or other eligible entities. In November 2010, NOAA released a catch share policy. The policy supports the voluntary consideration of catch shares by Councils in fisheries they deem appropriate by removing impediments to the consideration of catch shares, and informing and educating stakeholders of the different options and capabilities of catch share programs. The policy aims to support well-designed catch share programs to help maintain or rebuild fisheries, and sustain fishermen, communities, and vibrant working waterfronts, including the cultural and resource access traditions that have been part of this country since its founding. The policy explicitly recognizes that catch shares may not be the best management option for every fishery or every sector of a fishery and that NOAA will not require catch share programs. The development of catch share programs should be based on close collaboration with Federal, state, and industry partners through the council process to evaluate catch share options and design programs that meet the needs of their unique regional fisheries.

Improvements to Science and Recreational Fisheries Data to End Overfishing

Science-based decision making is at the core of the *Magnuson-Stevens Act*. Each year, NMFS

conducts stock assessments around the country which include rigorous peer review processes to ensure the best available results. All eight Regional Fishery Management Councils now have functional Science and Statistical Committees that provide science-based acceptable biological catch recommendations for stocks in a fishery that the Councils must follow when establishing management measures. The Councils and their Science and Statistical Committees also more consistently account for scientific uncertainty in the stock assessments and management uncertainty in the fishery. Based on these uncertainties and where data permits, they are developing control rules that identify the risk of overfishing stocks or exceeding an annual catch limit under different management scenarios. They are also making recommendations about what data is needed to improve management for various fish stocks.

NMFS continues to strive to improve our scientific knowledge of marine fisheries. The President's FY 2012 budget includes an increase of \$15 million to improve Expanded Stock Assessments. These funds would improve assessments for high priority stocks; update assessments for stocks more frequently; and conduct fishery-independent surveys to enable assessment of more stocks, including data poor stocks. High priority stocks include commercially and recreationally valuable stocks and associated fishery-limiting stocks with high scientific or management uncertainty influencing annual catch limits, as well as those that were previously experiencing overfishing to verify that overfishing has ended. All regions of the Nation have some assessments that will benefit from these increased funds.

A workshop with 43 participants from NMFS, the Councils' Scientific and Statistical Committees, and academia was held February 15-17, 2011 to explore the science needed for even better implementation of annual catch limits. Within each of eight topics, the workshop explored feasible improvements for the next 5 years. Increasing data collection, including advanced technologies and cooperative research, and more methods standardization were key findings to support a faster tempo of assessment updates needed for annual catch limit determinations. NMFS will release a report of these discussions and seek additional input on these topics.

Cooperative research with the fishing industry is another useful component to ensuring sustainable fisheries. For example, the development of the Ruhle trawl for the New England groundfish fishery resulted in gear that retains abundant haddock and eliminates overfished cod and flounder. Pelagic longline fishermen in the Atlantic worked with NMFS to demonstrate that new circle hook and bait requirements could reduce sea turtle interactions in Atlantic swordfish fisheries. When the \$20 million Hawaii-based pelagic longline fishery was closed in 2001 due to turtle interactions, these innovations from the Atlantic allowed the Hawaii-based fishery to reopen.

The *Magnuson-Stevens Act* also required improvements to recreational fisheries data collected by NMFS for use in management decisions. In October 2008, 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. The design of regional programs is guided by

research projects which provide recommendations for modifying or developing new survey methods. The President's FY 2012 budget includes an increase of \$3 million to improve the timeliness and quality of catch monitoring in recreational fisheries. This includes funding to implement monthly, rather than bimonthly, surveys of fishing effort to support updates to catch estimates in the Southeast and Northeast Regions and to initiate electronic trip reporting and dockside validation of such trip reports in "for-hire" fisheries in the Southeast and Northeast Regions.

In January 2011, NMFS submitted a report to Congress, entitled "Counting on the Future of Recreational Fishing," as required by the *Magnuson-Stevens Act*. That report provided specific documentation of the actions NMFS has taken to implement the statutory requirements, including the requirement to implement the recommendations of the National Research Council review to the extent feasible. Overall, the report concludes that NMFS is on track toward fully implementing new requirements of the law through a deliberate, scientifically rigorous process engaging a broad and diverse range of scientists, state and Federal agency partners, Fishery Management Councils, Marine Fisheries Commissions, government and non-government marine scientists, stock assessors, recreational fishermen, ocean conservationists, business people, coastal communities, and others.

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 will significantly improve the quality of recreational fishing data. Since January 2010, anglers and for-hire fishing vessels that fish in the Exclusive Economic Zone or who fish for anadromous species have been required to register with NMFS (or a cooperating state agency) so we can better collect effort and participation information. Using these lists of known anglers as the basis of telephone and mail surveys will significantly improve the efficiency of recreational data collection and the quality of recreational fishing data.

The Marine Recreational Information Program is also developing and implementing numerous other survey improvements to address the National Research Council's recommendations. Improved survey methods will be phased in beginning this winter with the implementation of a new, unbiased estimation method that will re-estimate Atlantic and Gulf of Mexico recreational catches based on data collected in 2011 and prior years by the Marine Recreational Fishery Statistics Survey. Complementing the improved estimation method, an improved shoreside survey design has been tested for collecting catch data needed for estimating total catches of different fish species. This new design will be implemented in 2012 to further improve the accuracy of recreational catch statistics for the Atlantic and Gulf States. Other survey improvements to address the National Research Council panel's recommendation regarding sources of potential bias and improvements in for-hire fishery data will also be completed and implemented over the next two years.

Challenges

Despite considerable progress, challenges still remain, including continuing to increase the quality and quantity of scientific data, dealing with difficult transitions to a more biologically

and economically sustainable condition, and ensuring that resource allocations are fair and equitable.

Annual catch limits and accountability measures require improvements to our stock assessments and monitoring efforts. They call for us to look ahead to the catch levels that will prevent overfishing. Solid, science-based determination of these levels needs better linkages to ever-shifting environmental and ecosystem conditions. Moreover, U.S. fisheries are extraordinarily diverse in value, participation, and science needs. Our science efforts strive to balance these needs, by conducting the best possible assessments of our more important stocks, and conducting at least baseline monitoring of all fished stocks. We struggle with implementing annual catch limits, in particular, for fisheries with stocks that are considered data-poor or for which monitoring improvements are needed. Together with our partners, to address these situations, we continue to explore alternative approaches that will produce the best available information to incorporate into management. In light of climate change and ocean acidification, it is increasingly important that we start to understand ecosystem factors and incorporate them into our stock assessments and management decisions as well.

The development of Limited Access Privilege Programs has raised concerns from fishermen with respect to a variety of issues ranging from consolidation to loss of community access to monitoring costs among others. As we move forward in our development and implementation of these programs, we are firmly committed to working with the Councils, fishermen, and the broader fishing community to help them consider the multitude of options a properly designed program can offer to address these potential challenges.

Rebuilding fish stocks provides an opportunity to consider allocation of resources among different users without necessarily reducing the allocation of one stakeholder group at the expense of another. Allocation discussions are challenging and can harden the lines and attitudes of some stakeholders because of the real or perceived loss of fish. However, as fishery resources increase, we can have a more fruitful discussion about allocation in light of conservation, social, and economic objectives of fisheries management. We need to recognize that many people have made sacrifices and acknowledge that short-term hardship was suffered with the expectation of future benefits, but we also need to look at the greatest net benefit to the Nation. We are starting to examine this issue in more depth to determine if any new guidance or policy would assist the Councils when they consider National Standard 4 – ensuring fair and equitable allocations – in their deliberations during the development of fishery management plans.

The combined effects of implementing the *Magnuson-Stevens Act* will result in: (1) increases in allowable harvests in some fisheries over time; (2) improved stability and predictability in most stocks; and (3) more stable incomes and increased profitability in catch share fisheries. Achieving these benefits will not happen quickly or easily. These changes take time and require some significant short-term sacrifices by fishermen who participate in these fisheries. Challenges in the short-term include:

- Ending and preventing overfishing by means of annual catch limits may mean lower harvests and incomes in the short-term;
- Rebuilding overfished stocks, especially those with long rebuilding periods, involves a difficult transition while the stocks recover;

- Improved scientific information depends on adequate support for stock assessments and other research programs, an uncertain proposition in light of the prevailing budget austerity;
- Achieving our goals with respect to marine recreational registries and data will depend on the continued cooperation of the coastal States and recreational community; and,
- Finally, addressing all of these issues and keeping us on track will require a continued adaptive and participatory management process, which will enable us to deal effectively with new information and ecosystem changes.

While in the short-term, it may require sacrifices by fishermen, following through on the steps being taken now will provide significant long-term economic benefits to fishermen, coastal communities, and the Nation. As previously mentioned, if all stocks were rebuilt allowing harvest at maximum sustainable yield, we estimate this would generate an additional \$31 billion in sales impacts, support an additional 500,000 jobs, and increase ex-vessel value by \$2.2 billion.

NMFS is mindful that all of these activities and efforts are occurring in the midst of one of the most difficult economies we have seen in years. As some fishermen make sacrifices to comply with these new requirements, the state of our national economy is undoubtedly compounding the weight of their sacrifices.

Conclusion

It is important to keep in mind that sustainability of our Nation's fisheries, the goal of the *Magnuson-Stevens Act*, is something that is maintained. Our living marine resources and the marine environment is dynamic – constantly changing – and we need to have adaptive, responsive management to sustain successful fisheries management. We have mechanisms in place through the public, transparent Fishery Management Council process and through our science and management programs to monitor the status of fish stocks regularly, annually when we can, and respond quickly to changes in stock abundance, especially if any overfishing is detected.

We have dedicated significant funding to achieve the 2007 reauthorization's objectives. A total of \$153.4 million is included in the President's FY 2012 budget request to support implementation of the *Magnuson-Stevens Act*. Funding increases have been received each year since 2008 to support a phased-in approach to implementing the new provisions of the Act. This funding supports a wide variety of activities undertaken by NMFS and the Councils, including developing and implementing annual catch limits, expanding stock assessments and improving commercial and recreational fishery statistics, supporting at-sea observers, peer review of scientific information, cooperative research, Limited Access Privilege Programs, enforcement, bycatch reduction, economics and social science research, deep sea coral research and technology, and international efforts.

Funding uncertainties may seriously affect implementation of the *Magnuson-Stevens Act*. Congress provided NMFS with significant resources in FY 2010 to achieve these mandates including funding for annual catch limits, stock assessments, and recreational fisheries data collection. Significant deviations from the President's FY 2012 budget request, let alone

reductions below the FY 2010 level, would constrain our ability to achieve our long-term objectives.

We are now in a unique position to ensure that the Nation's marine fisheries are both biologically and economically sustainable in the future. Implementing the *Magnuson-Stevens Act's* provisions to end overfishing and rebuild stocks through the partnership between NMFS, the Regional Fishery Management Councils, the commercial and recreational fishing industry, environmental groups, and the public is the key component in ensuring this future. With continued support we will make substantial progress toward science-based, effectively managed, and economically viable commercial and recreational fisheries that will benefit coastal communities and the Nation as a whole. As noted, the potential economic and social benefits of rebuilt fisheries we stand to gain are considerable. The *Magnuson-Stevens Act* provides great flexibility in adapting rebuilding plans to the life history differences among species and nuances of particular fisheries. The requirement for timely rebuilding of stocks within the context of gaining improved economic performance from rebuilt fisheries has already resulted in a number of successful rebuilding programs—such as for Atlantic sea scallop, lingcod and swordfish—and much improved resource conditions for others, such as the groundfish complex on the West Coast. Over the next few years, having eliminated overfishing for the 40 stocks where such conditions now exist will add to this list of successful rebuilding plans.

As fisheries rebuild, they will also provide social benefits. More stable fisheries should ease some of the stress on industry participants that we have seen in recent years. Limited Access Privilege Programs can contribute to stabilizing the economics of coastal communities. Ending the “race-to-fish” and reducing overcapacity should produce continued improvements to the safety of fishermen at sea. The projected improvements in economic performance of U.S. fisheries should result in an increase in employment in the domestic seafood industry and more stable income to participants. Importantly, future generations of Americans will be able to enjoy abundant and productive marine recreational fisheries. Overall, robust commercial and recreational industries will generate billions of dollars of economic activity cross the broader U.S. economy, rippling outward from the marine sector to support sales and employment in manufacturing, wholesale, and retail along the coast and providing an economic engine for sustaining working waterfronts and economically resilient coastal communities.