Testimony of

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On behalf of

Center for Coastal Conservation
American Sportfishing Association
Coastal Conservation Association
International Game Fish Association
National Marine Manufacturers Association
The Billfish Foundation

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A Community Perspective on Catch Shares

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Good morning Madame Chairwoman. My name is Jeff Angers, and I am the president of the Center for Coastal Conservation. I am native Louisianian and a recreational fisherman. I would like to thank you for this opportunity to address the Committee as it discusses community perspectives on catch shares.

My testimony today is presented on behalf of my organization, American Sportfishing Association, Coastal Conservation Association, International Game Fish Association, National Marine Manufacturers Association and The Billfish Foundation.

Our organizations appreciate that implementing catch shares in commercial-only fisheries can be a useful tool for managing harvest, however they are an inherently inappropriate tool for recreational-only fisheries.

We have serious concerns about the potential impact of commercial catch shares on the recreational sector in mixed-use fisheries (in which there are both recreational and commercial components). Our organizations respectfully submit that the Draft Policy Catch Share Policy of the National Oceanic and Atmospheric Administration under consideration lacks the necessary guidance to protect the recreational sector from adverse impacts associated with the implementation of a catch shares policy in mixed-use fisheries.

Given the cascading and substantial impacts of fisheries restrictions and closures currently underway in a number of key recreational fisheries, the protection of the recreational sector should be a priority for the Congress – and for NOAA Fisheries as it develops any new overarching policy on catch shares. At a minimum, NOAA should ensure that vital socio-economic information on recreational fisheries is gathered prior to the issuance of any final policy; undertake a re-evaluation of allocations prior to implementing a commercial catch share system, and allow inter-sector transfers of catch share quota through mechanisms that ensure equitable access to the recreational sector.

In mixed-use fisheries where there is a large and growing recreational sector, exclusive fishing rights proposals maximize benefits to the commercial fishing industry while ignoring the participation, conservation value and economic contribution of recreational fishing, which totals $80 billion and provides over half a million jobs – an economic impact equal to or greater than commercial fishing economic impacts.

Catch shares in mixed-use fisheries are viewed by recreational fishermen as permanently setting quotas, which in sustainable fisheries impedes and ultimately retards growth for the recreational sector. Freezing fisheries participation is directly contrary to sustaining recreational fishing development and encouraging a greater conservation ethic.

We recommend that the following principles should be included in the national catch share policy.

Thorough Economic Impact Analysis on Recreational Sector

The implementation of a catch share system is intended to make significant changes in the operation and benefit distribution in the commercial sector of the fishery. By its very nature it

will have an impact on every other sector of the fishery. As part of its advocacy for the increased use of catch shares, NOAA Fisheries frequently points to a very laudable goal – achieving the full economic value of the commercial sector. However, the goal should not come at the expense of the recreational sector. Instead it should be the policy of NOAA to maximize the economic potential of an *entire* fishery, including the recreational sector. According to NOAA Fisheries, recreational fishing contributes about $80 billion to the nation's economy annually, which is roughly equal to the commercial sector, while accounting for 54% of the jobs (in domestic fin fishes) and only three percent of the catch. NOAA Fisheries needs to recognize this contribution and place equal investment in thoroughly analyzing the economic impacts of catch shares on *all* the sectors in the fishery prior to the initiation of a catch share system.

NOAA's Draft Catch Share Policy states that, "Instances where such impacts are reasonably foreseeable, Councils and NOAA should evaluate the effects of catch shares on all sectors associated with the fishery, regardless of whether they are in the catch share program" (p. 5). However, a full-fishery evaluation should be undertaken regardless of whether or not the councils reasonably foresee an impact on the recreational sector. This analysis should include the economic contribution of industries directly related to a recreational fishery and relevant downstream economic impacts, including boat sales, marina activity, boat construction and repair, fishing gear and tackle sales, hotels, restaurants, grocery stores and other peripheral businesses and industries.

Updated Sector Allocation Prior to Catch Share System

Once councils and NOAA Fisheries have the necessary economic information, councils should then undertake a review of current allocations for any mixed-use fishery under consideration for a catch share program. Catch share systems are put in place using a "snapshot" of the economic contribution and catch history of a fishery. It is incumbent upon the regional council and NOAA Fisheries to ensure that this snapshot is up-to-date and equitable prior to moving forward with a catch share program. Rather than relying on a snapshot of the past, we believe NOAA Fisheries has a stewardship obligation to position these resources to provide a better future.

Any final policy should include guidance requiring regional councils to review the current allocations to determine if it is consistent with the best use of the resource for the nation as a whole. If the allocation is deemed not to be in the best interest of the nation as a whole, a reallocation should be conducted by the regional council.

The councils and NOAA Fisheries have a long and unfortunate history of not addressing sector allocation. However, if one of the Administration's national policies will be to promote a system that provides the commercial sector with an inherent advantage to accessing a fishery, it can no longer be business as usual. NOAA must face the allocation challenge head-on through its Catch Share Policy otherwise the existing allocations guarantee inequitable and harmful treatment of the recreational sector.

If a meaningful reevaluation of existing allocations is not undertaken for fisheries considered for catch shares, our organizations will strongly oppose the implementation of the policy.

The catch share policy should include a requirement that periodic reviews (not to exceed three years) of the allocation should be part of the design of the catch share system to ensure that the fixed regulatory allocation reflects the best interests to the nation of the use of the resource.

Provisions for Inter-Sector Transferability

Our final recommendation to ensure minimal adverse economic impact on the recreational sector is to provide for inter-sector access to catch share as a way of reallocating and insuring free market access. The clear assumption of NOAA's Draft Policy is that this portion of the quota is dedicated to the commercial sector, for a time uncertain, regardless of any economic or demographic changes. This puts the recreational sector at an immediate disadvantage that must be remedied.

Consideration of inter-sector transfers ought to be a mandatory part of any analysis.

There are many key components that should be part of inter-sector transferability. First and foremost, commercial quota holders should not be permitted to lease quota for the long-term or permanently. Such a scenario would equate to a commercial fisherman retiring off the benefits acquired from a common property resource. Fisherman should be required to either fish their quota for the long-term or sell it to a party willing to take advantage of the opportunity.

In addition, NOAA should provide guidance to councils on how to permit state-established entities to purchase quota on behalf of their citizens. States have a long history of fishery management and, on the whole, a trusted relationship with recreational anglers. Providing them with the ability to purchase quota on behalf of their angling public will help to maintain public access to a public resource, while promoting sound fisheries conservation. In addition, recreational fishing data collection could be improved through the states. Such a mechanism will help alleviate any inherent negative impacts on the recreational sector, especially if the councils and NOAA Fisheries are unwilling or unable to achieve sector reallocation that most accurately reflects the full economic value of a fishery.

Should a state be allowed to purchase commercial quota on behalf the recreational fishing community, a process should be established to provide transparency to recreational anglers. Transfers to states for recreational fishing should be managed under the same regulations that otherwise apply to the recreational fishery. It must also ensure fairness among all anglers to avoid further allocation fights regarding the state-held quota. We recommend that NOAA undertake pilot projects in the Gulf of Mexico and Southeast Alaska to test the merits of inter-sector transferability.

Thank you again for the opportunity to comment on community perspectives on catch shares. It is our goal to ensure that any forthcoming policy recognizes and protects the economic contribution of the recreational fishing and boating industries. We would like to work with the Subcommittee toward that end.

Madame Chairman, that concludes my testimony, and I would be happy to take questions.

About our organizations…

The *Center for Coastal Conservation* (Center) is a coalition of the leading advocates for marine recreational fishing and boating. It is dedicated to promoting sound conservation and use of ocean resources by affecting public policy through the political process.

The *American Sportfishing Association (ASA)* is the sportfishing industry's trade association, committed to looking out for the interests of the entire sportfishing community. We invest in long-term ventures to ensure the industry will remain strong and prosperous as well as safeguard and promote the enduring economic and conservation values of sportfishing in America. ASA also represents the interests of America's 60 million anglers who generate over $45 billion in retail sales with a $125 billion impact on the nation's economy creating employment for over one million people.

The *Coastal Conservation Association (CCA)* is a national recreational fishing membership organization of some 100,000 members and is organized to do business is 17 States on the Altantic, Gulf of Mexico and Pacific Coasts. It has been actively involved in the majority of the nation's marine resource debates since its inception in 1977. Its membership is composed of recreational fishermen who fish for every important marine recreational fish available in the EEZ. CCA brings not only an educated perspective on how to fish, but a conservation ethic which recognizes the value of recreational fishing as a pastime and obligation to take care of the resource and use it to the best benefit to the nation.

The *International Game Fish Association (IGFA)*, is a 70 year old world renowned not-for-profit organization committed to the conservation of game fish and the promotion of responsible, ethical, angling practices through science, education, rule making and record keeping. IGFA accomplishes its mission by enlisting the voice of over 300 official IGFA representatives in nearly 100 countries, and more than 15,000 angler-members around the globe.

The *National Marine Manufacturers Association (NMMA),* the nation's leading marine industry trade association, represents nearly 1,600 boat builders, engine manufacturers, and marine accessory manufacturers who collectively produce more than 80 percent of all recreational marine products made in the United States. The U.S. recreational marine industry contributes more than $30 billion in new retail sales and 300,000 jobs to the economy each year.

The Billfish Foundation (TBF) is dedicated to conserving and enhancing billfish populations around the world. The non-profit organization is an effective advocate for international change, synthesizing science and policy into fishery management solutions. By coordinating efforts and speaking with one voice, TBF is able to work for solutions that are good for billfish and not punitive to recreational anglers.