

Statement of
W.F. “Zeke” Grader, Jr., Executive Director
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Before the
House Resources Committee
Subcommittee on Fisheries, Wildlife & Oceans
Regarding
HR 21, the “Oceans Conservation, Education
& National Strategy for the 21st Century Act”
26 April 2007

Madam Chairwoman, members of the Subcommittee, my name is Zeke Grader and I am the Executive Director for the Pacific Coast Federation of Fishermen’s Associations (PCFFA), a position I have held for the past 30 years. PCFFA represents working men and women in the West Coast commercial fishing fleet, engaged in a number of different fisheries and utilizing many different gear types. Individuals belonging to our member organizations are primarily owner/operators or crew of small to mid-sized fishing vessels – the “family fishermen.”

I was pleased to be asked by the Subcommittee to testify this morning on HR 21. Let me just say at the outset that the biggest problem I have with the bill is its name, which, with all due respect to members, is kind of clunky. Name aside, however, the bill has a number of features that are innovative and should be adopted in our national effort to protect our oceans and ensure sustainable fisheries.

As an organization, PCFFA has taken considerable interest in the development of national ocean policy. Our former president, Pietro Parravano, was one of two commercial fishermen members on the Pew Oceans Commission and he has remained active with the Joint Oceans Commission Initiative (JOICI). Mr. Parravano still serves as the President of our non-profit research and education arm, the Institute for Fisheries Resources.

Our interest in the development of an overall ocean policy goes back to the early days of the Fishery Conservation & Management Act, now called the Magnuson-Stevens Act, and our frustration with not being able to address non-fishing factors, such as land and water use practices and pollution impacts as they affected the conservation and management of fish stocks. While it was true at that time most of the impacts on fish stocks came from fishing, a few species such as salmon were being ravaged by factors well beyond the control of either the regional fishery management council, the National Marine Fisheries Service, or even the state fishery agencies. Indeed, the only way at all we’ve been able to effectively get at non-fishing impacts on fish stocks has been through the Endangered Species Act. The problem is, it only kicks in well after any directed fishery has been stopped and stocks are in deep trouble, even threatened

with extinction. We've had no similar statute at hand for protecting healthy fish stocks from non-fishing factors.

Thus, any measure that can help to protect fish habitat and fish stocks from non-fishing activities – those activities the fishery councils and agencies have no authority over – is welcomed. A national ocean policy to coordinate the activities of the various federal departments and agencies whose activities affect our oceans will help the regional councils and NMFS be effective in carrying out their conservation and management mandates.

There are five specific areas I'd like to touch on here today in regards to HR 21.

Establishment of a National Oceans Policy

Reviewing Title I of HR 21 in its current draft, the language I believe captures the recommendations of both the Pew Oceans Commission and the U.S. Commission on Ocean Policy. Moreover, I believe it will be helpful to our national efforts to better manage our fish stocks – restoring and protecting them – and ensuring their sustainable use.

We do have concern regarding the application of the precautionary approach and what that could mean in situations where we are data poor with the potential for severe restrictions or closures in such instances. However, we also recognize the need for caution when little is known to prevent potential fishery collapses through inadvertent over-harvest. The precautionary approach needs to go hand-in-hand with a well-funded program for research and regular and comprehensive data collection. This is why we believe the creation of a fishery trust fund, as well as one for ocean research and management generally, is urgent

There is one bit of caution we would add here, however. In our experiences in working with departments such as Interior, there are those agencies with an alpha dog complex that tend to dominate, e.g., the Minerals Management Service, the Bureau of Reclamation that too often override sister agencies charged with the conservation of resources, i.e., the U.S. Fish & Wildlife Service. Thus, simply creating an ocean policy and calling for agencies to coordinate their activities affecting oceans and marine life will not by itself work unless there is constant diligence – by the Congress and non-governmental organizations, both conservation and fishing – to ensure development does not override conservation and the protection of natural resources, including the fish stocks fishing men and women rely on for their livelihoods.

Fisheries Can No Longer Be a Poor Stepchild in a Science Agency

A change we would suggest to HR 21 in its Title II would be in adding sections prior to the existing Section 204 Resource Management, setting forth the role of a fishery agency, perhaps a Bureau of Fisheries & Aquaculture - recalling the history of the old Bureau of Fisheries with an acknowledgement of the need for regulation over aquaculture in coastal and ocean waters. The charge here is broader than just resource protection - to also include the preservation of the nation's fishery heritage (commercial, recreational, tribal), its fishing communities, and abundant and healthful, not merely sustainable, fish populations. We also need to provide direction to

aquaculture development to ensure it is conducted in an ecologically sound manner and does not threaten, but compliments our wild capture fisheries.

Additionally we need a fishery agency that has its own identification and that is viewed internationally on its own and not a mere subset of NOAA. We don't need a "NOAA Fisheries", no more than we'd tolerate a DOD Navy. That's why we think it may be time, with the reorganization called for in HR 21, to finally establish a U.S. Bureau of Fisheries & Aquaculture.

Congress may also wish to do the same for the national system of marine sanctuaries, estuarine reserves, monuments and protected areas, creating a stand-alone with its own clear identification. Among other things, stand alone identification (as opposed to the demeaning NOAA Sanctuaries of whatever on what day they chose to call themselves) lets the public know clearly who is in charge. With the growing importance of our sanctuaries, reserves and protected areas, a stand- alone entity with its own identification is probably warranted.

National Ocean Leadership and Regional Coordination

PCFFA is pleased that fisheries have been included in Section 304, the Council of Advisors on Ocean Policy, along with the tribes. The establishment of a system of regional coordination in Title IV of HR 21 is also welcomed. I felt the regional ecosystem panels, that were recommended by the ocean commissions, had considerable merit and was somewhat taken aback by the negative reaction and vehemence from the regional fishery management councils. Regional ecosystem panels, I believe, will actually enhance the authority of the regional fishery councils, not diminish it. For the first time, they would have say over non-fishing activities that may impair the implementation and effectiveness of fishery management plans.

Resource Information System

PCFFA is very supportive of the language in Section 405 to create Ocean Ecosystem Resource Information Systems. We have become solid converts to this method of gathering, organizing and presenting data, including research, graphs, photographs, etc., based on the Klamath Resource Information System (KRIS) that was developed for watershed management in Northern California watersheds, as well as some in British Columbia and Maine.

It strikes us that if ecosystem based management is to go beyond hype and press releases it must have a solid foundation and that is a knowledge base. A resource information system serves as a repository for all types of data for a specified place (place-based) and organizes and integrates it in such a way as to be useful. Moreover, it can provide the "so-what" of the data, making it meaningful to both policy makers and the public, by posing hypothesis in a peer-reviewed fashion regarding the meaning of various data. Further, a resource information system, such as proposed in HR 21, provides an inventory of research to better identify data gaps and prioritize research needs.

Trust Fund

Finally, we wish to commend the authors for including a trust fund to support our nation's ocean activities. For at least a decade our organization has recognized the inadequacy of funding sources for fisheries and oceans and has been pushing for both a fishery trust fund (an article and draft legislative language is attached to this testimony) and a larger ocean trust fund. I am concerned about the funding source for the trust fund put forward in HR 21, but at the very least the bill is raising the issue and it would be a start. Indeed, the trust fund language established in the recently reauthorized Magnuson-Stevens Fishery Conservation & Management Act is from a small source, but it is an important beginning. We believe it can be built on with the funding source we have suggested together with a detailed method for the distribution of the monies to ensure the funds are appropriately applied and well-spent. The same we think could be true with what is being proposed in HR 21 – that it is a beginning to be expanded upon.

Conclusion.

Thank you again Madam Chairwoman and Subcommittee members for this opportunity to provide this perspective from a commercial fishing organization. We look forward to working with the authors and this Subcommittee in the development and passage of legislation that will further our efforts to better protect our oceans as well as the living marine resources that depend on them – the fish and fishermen. I will be happy to answer any question members may have.

Attachments:

1. Fishermen's News, August 2003
2. Fishery Research, Development & Conservation Fund

Attachment 1

THE PACIFIC COAST FEDERATION OF FISHERMEN'S ASSOCIATIONS

From Fishermen's News of August, 2003

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PLANNING AND PAYING FOR FUTURE FISHERIES RESEARCH

FISH STOCKS AND FISHING COMMUNITIES DEPEND ON GOOD DATA

By Pietro Parravano, Ky Russell, Paul Siri

There it was, above the fold in a newspaper one morning this past month: record federal deficit expected this year and an even larger one next year. The occupation of Iraq was costing double the original estimate and is now pegged at \$4 billion per month with the prospect of American troops being there another 5 years. In a matter of three short years the federal government had gone from a huge budget surplus to a record deficit. With budget hawks becoming restive, the message is clear: there will be fewer federal dollars available in the foreseeable future – for social programs, for education and for the management of fisheries.

At a time when many of the nation's fisheries are in crisis, either because of stock declines (real or imagined), or concerns over the impacts of certain types of fishing gear, or from bad markets, this news could not have come at a worse time. Foremost among the unmet funding needs is for better fisheries research and stock assessments.

While the Department of Agriculture is throwing caution to the wind pushing genetically modified seeds and crops around the globe, and the National Marine Fisheries Service (NMFS) appears equally reckless by actively promoting open ocean aquaculture, fisheries will be facing increasing limitations based on the precautionary approach for fishing. Conservation groups want it, the United Nation's Food & Agriculture Organization (FAO) is advocating it, even NMFS is giving it some consideration. Indeed, many fishing groups believe some variation of the precautionary principle is necessary, since it means exercising proper precautions to prevent damaging or overfishing stocks. However, without good information about fish stocks, fishing could come to a near standstill and that's the rub. Informed management information comes from research (such as stock assessments) and this research requires federal funding.

So there you have the danger. We now have a nation suffering record deficits and an economy in recession. Federal dollars will be increasingly scarce. Yet federal dollars fund most of the research our fisheries management process depends on. Without the information derived from

research and environmental monitoring, fishery management must inevitably become extremely conservative, plummeting the nation's fishing industry into an even deeper depression than it's in already.

One answer would be to simply throw out the precautionary approach and fish like there's no tomorrow. The problem with this approach is that politically it would never fly, because it would mean more or less abandoning stewardship and sustainability as a guiding management principle. The public, and most politicians, believe the oceans and our fisheries are in trouble. Whether that's so and to what extent is the subject of another debate, but suffice it to say that's the belief, and it's going to be hard to convince folks otherwise. The problem with realistically assessing fisheries problems is that the debate is complicated by the fact that all fisheries have different environmental and ecosystem characteristics. Additionally, there are different management systems, often utilizing information that is inconsistent in type and quality from one region to another. Also, one consistent problem is that all management is hampered by inadequate data and there are often major data gaps.

Finally, to the extent these problems are real (and some of them apparently are), it would also be pretty stupid indeed for any of us to go on a fishing binge today with no thought about the future, particularly since we have already seen how terribly hard a fisheries collapse hits our own people.

Frankly, salmon fishermen must be able to demonstrate they are fishing responsibly when they are in the legislatures and courts arguing for better fish flows or protection of riverine habitats. Most squid fishermen would not be willing to fish wide open after they fought hard to get their fishery regulated just to prevent a future collapse. If the fishing industry could fish unfettered of regulations, it would have a hard time convincing its consumers their fishing was sustainable – all fish could end up on the “red list” of the various seafood buyer's guides. So throwing out some reasonable version of the precautionary approach would be a serious mistake. If we cannot regulate ourselves, we will be regulated nonetheless -- by agencies, by the markets and by eventual fisheries collapses.

TYPES OF INFORMATION NEEDED

So what do we need to do to develop the information necessary to fish responsibly, to have sustainable fisheries? We are not, after all, interested in research for the sake of research but for very practical purposes. What types of information do we most need so informed fisheries management decisions can be made?

Stock Assessments. Obviously, frequent and complete stock assessments are essential. This need should be patently obvious to our groundfish fishermen, who are feeling the brunt of what happens when stock assessments are done only tri-annually, rather than annually, and when they do not include the complete range of key species, such as bocaccio. Good ocean coverage both in time and geographically is a necessity for accurate stock assessments. The last thing we need is any more last-minute nasty surprises of the kind that result in more emergency closures.

Life History. Beyond knowing how much fish of a particular stock is out there – the size of the biomass – it helps if we know a little bit more about the fish, such as their age, when and how often they spawn, the environmental conditions required for spawning, where they are found, what they feed on, their habitats, etc. So in addition to stock assessments, basic information on life histories and the environment is also needed.

Gathering information on stock sizes and life histories lends itself, in most instances, to the opportunity for fishermen and scientists to work together. Not all fishery research requires specialized research vessels or PhD's. Costs can be minimized by utilizing fishermen and their vessels in research activities in collaboration with scientists. Not only can costs be contained by utilizing existing fishing craft and the knowledge of working fishermen, but combining the experience of fishermen with the training of scientists can greatly improve the quality and amount of the data being gathered.

Fortunately there is a growing amount of research that is being done cooperatively with both fishermen and scientists. The U.S. Northeast Coast provides good examples of the type of research that can be done efficiently and effectively by utilizing the strengths of both of these communities. Through government sponsored programs, the Northeast fishing community has access to several million dollars of funding for cooperative research each year. Funding is distributed through NMFS, grant programs and a multi-university collaborative research group organized by a stakeholder advisory group to set research priorities and distribute funds for research. These programs have funded hundreds of cooperative research projects dealing with bycatch reduction, life history of stocks, environmental and habitat measures, monitoring the effects of closed areas, outreach and education. These programs can be accessed online at www.FishResearch.org and www.northeastconsortium.org.

There have also been some recent developments that will better facilitate these types of comprehensive research programs here on the West Coast as well. There have been cooperative research programs on the West Coast for years dealing with stock assessments, tagging studies to discover life histories and habitat requirements of salmon, tuna, and other species, and bycatch reduction gear studies, to name but a few. What we in the west have lacked is large amounts of federal money to develop programs where fishermen can design and implement their own research programs.

However, with the unveiling of www.FishResearchWest.org in June of 2003, one new tool to help meet this goal has been created. Now fishermen can research funding opportunities in one location, search for interested scientists to collaborate with on a project, enroll in a fishermen's database that scientists can search, and be able eventually to learn how to write effective grant proposals. Other optimistic news is that for 2003, the National Marine Fisheries Service has designated cooperative research monies for the Pacific States Marine Fisheries Commission to give such grants to fishermen and scientists. Four projects have so far been funded, including groundfish trapping studies and bycatch reduction research in the ridgeback prawn fishery. These projects can be viewed at www.psmfc.org.

These programs are obviously just first steps toward helping us develop a comprehensive, cooperative research program that has fishermen involved at every level of the planning and

decision making process, and that can even improve upon the model already working on the East Coast.

In addition to the above two types of research, there is also a need to expand upon these traditional activities to incorporate at least two other forms of directed research, coupled with the development of a resource information system to put the data into a form that can be easily used as well as easily updated as new information becomes available, and that is transparent and easily accessible.

Genetics. The development of genetic information and the application of these data has proven invaluable in designing captive broodstock programs for the recovery of ESA-listed salmon stocks. Development of genetic markers and research in population genetics for all fish stocks could be critical in the future for purposes of both recovery and management of many other species.

Among other things, the development of genetic identification for various fish stocks would make it possible to quickly determine where a fish is from, its family and other important information without even killing the fish. For example, it may be possible to catch a rockfish, take a small tissue sample, release the fish (with or without taking length and weight measurements) and even return that fish to the water. The tissue sample, once submitted to a laboratory, could be genetically analyzed within 48 hours or less (utilizing current technology), thus providing timely information on which to make management decisions. Environmental information can also be derived from tissue sampling. For example, it is now possible to reconstruct feeding histories and correlations to past ocean productivity, through chemical analysis alone.

Coastal Observation Systems. Finally, the development of a system for integrated ocean observation is needed. This involves the placing of shore-based and ocean instruments gathering physical and biological information including on currents, water temperature, upwellings and other physical characteristics. This sort of information is critical in helping us understand the various factors affecting fish populations at any given time. From such studies we know, for example, that the current cold water conditions along the Pacific Coast and the upwellings they produce have greatly benefited ocean productivity, increasing the abundance of krill for whales and everything in between, including squid, sardines, salmon, and even juvenile bocaccio.

Information from coastal observation systems can also reduce uncertainty in fisheries management by defining likely long and short term ocean variability, identifying sources and sinks of marine pollution, and providing a basis to assess total ocean carrying capacity. This approach reduces the uncertainty resulting from much larger processes – like the Pacific Decadal Oscillation – that we now know drive long-term ocean productivity over large areas of the Pacific and impact everything from coho and chinook migration to coastal rainfall and water resources.

Research around fish genetic identification and coastal observation systems both lend themselves to collaboration between scientists and fishermen, even if only simply utilizing fishermen in collecting tissue samples or deploying and maintaining these instruments.

Gear Development and New Fisheries. Finally there is great need for research to foster the development of more selective or more environmentally benign gear for some fisheries. A lack of research monies has thwarted such development. Likewise, a lack of research monies has also hindered the development of potential new fisheries. Any federal fishery research program should make a portion of its funds available for gear development or new fishery development.

Resource Information Systems. Finally, in determining the type of fishery research that needs to be undertaken to support management data needs and assure that fisheries are conducted in a sustainable manner, there has to be in place a system capable of accepting the data that, as noted above, (1) is readily updated, (2) is readily accessible to fishermen, scientists and policy makers, and (3) is transparent. Probably the best example of such a system for compiling information, from GIS to various data points, graphs and photographs, is the Klamath Resource Information System (KRIS) that has been developed for Northern California coastal and now Central Valley watersheds, as well as some in Washington, Maine and Canada. To see an example of how the KRIS program works, go to www.krisweb.org.

In summary, once we agree that the types of research needed for the protection and sustainable management of our fisheries consists of the traditional (1) stock assessments and (2) life histories studies, combined with (3) genetic identification, (4) ocean observations, (5) gear and new fishery development, and placed in a (6) readily accessible resource information system, all with an emphasis on collaboration between fishermen and scientists, then we have the basis of a good research program ready for funding.

A RELIABLE SYSTEM OF FUNDING

The next question is how to fund such a research program at the federal level. Traditionally, federal funds for research have been made through annual Congressional appropriations. Indeed, that's just about how all federal programs are funded.

The problem, of course, as we identified at the outset, is that we're not likely to see much in the way of federal funds for fisheries or fisheries research in the near future if Congress and the Administration start getting serious about dealing with the budget deficit. Even as it is, funding for fisheries management now has to compete with every other funding priority, and is usually very low on the list. So what do we do? The prospect of getting the monies from the states is no better. Don't even think about California, not with its own record budget deficits. Yet should fishing stop simply because there's no money for obtaining the information needed to manage fisheries?

One alternative to being dependant upon *ad hoc* annual Congressional appropriations is to develop a special trust fund at the federal level, where fees from a specific source are deposited into a special account that can only be used thereafter for certain specified purposes. The Highway Trust Fund is one such example, supported by gas taxes for the purpose of funding transportation projects. Why not do the same to fund basic fisheries data collection and research?

Probably the best known special fund in the fisheries and wildlife area has been the Dingell-Johnson and now the Wallop-Breaux funds. The latter is supported by a tax on sportfishing

equipment and is used to support sportfishing programs in the 50 states. While there are some details of the Wallop-Breaux program that we find problematic (the 5 percent cap on how much any state can receive, for example, no matter how much it has contributed, or leaving it up to state fishery and wildlife agencies to determine how to spend the funds), it does provide a useful model for a beginning point on how to set-up such a program.

POTENTIAL FUNDING SOURCES?

Landing Taxes. If a special fund could be set up, ala Wallop-Breaux, at the federal level, what then would be the source of funds? Landing taxes, which are used by many of the states to fund fishing programs, are probably not a good source.

First, many states are already utilizing them as a funding source, at least here on the west coast, meaning fishermen would be hit with a tax at both state and federal levels. Even though most landing taxes are theoretically paid by processors, they are really paid for by fishermen in the price of fish they receive from buyers. So even though fishermen may not write the check for these taxes, it is reflected in the checks they get from processors.

Second, placing a second tax on fish landings would create a further competitive disadvantage for domestically produced fish as against foreign imports. This is something neither the salmon or shrimp fisheries could bear right now.

Third, with so many fisheries currently depressed and with landings so low, there is the question of whether this would be a good funding source anyway, even if states weren't collecting landing taxes or there was no foreign competition problem.

Fishing Gear Tax. This is one reason the establishment of a federal fund for fisheries research should not follow Wallop-Breaux to the letter. A tax on commercial fishing equipment, unlike recreational fishing gear often bought at Wal-Marts, Sears and other large retail outlets, does not lend itself well to any type of special tax system. The gear tends to be very large ticket items, currently exempted from sales tax, and mostly manufactured (with the exception of engines and electronics) by small firms or home built. Moreover, such a tax on gear would, like a landing tax, put U.S. fishermen at an even greater competitive disadvantage than they are now with respect to foreign competition. Additionally it could act to stifle fishermen from making needed changes to their vessels, including installation of cleaner-burning and more fuel-efficient engines, more selective fishing gear, or better fish-handling equipment aimed at increasing the value of catches in times of declining landings.

Fuel Tax. Currently commercial fishing vessels are exempt, along with farm vehicles, from paying the highway road tax paid for by other gasoline and diesel fuel equipment. A nominal fuel tax on diesel used in fishing boats to pay for such a fund may make more sense than any tax on landings or gear, but is still problematic. True, it could act as an additional incentive for fishermen to install less fuel-consumptive engines, but with the currently high cost of diesel fuel and the low margins most fishermen are operating under such a tax would more likely drive fishermen out of business than provide a good revenue stream for fishery research.

Tidelands Oil Revenues. Another possible funding source could be tideland oil revenues, that is, a portion of the royalties received by the federal government for oil and gas leases on the outer continental shelf. The problem is, a lot of other folks are looking to get their hands on these funds too, including the states, which do receive some of these monies already. Another problem of course is that those fishermen most impacted by offshore oil and gas development - Gulf of Mexico and Santa Barbara Channel fishermen, in particular - may feel they should have a greater access to and a greater say over funds derived from tidelands revenues. Finally, making a fishery program, especially fisheries research, dependent on offshore oil drilling could act as an unwanted incentive for fishery agencies to begin advocating for offshore oil drilling – in New England, off Central and Northern California, Oregon, Washington and Bristol Bay where currently there is a moratorium.

Ad Valorem Tax on All Seafood. The last and possibly the best source of funds for a federal fishery research program would be to charge a nominal *ad valorem* tax on all seafood sold in the U.S. Seafood is already a high ticket item in most supermarkets and restaurants, and a small tax on it would probably not deter any buyers. Moreover, it could give the public a good feeling that they're helping to save the oceans and fish with their seafood purchases. Since such a fee would be on all seafood sold in the U.S. it would neither be onerous on domestic fishermen, nor a tariff on imports (and thereby raising the hackles of free traders and the WTO). Finally, with it being *ad valorem*, the fee would be based on the price per pound of the fish, from buffalo fish at a few mil to swordfish at a few cents on the pound.

A nominal *ad valorem* tax on all seafood sold as a source of funding for a federal fisheries research program makes the most sense to us. But the concept is not without its problems and those are mostly political. Some in the Congress, so taken up with their own anti-tax rhetoric, may be loathe to implement such a program no matter how necessary it may be or how dire the consequences if money is not found for fishery research. Second, there is little doubt the idea will make a great deal of money for lobbyists hanging around the bar of the Capitol Hill Club buying drinks for the Majority Whip with the funds they'll be getting from all the fish importers, domestic and foreign, claiming such a tax will be taking food out of the mouths of their children.

So it will be a political battle. The question is whether fishing groups, management agencies and scientists can grow the backbone to stand up to fish importers' groups that have been leading many in this industry around by the nose for such a long time.

DETAILS, DETAILS

Identifying what types of research are needed and how best to fund those efforts are not the only issues to be considered in establishing a program to support and undertake the research needed for our nation's fisheries. The distribution of the funds is critical, too, for an effective research program. After all, what good does it do to identify research needs and raise monies for them, without a responsive system for allocating the necessary funds? Here are a few different ways for distributing fishery research funds and our own preference.

State Distribution. This is how Wallop-Breaux is done. The U.S. Fish & Wildlife Service, which administers that program, distributes the funds to the states up to a maximum of 5 percent of the

total fund to any one state. The problem is, since the passage of Magnuson-Stevens over 25 years ago, most of our fisheries are now conducted on a regional basis under fishery council authority, and not on a state basis. Moreover, with the current budget crises many state fish and wildlife agencies are facing, there may be a real temptation by the states to simply use the federal funds to pay for what were originally state programs.

Regional Councils. Entrusting the eight regional fishery management councils with determining research needs, pursuant to the nationally established research program outlined above, should be considered, but is still problematic. First, the councils don't have management authority over all marine fishes, only the ones they've developed federal management plans for. Second, there is a real danger some fishery research needs will get short shrift depending on the make-up of the given councils. Nevertheless, at least the Pacific Fishery Management Council already publishes a good list of fishery management research data gaps, so the Councils certainly can play a constructive role in determining fishery management research needs and priorities.

Interstate Fishery Commissions. The interstate marine fishery commissions were established over 50 years ago for, among other things, distributing federal research dollars on the Atlantic, Gulf and Pacific Coast (as well as the Great Lakes). Generally, however, these were monies appropriated by Congress with specific guidelines on how those funds could be spent. Since the state delegations to the commissions are not always representative of the fisheries within those states, it would be very easy for certain fisheries or fisheries sectors to get short shrift in the selection of research projects. The commissions could play a valuable role in distributing research funds, but if they were given the final say there could be considerable opposition from various industry sectors across the country. The commercial fisheries along the east coast may very well object to using the Atlantic States Marine Fisheries Commission for such a purpose.

Fishery Research Consortium. One suggestion, and one that makes a great deal of sense to us, would be to form a national research fishery consortium and under it regional consortiums for the purpose of allocating research funds to the regions, which in turn would make grants for specific research projects. These consortiums would consist of representatives from the regional councils, the interstate commissions, the NMFS research laboratories as well as representatives from university research facilities and a majority of members from fishing organizations. Obviously some conflict-of-interest rules would have to be put in place to prevent either NMFS or universities from using their positions in such consortiums to direct research monies to themselves, but we believe such a consortium would be much more representative than any of the existing entities, and more knowledgeable as well. In New England such a research consortium has already been established (although not obviously for distributing federal fishery research dollars) and one is now being considered as well for the west coast.

CONCLUSION

These are difficult financial times for our nation and our fisheries. Unfortunately, the situation is only going to get worse over the next several years. As an industry, we can sit and complain, do nothing and watch things go to hell. Alternatively, we can take steps to remedy these problems and assure a future for this industry. However, solutions will take leadership and they will take action.

In this essay we have provided you a rough outline of a reliable mechanism to perpetually fund management data collection programs so critical for our fisheries, and without which there would be no fishing. We've given our ideas on what types of research are most needed, and how to distribute research monies fairly and based on real management needs.

One thing is certain: unless the fishing industry speaks out in favor of better research programs, and develops a plan for funding them, the dollars are simply going to dry up -- and with it much of the fishing industry. What are your thoughts?

Pietro Parravano is a commercial fisherman from Half Moon Bay, California. He is current President of the Pacific Coast Federation of Fishermen's Associations (PCFFA) and has served as a member of the Pew Oceans Commission. Ky Russell works for the Institute for Fisheries Resources (IFR) and heads its Sustainable Fisheries Program, currently focusing on fisherman-scientist collaborative research. Paul Siri is a fishery biologist and former Associate Director of the University of California's Bodega Marine laboratory. He is currently assisting state, federal and international efforts to implement ocean observation systems and is a science advisor to the Institute for Fisheries Resources (IFR).

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Attachment 2

SUBTITLE __ – FUNDING FISHERIES RESEARCH, DEVELOPMENT AND CONSERVATION

Sec. ___---FISHERIES RESEARCH, DEVELOPMENT AND CONSERVATION TRUST FUND

(a) FINDINGS – Congress makes the following findings:

- (1) Fishing is America's oldest industry and has played an important role in the development of the nation and its culture; it is an important contributor to the economy and source of

employment, as well as a source of high value food, subsistence for native peoples, and recreation.

- (2) The fishery resources of the United States are a public trust resource, held in trust for the benefit of the citizens of the nation.
- (3) Aquaculture, or the cultivation of fish, shellfish and aquatic plants, has existed for thousands of years and is now the fastest growing form of food production.
- (4) Many of the nation's fisheries, taking place within the U.S. Exclusive Economic Zone, coastal and inland waters, are currently languishing or in crisis brought about, in part, to a lack of funding for research, and comprehensive and timely stocks assessments, in addition to a lack of funds for development of fishing gears that are more selective and do not damage habitat or impair wildlife, coupled with inadequate funds for recovery and restoration of fish stocks.
- (5) Congress has significantly increased appropriations in the past five years for the National Oceanic and Atmospheric Administration, the National Marine Fisheries Service and its fishery programs and regional fish restoration, however, these funds have not met the myriad of needs facing the nation's fisheries, nor will future appropriations likely meet such demands, considering Congress' responsibility to balance the nation's other pressing demands.
- (6) Many states have been forced to cut back funding for fishery programs, or have been unable to meet new mandates or fishery needs thereby jeopardizing fish stocks and fisheries.
- (7) The recommended utilization of the precautionary principle in the regulation of the nation's fisheries and a transition to ecosystem-based management will help to assure the nation's fisheries are conducted in a sustainable manner, but will increase administrative costs for fisheries, particularly in the short term, requiring new research and management tools.
- (8) Programs utilizing the nation's fishing men and women and their vessels in collaborative research programs, restoring fish stocks, developing more selective and less damaging fishing gear, producing high quality and healthful products, preventing, controlling and eradicating invasive aquatic species, and developing and utilizing educational materials have either proven successful or have the potential to benefit the nation's fish stocks and fisheries, but will require funds over and above those currently appropriated by the Congress.
- (9) The nation's aquaculture industry has lagged behind that of many other countries, however many of the forms of aquaculture in those other nations have been environmentally destructive, produced fish with elevated levels of contaminants, displaced traditional fishing communities and resulted in a net decrease in the available protein supply; these lessons point to the need for funds aimed solely for aquaculture

development in the nation's ocean and coastal waters that result in a net increase in the world's supply of edible protein, are conducted in a way that does not harm the environment, nor impair fisheries or other maritime activities, and whose products meet all U.S. Environmental Protection Agency guidelines for safe seafood consumption.

- (10) Trust funds, established within the U.S. Treasury, including those for transportation and recreational fishing, based on user fees, have provided additional funds, otherwise not available through the appropriations' process, for these types of projects and have generally been supported by the public paying into such trust funds.
- (11) The Sport Fish Restoration Act, a trust fund paid with recreational fishing dollars, has proven highly popular and successful enhancing the nation's stocks of fish available to anglers and creating new recreational fishing opportunities.
- (12) A trust fund is needed now within the U.S. Treasury, that should be derived from a nominal fee on all fish and seafood products sold in the U.S., to support the nation's unmet fishery needs and new demands on fisheries, and those programs and projects essential for sustainable and thriving fisheries and aquaculture.

(b) ESTABLISHMENT OF FUND – There is established in the Treasury of the United States a permanently appropriated trust fund which shall be known as the 'Fisheries Research, Development and Conservation Trust Fund'. Monies deposited to the fund shall be used to (1) broaden marine fish research and data collection, including collaborative research programs involving fishermen and scientists; (2) facilitate development of selective fishing gears and the transition to their use, and development and use of technologies to improve the health and safety of seafood landed by U.S. fishing vessels, (3) assist fishermen and tribal fish restoration and recovery programs; (4) develop fish conservation measures and technologies, (5) provide aid to foreign nations for fishery enforcement, wildlife conservation that affects U.S. fisheries, and preserving and promoting artisanal fishing communities; and (6) support development and operation of ocean instrumentation and regional ocean ecosystem resource information systems used in support of ecosystem-based fisheries management. In each fiscal year after fiscal year 2007, the Secretary of the Treasury shall deposit into the Fund, in an interest bearing account, the following amounts:

- (1) fines assessed for fishery violations pursuant to 16 U.S.C. 1801, *et seq.*
- (2) penalties assessed for fishery violations pursuant to 16 U.S.C. 1801, *et seq.*
- (3) a two and one half percent (2½ %) *ad valorem* Fisheries Conservation Fee levied on all fish, seafood, and products containing more than 50 percent by volume of fish or shellfish, from all sources, sold in the United States at the point of retail sale, or, for food service facilities, at the point of purchase by that facility of the fish or seafood product, and including those fish or seafood products used for animal and fish feed and fertilizer, and aquatic plants intended for human consumption, excepting all animals and plants, including feed, used for aquaria, and any fish or seafood product used in the research, development or production of medicines and pharmaceuticals.
- (4) interest earned pursuant to the requirements of subsection (f).

(c) USE OF FUNDS – (1) At the end of each fiscal year after fiscal year 2007, the Secretary of the Treasury shall transfer all funds in the trust fund established under subsection (b) to the Secretary to carry out the purposes of this section. In general, funds shall be used for fishery research, analysis, and financial assistance needs not already required under other sections of this title and identified by the regional Advisory Committees established under section ___(a)(1), as necessary for effective fishery conservation and management. All funds received shall be expended within one year of their being received by the Secretary, except an amount not to exceed 20 percent may be retained that may have been encumbered for multi-year programs.

(2) Except as provided in (c)(3) and (c)(4) funds shall be available only for:

- (A) fishery research and analysis, including collecting information on the status of fish stocks and the life history of managed species, identifying ecosystem effects of fishing and other human activities, monitoring ecosystem trends and dynamics, with emphasis on collaborative programs engaging both fishermen and scientists;
- (B) observer programs and fisheries law enforcement;
- (C) research and development of fishing gear and practices to avoid bycatch, minimize the mortality of unavoidable bycatch, minimize adverse affects on wildlife, or minimize fishery impacts on essential fish habitat;
- (D) providing financial assistance to fishermen to offset the costs of modifying fishing practices and gear to meet the requirements of this Act;
- (E) providing financial or other incentives for fishermen to develop and utilize fishing gear and practices that avoid bycatch, the mortality of unavoidable bycatch, adverse affects on wildlife, and adverse impacts on essential fish habitat;
- (F) development of conservation programs, measures or technologies to foster the restoration of fish stocks or their habitats, including recovery of fish stocks listed under the Endangered Species Act, that are landed in U.S. commercial, recreational or tribal fisheries;
- (G) Alaska fishery infrastructure development, with emphasis on fish preservation facilities and transportation;
- (H) assisting development of methods or new technologies to improve the quality, health safety and value of fish landed;
- (I) conducting analysis of fish and seafood for health benefits and risks, including levels of contaminants, and determination, where feasible, of the source of such contaminants;
- (J) development of non-polluting, sustainable aquaculture technologies that result in a net increase in the production of protein for human consumption;
- (K) programs to prevent, control, or eradicate invasive aquatic species, including the development of fisheries, where permitted and that will not spread invasive species, for the purpose of controlling or eradicating non-native aquatic plants and animals;
- (L) development of uses for fish offal and other fish waste, and aquatic invasive plants and animals when part of a control or eradication program, with emphasis on new animal and fish feeds and fertilizers; and
- (M) development and establishment of curricula for
 - (i) continuing education programs for fishing men and women, and aquaculturists, including professional certification; and

(ii) K-12 educational materials on fishing and fisheries.

- (3) The Secretary may use up to 15 percent of the total fund each year to support:
- (A) development, deployment and maintenance of ocean instrumentation that will aid the National Oceanic and Atmospheric Administration, the National Marine Fisheries Service, and the Regional Fishery Management Councils in development of ecosystem-based management plans; and
 - (B) development, implementation and operation of regional ocean ecosystem resource information systems for use by the National Oceanic and Atmospheric Administration, the National Marine Fisheries Service, and the Regional Fishery Management Councils in the development of ecosystem-based management plans and the conservation and management of the nation's fisheries.
- (4) The Secretary, in consultation with the Secretary of State, may use up to 10 percent of the total fund each year to assist:
- (A) foreign nations' enforcement of fishing laws, or cooperation with the U.S. in the enforcement of international fishing laws, for purposes of conserving and managing stocks of fish imported into the U.S;
 - (B) foreign nations', or organization's operating within those nations, programs to conserve and restore wildlife populations whose conservation affects the regulation of U.S. fisheries; and
 - (C) the preservation and promotion of sustainable fisheries within artisanal, including subsistence, fishing communities.

(d) ALLOCATION OF FUNDS - (1) Funds collected under subsection (b)(3) shall be disbursed among the following 10 regions, established pursuant to section ___(a), excepting no region shall receive in excess of 30 percent of the total annual amount collected pursuant to subsection (b)(3), as follows:

- (A) not less than 5 percent shall be allocated per annum each to the New England, Mid-Atlantic, South Atlantic, Caribbean, Gulf, Pacific, North Pacific and Western Pacific region, and
 - (B) not less than 2 percent shall be allocated per annum each to the Great Lakes and Inland Waters regions.
- (2) All funds collected pursuant to subsection (b)(3) and all of the funds collected under subsections (b)(1), (2), and (4) shall be allocated by the Secretary, except as provided under (c)(3), to address the highest priority needs as identified by the Regional Advisory Committees established pursuant to section ___(a).
- (3) In determining the allocation of funds collected under subsection (b)(3), priority shall be given to those projects or programs that are the most cost efficient and having the highest likelihood of success, and consideration shall be given, consistent with (c)(1)(A), to:
- (A) the region(s) having the highest level of fish and seafood production;
 - (B) the region(s) demonstrating the greatest need for such projects or programs;
 - (C) those programs or projects capable of generating up to a one-half financial match from state or private funding sources for requested projects or programs.

- (4) Funds expended for observer programs and fishery law enforcement shall not exceed 10 percent of the total amount of the fund each year, nor shall they be used to replace funding for existing observer programs, and priority for their use shall be given to programs or projects involving the testing and utilization of experimental fishing gears.
- (5) Funds allocated for aquaculture shall only be for those programs or projects that foster or aid those types of aquaculture that:
- (A) add to the nation's net available supply of usable, edible protein for human consumption;
 - (B) do not discharge pollutants into the nation's waters;
 - (C) do not spread disease or parasites into the wild;
 - (D) do not release, deliberately or accidentally, fish or shellfish into the wild, unless pursuant to an approved fishery restoration or enhancement program;
 - (E) utilize only stocks native to the area of operation, that are not genetically-modified in anyway; and
 - (F) do not interfere with or impede fishing or other traditional maritime uses of ocean waters
 - (G) produce fish, shellfish, or aquatic plants that meet U.S. Environmental Protection Agency guidelines for safe fish and seafood consumption.

(e) LIMITATION ON USE OF FUNDS ---

(1) Funds made available under this section shall not be used to defray the costs of carrying out the requirements of this Act or absolve the federal government of responsibility to fund fisheries research and management.

(2) Notwithstanding any other provision of law, the Secretary, or any other entity that receives funds under this section, shall not use more than 2 percent of those funds for administrative purposes.

(f) INTEREST – The Secretary of the Treasury shall invest moneys in the Fund (including interest), and in any fund or account to which moneys are transferred pursuant to subsection (b) of this section, in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary of the Treasury, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity. Such invested moneys shall remain invested until needed to meet requirements for disbursement for programs financed under this section.

Sec. ____ – REGIONS, ADVISORY COMMITTEES AND DISPERSAL OF FUNDS.

(a) ESTABLISHMENT OF REGIONAL ADVISORY COMMITTEES –

(1) There are established 10 Fishery Research, Development and Conservation Regions for the purpose of receiving monies from the Fishery Research, Development and Conservation Fund, each with a Regional Advisory Committee that shall meet not less than once each year for the purpose of recommending to the Secretary programs or projects proposed for funding pursuant to Sec. ____ (b)(2), from each region as follows:

- (A) **New England** - The New England Advisory Committee shall consist of the States of Maine, New Hampshire, Massachusetts, Rhode Island and Connecticut and shall make recommendations to the Secretary for projects or programs in the state waters, and Exclusive Economic Zone and territorial waters offshore those states, and is comprised of seven voting members, with one member selected by the New England Fishery Management Council, one member selected by the Atlantic States Marine Fisheries Commission, and five public members nominated by the Governors of the member states and appointed by the Secretary, including two persons representing commercial fishing men and women, one person representing aquaculture, one person representing marine conservation interests, and one person representing a marine academic institution.
- (B) **Mid-Atlantic** – The Mid-Atlantic Advisory Committee shall consist of the States of New York, New Jersey, Delaware, Pennsylvania, Maryland and Virginia and shall make recommendations to the Secretary for projects or programs in the state waters, and Exclusive Economic Zone and territorial waters offshore those states, and is comprised of seven voting members, with one member selected by the Mid-Atlantic Fishery Management Council, one member selected by the Atlantic States Marine Fisheries Commission, and five public members nominated by the Governors of the member states and appointed by the Secretary including two persons representing commercial fishing men and women, one person representing aquaculture, one person representing marine conservation interests, and one person representing a marine academic institution.
- (C) **South Atlantic** – The South Atlantic Advisory Committee shall consist of the States of North Carolina, South Carolina, Georgia and Florida and shall make recommendations to the Secretary for projects or programs in the state waters, and Exclusive Economic Zone and territorial waters offshore those states, and is comprised of seven voting members, with one member selected by the South Atlantic Fishery Management Council, one member selected by the Atlantic States Marine Fisheries Commission, and five public members nominated by the Governors of the member states and appointed by the Secretary including two persons representing commercial fishing men and women, one person representing aquaculture, one person representing marine conservation interests, and one person representing a marine academic institution.
- (D) **Caribbean** – The Caribbean Advisory Committee shall consist of the Virgin Islands and the Commonwealth of Puerto Rico and shall make recommendations to the Secretary for projects or programs in the commonwealth waters, and Exclusive Economic Zone and territorial waters offshore Virgin Islands and Puerto Rico, and is comprised of seven voting members, with two members selected by the Caribbean Fishery Management Council and five public members from the Virgin Islands and Puerto Rico nominated by Caribbean Fishery Management Council, who are not members of that council, and appointed by the Secretary, including two persons representing commercial fishing men and women, one person representing aquaculture, one person representing marine conservation interests, and one person representing a marine academic institution.
- (E) **Gulf of Mexico** – The Gulf of Mexico Advisory Committee shall consist of the States of Texas, Louisiana, Mississippi, Alabama and Florida and shall make

- recommendations to the Secretary for projects or programs in the state waters, and Exclusive Economic Zone and territorial waters offshore those states, and is comprised of seven voting members, with one member selected by the Gulf of Mexico Fishery Management Council, one member selected by the Gulf States Marine Fisheries Commission, and five public members nominated by the Governors of the member states and appointed by the Secretary including two persons representing commercial fishing men and women, one person representing aquaculture, one person representing marine conservation interests that is not affiliated with recreational fishing, and one person representing a marine academic institution.
- (F) **Pacific** – The Pacific Advisory Committee shall consist of the States of California, Oregon, Washington and Idaho and shall make recommendations to the Secretary for projects or programs in the state waters, and Exclusive Economic Zone and territorial waters offshore those states, and is comprised of eight voting members, with one member selected by the Pacific Fishery Management Council, one member selected by the Pacific States Marine Fisheries Commission, a Tribal representative appointed by the Secretary following consultation with Tribal governments having recognized fishing entitlements, and five public members nominated by the Governors of the member states and appointed by the Secretary, including two persons representing commercial fishing men and women, one person representing aquaculture, one person representing marine conservation interests, and one person representing a marine academic institution.
- (G) **North Pacific** – The North Pacific Advisory Committee shall consist of the State of Alaska and shall make recommendations to the Secretary for projects or programs in the state waters, and the Exclusive Economic Zone and territorial waters offshore that state, and comprised of ten voting members, with one member selected by the North Pacific Fishery Management Council, one member selected by the Pacific States Marine Fisheries Commission, one member selected by the Alaska Board of Fisheries, and six public members nominated by the Governor of Alaska and appointed by the Secretary, including one Native Alaskan corporation representative, three persons representing commercial fishing men and women, one person representing shellfish aquaculture, one person representing marine conservation interests, and one person representing a marine academic institution. The Governors of Washington and Oregon may also submit nominations for public membership of persons engaged in Alaskan fisheries or their conservation and management, for appointment to the North Pacific Advisory Committee.
- (H) **Western Pacific** - The Western Pacific Advisory Committee shall consist of the States of Hawaii, American Samoa, Guam, and the Northern Mariana Islands and shall make recommendations to the Secretary for projects or programs in the state waters, and the Exclusive Economic Zone and territorial waters offshore the states, and is comprised of seven voting members, with two members selected by the Western Pacific Fishery Management Council, and five public members nominated by the Governors of the member states and appointed by the Secretary as follows: two persons representing commercial fishing, one person representing marine conservation interests, one person representing aquaculture, and one person representing a marine academic institution. There shall be not less than one voting

member from each of the represented states on the Western Pacific Advisory Committee.

- (I) **Great Lakes** – The Great Lakes Advisory Committee shall consist of the States of Minnesota, Wisconsin, Michigan, Illinois, Indiana, Ohio, Pennsylvania and New York and shall make recommendations to the Secretary for projects or programs in state waters and the U.S. territorial waters of the Great Lakes, and is comprised of eight voting members, two of which shall be selected by the Great Lakes Fisheries Commission, one person appointed by the Secretary to represent Tribal fishing interests, following consultation with the affected Tribal governments, and four public members nominated by the Governors of the member states and appointed by the Secretary as follows: one person representing commercial fishing, one person representing aquaculture, one person representing conservation interests, and one person with fisheries expertise representing an academic institution.
 - (J) **Inland Waters** – The Inland Waters Advisory Committee shall consist of all non-coastal States that are not members of any other advisory committee established pursuant to this subsection, and on whose waters or lands fish or shellfish are landed or reared for commercial sale, and shall make recommendations to the Secretary for projects or programs in the nation’s inland waters, and shall consist of five members, appointed by the Secretary, following consultation with the Secretaries of Agriculture and Interior, two of which shall be State fishery directors or their alternates, to serve on a rotating basis, and three shall be public members, one person to represent commercial fishing, one person to represent aquaculture, and one person to represent conservation interests, and one person to represent an academic institution engaged in inland or freshwater fish research.
- (2) Ex-Officio Members - There shall be five ex-officio members on each of the Advisory Committees, established pursuant to (a)(1), one each to represent the National Marine Fisheries Service’s science center(s) in each region, the U.S. Coast Guard, the National Sea Grant Program, the U.S. Fish and Wildlife Service, and a public member, which may include charter fishing boat operators, appointed by the Secretary, to represent recreational fishing.
 - (3) Terms – Public members shall serve a term of three years, beginning with one-third serving a one-year term, one-third serving a two-year term, and one-third appointed to a three year term.
 - (4) Appointments – In appointing public members to Regional Advisory Committees, the Secretary shall consult with groups or organizations whose interests are to be represented on the committees prior to making any appointments and shall appoint only persons who are knowledgeable, by way of experience or academic training, of fisheries, aquaculture and marine or aquatic conservation, and who are capable of serving and representing the broad range of concerns of the interest they are appointed to represent.
 - (5) Conflicts of Interest – No member of an Advisory Committee shall have any financial interest in any program or project under consideration by an Advisory Committee for which he or she is a member. Any member of an Advisory Committee having a financial

interest in any program or project under consideration shall recuse themselves from any deliberations or vote affecting such program or project.

- (6) Compensation – Advisory Committee members shall be compensated at federal *per diem* rates for not more than 10 days of meetings each year. All costs shall be paid from funds allocated for administrative purposes pursuant to Section ___(d)(2)

(b) RECOMMENDATIONS FOR FUNDING – (1) Not later than 15 days following the transfer of funds by the Secretary of the Treasury to the Secretary, pursuant to Section ___(b)(1), the Administrator shall notify each of the Advisory Committees the amount of funds available for use by the Trust Fund. Not later than 15 days from notification by the Secretary to the Advisory Committees, the Advisory Committees shall issue requests for proposals for programs or projects eligible for funding under this Title. Advisory Committees in their requests for proposals may state types of programs or projects that are the highest priority for that region for that year. All proposals for funding shall be submitted to the appropriate Advisory Committee not less than 45 days following the request for proposals.

- (2) Proposals for funding programs or projects under this Title may only be submitted by:
- (A) organizations representing fishing men and women, including marketing associations, cooperatives and marketing boards, councils or commissions, Tribal governments, Native Alaska corporations, and private aquaculturists;
 - (B) a State or Federal agency, an academic institution, or a marine conservation organization when a program or project is a joint proposal with a commercial fishing, Tribal or aquaculture partner. Proposals that benefit recreational fishing, together with either commercial or Tribal fishing or aquaculture, shall be encouraged whenever possible, including those proposed for joint funding involving Sport Fish Restoration Act, 26 U.S.C 2504(a), monies, with funds available under this Title; and
 - (C) a State or Federal agency or academic institution for any fishery observer program.
- (3) Not later than 30 days following the submittal of proposals, Advisory Committees shall meet, consider all proposals submitted, and vote to approve a list of programs and/or projects for each of their regions and transmit them to the Secretary, along with any priority list established for a region.
- (4) Not later than 45 days following the submittal of recommendations from each of the Advisory Committees, the Secretary shall review and select programs or projects for funding from the lists of recommendations and enter into contracts for the work to be performed, excepting any of those subject to an appeal pursuant to (5).
- (5) In selecting programs or projects for funding that Secretary shall follow the recommendations of the Advisory Committees, consistent with Sec. ___(c)(2)(3) and (d)(4)(5) and the funds available for each region. The Secretary shall, each year following the selection of programs and projects, transmit to the Congress the names of the

programs and projects, the region and the rationale for their selection. In the event the Secretary selects a program or project from a region that was not recommended by its Advisory Committee or was given a lower priority than other programs or projects not selected, the Secretary shall transmit to that regional Advisory Committee written findings on why the selection was made and provide that Advisory Committee not less than 30 days to respond in writing appealing the Secretary's selection.

(c) MULTI YEAR PROPOSALS AND FUNDING – (1) The Advisory Committees may recommend and the Secretary approve programs or projects of more than one year duration if funding is available or projected.

(2) The Secretary, pursuant to Sec. ___(c)(1) may hold any funds in the account for the following year where all of the monies have not been allocated or allocate some funds for the following year or years if he or she finds the monies may be needed for multi-year proposals or to meet any anticipated decrease in funds available to the trust.

(d) COORDINATION - (1) The Advisory Committees shall cooperate among the regions and facilitate the coordination of program and project development among the regions where such programs or projects address a common fishery.

(2) The Advisory Committees shall cooperate and coordinate whenever possible with the U.S. Fish and Wildlife Service and recreational fishing representatives on projects or programs funded pursuant to the Sport Fish Restoration Act, 26 USC 9504(a).

(3) The Advisory Committees may hold an annual national meeting consisting of not more than one representative from each committee for the purpose of making recommendations to the Secretary on the dispersal of funds among the regions and priority funding needs.