

CITY OF NEW BEDFORD

SCOTT W. LANG, MAYOR

November 16, 2011

To: The New England Fisheries Management Council

From: Scott W. Lang, Mayor of New Bedford, Massachusetts

Dear Council Members:

As the Mayor of the nation's number one fishing port, I write to you today to draw your attention to pressing issues facing the groundfish industry and call on you to take action. From the long history of top-down fisheries management, we are seeing an abrupt exit of several fishing vessels from the groundfish fleet resulting in job loss and economic harm. In a letter dated November 14, 2011, to New England's Senators and Congressman, scores of local and regional commercial fisherman took a stance and called on our nation's leaders to address the litany of unfair flaws in restrictive fisheries management policies and inadequate management infrastructure [see letter attached]. On November 15, 2011, Massachusetts Governor Deval Patrick called on Secretary John E. Bryson of the U.S. Department of Commerce to approve a federal disaster declaration and \$21 million in relief assistance, citing the original Marine Fisheries Institute (MFI) Report and new scientific studies authored by the National Oceanic and Atmospheric Administration (NOAA), the National Marine Fisheries Service (NMFs), the Commonwealth's Division of Marine Fisheries (DMF) and the Massachusetts Dartmouth's School of Marine Science and Technology (SMAST) [see letter attached].

I support the Governor's request and bring to your attention a few of the staggering facts indicated in these reports:

- * Economic loss to the groundfish industry is estimated at \$21 million (MFI Report)
- * In 2010, 10% of the fishermen accounted for 57.7% of the total ground fish revenue up from 47.7% in 2009, demonstrating the continued trend of consolidation with no remedy for those harmed (NOAA's 2010 Performance Report).
- * The groundfish fleet decreased by 109 vessels from 2009 to 2010 (Break-Even Analysis)
- * The groundfish revenue in just one sector fell by 52% (Sector 10 Analysis)

Disaster relief money will provide a much needed band-aid, but is not the ultimate remedy. Allocations need to be adjusted to reflect scientific realities and frameworks implemented that balance conservation with socioeconomics. It is not an overstatement to note that underfishing can be reduced by as much as 50 percent without compromising the sustainability of our various

МСА 11/17/11 - Сылс' 1 МАд 133 WILLIAM STREET + NEW BEDFORD, MA 02740 + TEL. (508) 979.1410 + FAX (508) 991.6189 fisheries and species. This must involve careful examination of stock assessments, overfishing levels, and annual catch limits. In fact, the entire management structure requires a dramatic overhaul. A clear example of this is demonstrated in anecdotal accounts around the still-inprogress assessment for the Gulf of Maine cod. Such accounts claim the fishery went from healthy to severely unhealthy in just three short years. Those assessments are more indicative of a clearly uncertain system than an actual indication of a radical shift in the health of the species' population. A further concern stems from yet another unsubstantiated assertion that there may be an unusually large 2010-year class of haddock. The opening or shifting of areas that are now closed to fishing also merit consideration. The impacts of these closures, particularly George's Banks need to be assessed. Real-time science is required to best understand the health of ocean resources and drive smart management. Collaborative research is the answer to obtaining good science. In addition cameras and sophisticated surveillance technology can replace costly observers.

In closing, I am pleased that Inspector General Todd J. Zinser authorized an investigation of the rule making process. Accountability coupled with open and transparent rule making promises to renew industry trust, establish collaborative processes, and make the institutional fixes requisite to proper management of the fishery resources.

Thank you for your attention to these important matters.

Sincerely,

Scott Lang, Mayor

November 14, 2011

To New England's Senators and Congressmen,

We write to you as active commercial fishermen in New England to express our views on the ongoing transition in our fishery and on the efforts of elected officials to provide assistance. Much has been said and written over the last few years about the development and implementation of a new management system in the groundfish fishery on which all of our small businesses depend. But several crucial facts have been largely ignored in this public dialogue:

- In 2010, our fishery faced mandated harvest reductions on several key stocks in order to meet rebuilding goals and comply with the provisions in the Magnuson-Stevens Act. These reductions were required regardless of what management system was in place at the time.
- While some individual businesses have unfortunately experienced hardship, there was no management alternative that could have avoided this. In fact, the alternative, which remains available to the entire fishery, is the so-called common pool (a 50% reduction in DAS with impossibly low trip limits) and has proven so unpopular it now accounts for less than one percent of the fishery.

A few voices calling for the overturn of the entire Sector system have been amplified in the media, and we understand that our elected officials are trying to respond to their constituents' concerns. Unfortunately, this has led to a series of increasingly dangerous proposals that truly put the future of our businesses and fisheries at risk. Perhaps too many of us in the industry have been too busy making the new system work to consistently weigh in. This letter is our attempt to rectify that situation.

We believe that, rather than rhetoric, our fishery needs New England's elected leaders to promote stability, profitability and flexibility. To do this, we ask you to support:

- Management stability rather than the chaos of a return to the failed days-at-sea program.
- Increased opportunities to target robust stocks and reduced operational costs of management.
- Funding for improving and increasing the frequency of stock assessments to support effective management.

Our jobs and businesses depend on your response. Our fishery continues to face many challenges and is still struggling to deal with some of the problems caused by the days-at-sea system and inadequate management infrastructure. We ask you to please work with us and with those associations that represent us to address these issues and move forward.

Thank you for your continued support and leadership.

Sincerely,

Bonnie Akerly F/V Explorer II, Gloucester MA

Carlos Alberto F/V Luso American I, New Bedford MA

Terry Alexander F/V Jocka, Boston, MA F/V Rachel T, Portland, ME

Pennel Ames F/V Kaos, Nantucket MA

Stephen Arnold F/V Elizabeth Helen, Point Judith RI

Vincent Balzano F/V North Star, Portland ME

Wade Behlman F/V Jennifer Dan, Cotuit MA

Steve Benner F/V High Roller, Port Clyde ME

Mark Bichrest F/V Jennifer & Emily, Gloucester MA

Troy Bichrest F/V Pamela Grace, Cundy's Harbor ME

Wallace Bicknell F/V Miss Melodye, Chatham MA

William Borges F/V Holly Jean, New Bedford MA

Carl Bouchard F/V Stormy Weather, Hampton NH

Tory Bramante F/V America, Boston MA F/V American Pride, Boston MA

Ron Braun F/V Peggy B II, Harwich MA

Christopher Brown F/V Proud Mary, Point Judith RI Antonio Caniera F/V Sunshine, New Bedford MA

Matthew Carter F/V Angela Michelle, Gloucester MA

Chris Chadwick F/V Native Son, Rowley MA

Daniel Connors F/V Early Time, Newburyport MA

Gregory Connors F/V Constance Sea, Chatham MA

Al Cottone F/V Sabrina Maria, Gloucester MA

Gerry Cushman F/V Bug Catcher, Port Clyde ME

Randy Cushman F/V Ella Christine, Port Clyde ME

Guiseppe Dimaio F/V Princess Laura, Gloucester MA

Charles Dodge F/V Edward and Joseph, Chatham MA F/V Strangle Hold, Chatham MA F/V Lady Irene, Chatham MA

Robert Dougherty and Ken Ketchum F/V Linda Marie, Point Judith RI

James Eldredge F/V Yellow Bird, Chatham MA

Kenneth Eldredge F/V Lolo, Chatham MA

Robert Eldridge F/V Unicorn, Chatham MA

Douglas Feeney F/V Sofia, Chatham MA

Steve Follett F/V Heather Lynn, Point Judith RI Jim Ford F/V Ancora Praia, Newburyport MA F/V Lisa Ann II, Newburyport MA F/V Star, Newburyport MA

Joseph Geary F/V Blue Herron, Chatham, MA

Gary Hatch F/V Carol Ann, Cundy's Harbor ME

Eric Hesse F/V Tenacious II, Harwich MA

Kenneth Hunt F/V Cavalier, Portland ME

Mark Hurley F/V Seaborne, Green Harbor MA

Allyson Jordan F/V Theresa & Allyson,Gloucester MA F/V Jamie & Ashley,Gloucester MA

Bruce Kaminski F/V Never Enough, Chatham, MA

Raymond Kane F/V Frenzy, Chatham MA

Pat Kavanagh F/V Mary K, New Bedford MA F/V Moragh K, New Bedford MA

Thomas Kelly F/V Shannon Kristine, Portland ME

Geordie King F/V Ocean Pride III, Eliot ME

Michael Leary F/V American Heritage, Gloucester, MA

Albert Lees F/V Tropico, New Bedford MA F/V Seel, New Bedford MA

Earl LeGeyt F/V Sea Hook, Harwich MA

Glen LeGeyt F/V Morgan I, Harwich MA Paul Lemieux F/V Double Diamond, New Bedford MA F/V Double Diamond II, New Bedford MA F/V Hustler, New Bedford MA F/V Resilient, New Bedford MA F/V Competion, New Bedford MA

Gary Libby F/V Leslie and Jessica, Port Clyde ME

Glen Libby F/V Capt'n Lee, Port Clyde ME Justin Libby F/V Capt'n Lee, Port Clyde ME

Theodore Ligenza F/V Riena Marie, Chatham MA

J. Matthew Linnell F/V Lori B, Chatham MA

Timothy Linnell F/V Perry's Pride II, Chatham MA

Mark Liska F/V Sea Dancer, Chatham MA

Thomas Luce F/V Sea Win, Harwich MA

Jan Margeson F/V Great Pumpkin, Harwich MA

Fred Mattera F/V Travis & Natalie, Point Judith RI

Doug Mayo F/V Capt'n Jake, Gloucester MA F/V Capt'n Mark,Boston MA

William McCann F/V Pilgrim, Wareham MA F/V Shamrock, Wareham MA

Bart McNeel F/V Aaron & Melissa, Gloucester MA F/V Dianne Lynn, Gloucester MA F/V William Lynn, Portland ME

Tad Miller F/V Pretender, Kennebunk ME Gerald Miszkin F/V Ouija, Chatham MA

Benjamin Morgan F/V Lobster Mobster, Chatham MA

David Murdoch F/V Jack Tar, Chatham MA

James Nash F/V Ann Marie, Chatham MA Arnold Nickerson F/V Hayley Ann, Arundel ME

Nicholas O'Toole F/V Zachary T, Harwich MA

James Odlin F/V Teresa Marie III, Gloucester MA F/V Teresa Marie IV, Gloucester MA F/V Harmony, Gloucester MA F/V Nobska, New Bedford MA F/V Morue, New Bedford MA

Joseph Orlando F/V Padre Pio, Gloucester MA

David Osier F/V Blue Water III, Gloucester MA F/V Paulo Marc, Portland ME F/V Jerry & Joe, Portland ME F/V Lori Ann, Portland ME F/V Christina Carol, Portland ME

John Our F/V Miss Fitz, Chatham MA

Frank Patania F/V Maria Joann, Boston MA F/V Sammy Jo, Boston MA F/V Linda, Boston MA

Donald Paulson F/V Misty Mae, Port Clyde, ME

Carlos Rafael F/V Athena, New Bedford MA F/V Vila Nova Do Corvo I, New Bedford MA F/V Hera, New Bedford MA F/V Bulldog, New Bedford MA F/V Cowboy, New Bedford MA F/V Apollo, New Bedford MA F/V Ilha Do Corvo, New Bedford MA F/V Southern Crusader II, New Bedford MA F/V Sasha Lee, New Bedford MA F/V Sancor, New Bedford MA F/V My Way, New Bedford MA F/V Triunfo, New Bedford MA F/V Olivia & Rafaela, New Bedford MA F/V Lady Patricia, New Bedford MA F/V Green Acres, New Bedford MA

Guiseppe Randazzo F/V Razzo, Gloucester MA

Raymond Ransom F/V Lyndsy Liz, Dennisport MA

John Raymond F/V Olympia, Boston MA F/V Flight 1, Boston MA

Peter Reposa F/V Olivia Catherine, New Bedford MA F/V Alexis Martina, New Bedford MA

Christopher Ripa F/V Irish Lady, Chatham MA

Dennis Robillard F/V Julie Ann II, Eliot ME

Phil Ruhle, Jr. F/V Seabreeze Too, Newport RI

Enzo Russo F/V Miss Trish II, Gloucester MA

Michael Russo F/V Gulf Venture, Provincetown MA

Gus Sanfilippo F/V Lilly Jean, Gloucester MA

Russell Sherman F/V Lady Jane, Gloucester MA

Mark Smith F/V Joanne H, Harwich MA

Thomas Smith F/V Seanymph, Orleans MA Robert St. Pierre F/V Rug Rats, Chatham MA

Shawn Sullivan F/V Back Off, Dennisport MA

Rodman Sykes F/V Virginia Marise, Point Judith RI

Thomas Szado F/V Arlie X, Harwich MA

Peter Taylor F/V Sea Hound, Chatham MA

Michael Terrenzi F/V Kelly J, Harwich MA

Paul Theriault F/V Terminator, Gloucester MA

Kenneth Tolley F/V Hunter, Chatham MA

Stuart Tolley F/V Dawn T, Chatham MA

Gregory Tomasian F/V Seabag III, Harwich MA

CC:

Secretary of Commerce John Bryson NOAA Administrator Dr. Jane Lubchenco NOAA Assistant Administrator Eric Schwaab **Regional Administrator Patricia Kurkul NEFMC Executive Director Paul Howard NEFMC Chairman Rip Cunningham** Governor Lincoln Chafee **Governor Paul Lepage** Governor John Lynch **Governor Dannel Malloy** Governor Deval Patrick Associated Fisheries of Maine Cape Cod Commercial Hook Fishermen's Association Midcoast Fishermen's Association Northeast Seafood Coalition Rhode Island Commercial Fishermen's Association

John Tuttle F/V Cuda, Chatham MA

Tye Vecchione F/V Bada Bing, Chatham MA

Willard Viola F/V Black Beauty, Boston MA

Gregory Walinski F/V Alicia Ann, Harwich, MA

Mike Walsh F/V Atlantic Prince, Boston MA F/V Guardian, Boston MA Bob Westcott F/V Ocean State, Point Judith RI

Louis Williams F/V Pretty Girl, Gloucester MA

Michael Woods F/V Jakob & Megan, Chatham MA

James Young F/V Pooh Bah, Fall River MA

Alfred Yuknavich F/V Surf Breaker, Chatham MA



DEVAL L. PATRICK GOVERNOR Office of the Governor Commonwealth of Massachusetts State House • Boston, MA 02133 (617) 725-4000

> TIMOTHY P. MURRAY LIEUTENANT GOVERNOR

November 15, 2011

The Honorable John E. Bryson, Secretary U.S. Department of Commerce 1401 Constitution Ave., NW Washington, D.C. 20230

Dear Secretary Bryson:

Massachusetts fishermen have suffered severe economic hardship under the federal government's latest set of fisheries regulations. I write to ask for your help in formally declaring what we in Massachusetts have known for some time: the Massachusetts multispecies groundfish fishery is suffering a fishery resource disaster.

In November 2010, I made a request to the Department of Commerce to provide \$21 million in direct economic relief to the Massachusetts groundfish fleet for the impact caused by the implementation of and transition to catch shares. To support this request, I submitted a comprehensive Massachusetts Marine Fisheries Institute Report ("MFI Report") which detailed the economic harm Massachusetts fishermen have suffered under Amendment 16, or "catch shares." Specifically, the report estimated that fishermen would suffer \$21 million in lost revenue considering the difference between the value of groundfish allocated to fishermen in 2010 and the annual average landings produced by the same fishermen between 2007 and 2009.

The Department denied my request in January of this year. In that denial, however, Secretary Locke and Assistant Administrator Schwaab suggested economic disaster aid could be available in the future.

Specifically, Assistant Administrator Schwaab noted: "[H]ow sector management is affecting individual fishermen and communities is worth further research in Massachusetts and other states. We want to work with you and the Council to analyze economic data more closely . . . and to identify any fishermen and communities that may be in need of targeted assistance."

We have diligently conducted that research, and the new data gathered shows in greater detail how catch shares have had a devastating impact on the Commonwealth's groundfish fishery. In response to Assistant Administrator Schwaab's offer, Massachusetts has worked collaboratively with the National Oceanic and Atmospheric Administration (NOAA), its National Marine Fisheries Service (NMFS), and researchers from the University of Massachusetts Dartmouth's School of Marine Science and Technology (SMAST) to further define economic impacts previously documented in the MFI's 2010 report. The Massachusetts Division of Marine Fisheries (DMF) has also analyzed finer scale data as it relates to specific fishery sectors. As detailed below, these studies, along with NOAA's 2010 Final Report on the Performance of the Northeast Multispecies (Groundfish) Fishery May 2010-April 2011 ("NOAA's 2010 Performance Report") and the previously issued MFI Report, demonstrate that federal regulations and management policies have caused a significant consolidation of the groundfish fleet, loss of jobs, and reduced revenues all of which have combined to create a fishery resource disaster for the Massachusetts multispecies groundfish fishery.

Industry Consolidation:

NOAA's 2010 Performance Report details a significant shift in the distribution of revenue under catch share management. Specifically, the report analyzed the full year performance of the Northeast groundfish fishery. It shows that, over the past four years, 10% of fisherman accounted for the following total groundfish revenue:

2007 = 45.9% 2008 = 46.9% 2009 = 47.7% 2010 = 57.7%

The 2010 data, compiled at the conclusion of the first year of catch share implementation, shows a statistically significant jump to 10% of fisherman accounting for 57.7% of groundfish revenue. This documents an unexpected and rapid concentration of groundfish revenues being consolidated in fewer individual vessels.

These findings are further verified by a just-released Break-Even Analysis of the New England Groundfish Fishery for FY2009 and FY2010 ("Break-Even Analysis") [Attachment 1], a joint DMF/SMAST/NOAA report that seeks to determine break-even points for vessels by gear category and size. According to the report, fewer vessels participated in the groundfish fishery region-wide during FY2010 following catch share implementation than did so during FY2009. The Break-Even Analysis provides evidence that rapid consolidation has occurred, with 109 fewer vessels fishing for groundfish in 2010 than in 2009, representing a 23 percent decline. This data illustrates the economic impact federal regulations have had on our fishing industry.

Sector-Level Losses:

Additionally, DMF has just issued the Comparative Economic Survey and Analysis of Northeast Fishery Sector 10 (Sector 10 Analysis) [Attachment 2] that details losses at specific fishery sectors. The report concludes that severe economic losses occurred in Sector 10. Between 2009 and 2010, groundfish landings decreased by 61 percent, forcing a 52 percent drop in groundfish revenue - equivalent to \$1,567,000. The sector's total revenue decline of 24 percent would have been much higher if not for a dramatic and unsustainable shift in effort by fishermen to nongroundfish species. Significantly, this shift to non-groundfish species does not come without costs. It is likely to have negative conservation and management implications for other fisheries, as well as potential adverse economic impacts on the revenues of other non-groundfish fishermen.

The transition to catch shares has had a devastating effect on Massachusetts small boat operators in Sector 10. Specifically, in this one sector alone the implementation of catch shares has caused 27 small business owners to lose \$1,567,000 in FY2010. Also in this sector, 30 percent of permit holders lost at least 80 percent of their groundfish revenue, worth \$301,000, while 52 percent lost at least half their revenue,

worth \$667,000. Assembling this report required the cooperation of all Sector 10 members who volunteered confidential information that enabled DMF to determine their fishing costs. While Massachusetts fishing sectors are not homogeneous, we believe the Sector 10 Analysis is illustrative of similar losses across all sectors, particularly among small boat owners.

Furthermore, as part of the Sector 10 Analysis, DMF also compared 2010 aggregate information for all sectors and the common pool that lost revenue versus sectors and the common pool that gained revenue based on groundfish trips alone. This comparison showed total revenue was down approximately \$11 million for 12 of 17 sectors and the common pool. Although we do not have an extensive Sector 10-like analysis informed by the voluntary sharing of confidential business information to evaluate the entire fishery, it is clear from conversations with sector managers that even the five sectors that had revenue gain in 2010 included many members who lost revenue.

Economic Disaster Assistance is Warranted:

Small boat operators are being forced out of business, and many other larger boats are failing to break even. NOAA's 2010 Performance Report notes that, under Amendment 16, "more nominal value was obtained from fewer fish" in 2010. While this may be true in the aggregate, as noted above and in the same NOAA report, this value has not been equally apportioned. The livelihood of these fishermen is at risk because of Amendment 16.

As NOAA's own data confirms, the Massachusetts groundfish fleet is experiencing a significant and rapid consolidation, imperiling our historic and economically important commercial fishing industry. DMF's report details \$11 million in losses across 12 of the 17 sectors and the common pool. When the additional information available from NOAA's 2010 Performance Report, DMF's Sector 10 Analysis, and the Break-Even Analysis is taken together, the total disaster assistance needed for Massachusetts fishermen approaches the \$21 million in our original request.

The Commonwealth is committed to working with NMFS to develop a detailed application process to ensure only adversely impacted fishermen

are eligible for assistance, and would urge the Department to take a broad view of our application in determining an adequate and fair award. The Commonwealth, for its part, commits to work with NMFS to develop a transparent and expeditious plan for disbursement of any federal fishing disaster funds that will assist those in need, as well as to find ways to assist adversely impacted crew members with health and other social service assistance.

I am personally committed to continuing to serve as a constructive voice for fisheries management reform and I look forward to a strong working relationship with you and your team to protect the economic viability of our fishing communities while maintaining a sustainable fishery.

Sincerely,

CC:

Jane Lubchenco, Administrator, National Oceanic and Atmospheric Administration

Eric Schwaab, Assistant Administrator, National Marine Fisheries Service Patricia Kurkul, Northeast Regional Administrator, National Marine

Fisheries Service Senator John Kerry Senator Scott Brown Representative Michael E. Capuano Representative Barney Frank Representative William Keating Representative Stephen F. Lynch Representative Ed Markey Representative Ed Markey Representative James McGovern Representative Richard E. Neal Representative John Olver Representative John Olver Representative John Tierney Representative Niki Tsongas Mayor Scott Lang, New Bedford Mayor Carolyn Kirk, Gloucester

Richard K. Sullivan, Jr., Massachusetts Secretary of Energy and Environmental Affairs

Bill White, Assistant Secretary for Federal Affairs, Massachusetts Energy and Environmental Affairs

Mary B. Griffin, Massachusetts Commissioner of Department of Fish and Game

Paul J. Diodati, Massachusetts Director of Division of Marine Fisheries