

UNITED STATES DEPARTMENT OF COMMERCE
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

MARINE FISHERIES ADVISORY COMMITTEE MEETING

Boston, Massachusetts

Monday, March 20, 2017

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1 P R O C E E D I N G S

2 (8:48 a.m.)

3 MS. MORRIS: Good morning, everybody.
4 Welcome to this lovely setting. When Heidi and
5 Jennifer first described this as the possible
6 location for the meeting this week, I thought it
7 would be really beautiful, and it's exceeded all
8 of my expectations. The water (inaudible). It's
9 a great setting, so thank you.

10 Just to start out, you'll notice some
11 things are missing, like the printed agenda and
12 the name plates that we usually have. That's
13 because there's a big box that was put in the mail
14 supposedly on Thursday but not until Friday that's
15 supposed to arrive here today, and it has not yet
16 arrived. So, later in the meeting when the box
17 arrives we'll have all of our normal meeting paper
18 support.

19 For the benefit of the court reporter,
20 we're going to start by everybody introducing
21 themselves, saying their name, so that she can
22 correlate your voice to her recording. And, we'll

1 start with you.

2 SPEAKER: Me?

3 MS. MORRIS: Correct.

4 SPEAKER: I'm Randy Fisher with the
5 Pacific States Marine Fisheries Commission.

6 MR. DONALDSON: Dave Donaldson, Gulf
7 States Marine Fisheries Commission.

8 MR. BROWN: Columbus Brown.

9 MR. DYSKOW: Phil Dyskow.

10 MR. BRAME: Dick Brame.

11 MR. AMES: Ted Ames.

12 MR. RHEAULT: Bob Rheault.

13 MR. OKONIEWSKI: Mike Okoniewski.

14 MR. WERNER: Cisco Werner.

15 MR. RAUCH: Sam Rauch.

16 MS. MORRIS: Julie Morris.

17 MS. LUKENS: Jennifer Lukens.

18 MR. SHELLEY: Peter Shelley.

19 MS. HAMILTON: Liz Hamilton.

20 MS. BONNEY: Julie Bonney.

21 MS. YOCHER: Pam Yochem.

22 MS. FELLER: Erika Feller.

1 MS. BEIDEMAN: Terri Beideman.

2 MR. PARSONS: Jim Parsons.

3 MS. BRANDON: Heather Brandon.

4 MS. LOVETT: Heidi Lovett.

5 MS. MORRIS: Thank you. Would the
6 guests like to introduce themselves as well?

7 MS. STEDMAN: Susan-Marie Stedman.

8 MS. NAUGHTEN: Kate Naughten.

9 MS. SZCZEPANEK: Brianne Szczepanek.

10 MS. CHERRY: Kristine Cherry.

11 MS. READ: Alesia Read.

12 MS. MANN: Heather Mann.

13 MS. MORRIS: Thank you, everybody, for
14 joining us today. So, on the MAFAC website you'll
15 find the agenda, and it's also projected now on
16 the screen. Today's work is interesting. We are
17 going to start with just some reflections on the
18 experience of participating in the Seafood Expo
19 yesterday. Then, Cisco Werner will give us the
20 usual science update. But, because he's never
21 given us the science update before, it won't be
22 usual.

1 MR. WERNER: It won't be the usual.

2 MS. MORRIS: It'll be very, very
3 interesting and intriguing. Then, we're going to
4 spend about an hour in kind of a scoping meeting
5 about the new litigation policy that's under
6 development by the agency, the presentation, and
7 then a lot of give and take with the group about
8 what the scope of issues of interest to us and the
9 people that we represent might be for a new
10 litigation policy. Then, we'll have lunch. And,
11 then, we've all been waiting to hear from Sam on
12 what's going on with the agency, especially the
13 topics that were addressed in our transition
14 document that we prepared in December.

15 Then, we have a subcommittee working
16 group period this afternoon from 2:30 to 4:00.
17 Two of the committees will meet. The Ecosystem
18 Approaches Subcommittee will meet and they're
19 going to talk about what's going on with the
20 Columbia Basin Partnership Task Force, and then
21 the Resilience Task 5 Communications will meet at
22 the same time.

1 I encourage you not to flee and do other
2 work but to participate in one or the other of
3 those subcommittees. And, then, at 4:00, John
4 Henderschedt is coming over and he's going to be
5 talking about international affairs and trade.
6 So, we all come back together here from 4:00 to
7 5:00 for that briefing. Then, we have an adjourn
8 to the bar, no-host gathering at 5:00. So, that's
9 today's work.

10 I would say the overall work of the
11 meeting is to move forward on the Resilience Task
12 Force projects that we've been taking on that
13 Terri and Ted are co-chairing, with a lot of
14 leadership from individual members who are
15 participating in those groups.

16 We don't have any clear action items.
17 We have one potential vote on one of the work
18 products of the Resilience Task 6, but the whole
19 meeting is just moving forward on the other work
20 that we've been engaged in and also trying to
21 understand what's going on with the agency, with
22 the transition to both programs and budget. Any

1 questions or comments about that? Jennifer,
2 anything you'd like to add?

3 MS. LUKENS: Good morning, everybody.
4 Thank you. I appreciate you bringing us up here
5 today. Just a couple of little things to go over
6 with you all, that we are currently right now --
7 this is our last meeting for Phil and Julie.
8 So, we did a good one for them. (chuckles)

9 We had an open call for nominations.
10 The past couple of months we got about 22
11 different nominations right now that we're sifting
12 through to fill four slots that we will be having
13 in the upcoming months. So, we are currently
14 working on that.

15 About 2 months ago, I sent out a request
16 to you all interested in leadership of the
17 committee since Julie will be leaving. I got a
18 few takers on that and took that to NOAA Fisheries
19 Leadership. And, I wanted to announce this
20 morning that Terri -- where is Terri?

21 MS. BEIDEMAN: I'm here.

22 MS. LUKENS: She's currently the

1 Vice-Chair and will be taking on the Chair
2 position. And, Erika will be taking on the
3 Vice-Chair position. So, I'd like to thank them
4 for stepping up and taking on that responsibility.
5 Your duties don't start today, but, (chuckles) in
6 April --

7 SPEAKER: April 7th.

8 MS. BEIDEMAN: (Chuckles)

9 MS. LUKENS: -- when they rotate out.
10 So, thank you. I appreciate you stepping up.
11 And, thank you, Julie, for all of your leadership.

12 MS. MORRIS: Mm-hmm.

13 MS. LUKENS: So, you've got big shoes to
14 fill there, Terri. (chuckles)

15 MS. BEIDEMAN: Uh-huh. Absolutely.

16 MS. LUKENS: And, I think that's all I
17 have for this moment. Great. So, -- yes, Dave.

18 MR. DONALDSON: Jennifer, what's the
19 timing of naming the new appointees to MAFAC,
20 about --

21 MS. LUKENS: Well, that's always an
22 interesting question. Sifting through all of the

1 information, there is a process that we have to go
2 through with the secretaries, often going all the
3 way up to the Secretary of Commerce, since they
4 appoint the members. And, given that we're in a
5 new administration right now, I'm not sure how
6 long that review process will take. Hopefully, we
7 will get that done before April.

8 MR. DONALDSON: Thank you.

9 MS. LUKENS: That would be ideal. So,
10 Heidi, would you care --

11 MS. LOVETT: Yeah. I'm anticipating
12 early summer, if everything were normal, but with
13 a new administration it -- we're not 100 percent
14 sure.

15 MR. DONALDSON: I was just curious.

16 MS. LOVETT: Yeah.

17 MS. MORRIS: Any other questions before
18 we dive into the next agenda? Okay. So, next is
19 just -- what were your impressions of the Seafood
20 Expo, those of you who participated in that
21 yesterday? What did you learn? What did you find
22 interesting or insightful or disturbing? The

1 whole range of responses. Who has something
2 they'd like to begin with?

3 MS. BONNEY: I'll jump in.

4 MS. MORRIS: Yes, Julie.

5 MS. BONNEY: So, I work for harvesters
6 and processors. I live in the third largest port
7 in the nation, or second sometimes, and I have
8 never been to the production -- or, in the
9 marketing side of fish. So, it is definitely a
10 global market, and it was interesting to see some
11 of the producers that my fishermen sell to and
12 what they're pushing out the door.

13 Pollock is a problem right now because
14 of many things in global market in terms of
15 pricing. And, it was nice to see several of the
16 producers really trying to come up with new
17 products and push those products out to the
18 different vendors. So, it was fascinating for me
19 (inaudible). Also, I always do the North Pacific
20 Management Council and in the trenches with policy
21 and all that. And, to see many of those same
22 people in that arena, I didn't realize that I was

1 missing out on all the fun. (laughs) So, yeah, I
2 thought it was fascinating.

3 MS. MORRIS: Yes, ma'am.

4 MS. YOCHER: I would just echo that and
5 thank the committee and NOAA for arranging for us
6 to be out here a day early, to have the meeting
7 here so we have an opportunity, because I, like
8 Julie, don't -- had no idea of kind of outside of
9 it and was really fascinated by the exhibit floor
10 as well as by some of the talks that were offered
11 during that first day that we were allowed to
12 participate. So, thank you for that. I think it
13 was a worthwhile use of my time yesterday,
14 definitely.

15 MS. MORRIS: Mike.

16 MR. OKONIEWSKI: Well, this is a big
17 show for our company. I think we had over 50
18 people come, and that's above normal. We don't
19 actually write up any contracts here, but we
20 engage in the process of information exchange, new
21 opportunities to ensure interaction with other,
22 kind of like, government agencies. Oregon State

1 was represented pretty well here. I did not
2 participate in any of our group -- my team's
3 direct events, but I did contact quite a few
4 people here. So, I got some business done also.

5 But, we've got aquaculture interests,
6 and we've got sales that are on the distribution
7 side, and we've also got processing sales in
8 exporting and import as well. So, all that is
9 kind of a nexus where all our -- a lot of our
10 customers and most of them come to, and also for a
11 lot of people we buy from.

12 So, I would say, as far as the book of
13 business that comes out of this, Brussels is more
14 important to us. But, as far as just interaction,
15 this one may be more important to us than
16 Brussels, because we're on all levels, and
17 Brussels -- it's primarily all export. We do
18 write contracts there.

19 And, if anybody ever gets a chance, you
20 really have to go see that, because it's a much
21 different flavor from this. And, you see a lot of
22 innovation and things that, I think, go beyond

1 what's here. But, on the other hand, this is my
2 first time I've been to Boston, and it kind of
3 blew me away, for sure, once I figured out how to
4 get in the building.

5 (chuckles) Other than that, it was
6 a great experience, and I'm
7 sure my team is still over there working
8 at it full-time. And, it starts early. It starts
9 pre-meeting time and it goes till midnight a lot
10 of times in these dinners and stuff. Our owner
11 was here for a day. I don't know if he's still
12 here or not. So, like I say, it's a pretty big
13 deal.

14 MS. MORRIS: Phil.

15 MR. DYSKOW: I just had a question. You
16 couldn't help but notice the international flavor
17 of the event. What is the percentage of seafood
18 that is imported versus domestically sourced? Is
19 it still up in the 80 percentile?

20 SPEAKER: Ninety-one percent.

21 MS. MORRIS: Ninety-one percent?

22 MR. DYSKOW: Ninety-one percent.

1 MR. RHEAULT: I don't know if that's by
2 volume or by --

3 MR. DYSKOW: Well, that kind of jives
4 with the number of people from China that were
5 here. So, obviously, aquaculture is something
6 that is really kicking in the fourth year
7 overseas.

8 MR. RHEAULT: Over half of that is
9 aquaculture.

10 MR. DYSKOW: I'm sorry?

11 MR. RHEAULT: Over half of that is
12 aquaculture, not all of it.

13 MR. DYSKOW: Yes.

14 MR. RHEAULT: Most of it.

15 MR. DYSKOW: Interesting. Ninety-one
16 percent? That's the official number?

17 MS. MORRIS: I don't know if that's by
18 value or weight or --

19 MR. RHEAULT: I think it's by value and
20 if you count the export and then (inaudible)
21 product, subtract all that, adding to something on
22 the order of \$11 billion to the trade deficit.

1 MR. DYSKOW: Oh.

2 MR. RHEAULT: But, I just want to
3 comment that I view that -- it's like my 20th
4 trip, and, for once, I'm not exhibiting, so that's
5 always nice, because you can manage to get
6 something done and see other things. But, I view
7 that as a great place to take a politician and
8 blow their mind, because they have no idea what
9 the seafood industry is.

10 And, when you bring them to that venue
11 and march them through and show them all the
12 aquaculture and all the importing, it guarantees
13 to get every action that is important. So, if you
14 have the opportunity to take a staffer with you or
15 walk somebody through that event, I guarantee it
16 will change their view forever.

17 MS. MORRIS: Other impressions. Yes,
18 Peter.

19 MR. SHELLEY: Welcome to Boston. Just
20 to add some orientation, looking out the window
21 here we're looking at the Seaport South Boston
22 redevelopment that's going forward, just at

1 breakneck speed. That was all parking lots
2 probably
3 years ago, and now it will be all
4 buildings, and -- pretty impressive.

5 A lot of that was related to the harbor
6 cleanup. Once the harbor got cleaned, people
7 wanted to develop around it. So, that's pretty
8 exciting. I didn't go to the Seafood --
9 yesterday. I've gone just about every year. I
10 have to alternate because of the fried food. It
11 holds on for a while in my system.

12 Two things have always struck me about
13 the Seafood exhibit. One was, the first time I
14 went -- and still, you know, we had some real
15 struggling fishing communities and fisheries, you
16 know, groundfish and others, where people are
17 going out of work and boats were being lost and
18 communities are just losing their hold on fishing.

19 And, the first time I went to the
20 seafood fair, you know, all I could smell was
21 money. You know, it was just like, boy, there is
22 money changing hands here at some level. And, the

1 contrast between what the guys living on the boats
2 were experiencing and the guys and women in the
3 suits -- it was mostly guys back then -- but, guys
4 in the suits were living in the fishing world. It
5 was just two different worlds. And, that just
6 struck me.

7 The other thing that I think has changed
8 a lot and probably can change more is that, other
9 than Louisiana early on, there weren't many states
10 actively promoting their seafood industries at the
11 -- you mentioned -- I didn't go yesterday, so I
12 suspect there are more now.

13 But, you get a sense of how important it
14 is to have the state -- and this connects to your
15 politicians, plus a little bit farther. I have
16 the state and Federal Government really pushing
17 for the quality of our products, and we're putting
18 them out there for the world. So, that was also
19 very interesting.

20 MS. MORRIS: Terry.

21 MS. BEIDEMAN: Well, like Peter, I
22 picked up a lot on -- I've been to the show years

1 ago and it was a lot smaller and there was, you
2 know, a lot more fresh fish, frozen fish,
3 processed fish, and not so much aquaculture. So,
4 it's nice to see that. I had been 2 to 3 years
5 ago and it was a lot, but there's a lot more, it
6 seems, and mostly other countries, you know,
7 promoting.

8 But, I also notice what Peter did about
9 states and regions and in some cases a tribal, you
10 know, connection. There was a booth there with
11 the Columbia Basin tribal folks that were
12 promoting, you know, their products. So, that's
13 good. But, as always, it is amazing to me that
14 there's a really, really big world of people out
15 there that are catching fish, and most of them are
16 outside the United States.

17 So, when you walk through that hall up
18 and down all those places, and places like Turkey,
19 -- I'm, you know, kind of like, okay. (chuckles)
20 I never, you know, think about the fact that every
21 single coastal and many, you know, inland states
22 are -- have fleets, because they eat fish. And,

1 we need to eat more fish.

2 So, I'm glad we have fish. And, I want
3 to make sure that we have domestic -- healthy
4 domestic fisheries to feed our Americans, so,
5 along with all the other aquaculture

6 (inaudible) fish. It always is and
7 it hikes me out. I went to sleep
8 very well last night.

9 MS. MORRIS: Columbus.

10 MR. BROWN: It was my first time
11 visiting an expo, and I was really fascinated by
12 some of the technology that's evolving in the
13 processing area. And, I was very impressed with
14 one of the aquaculture exhibitors and their use of
15 Google Glass, where you would be assimilated as
16 being inside of an off-shore aquaculture facility
17 for (inaudible).

18 And, you know, you could just look
19 around 360 and see and hear the narrative. I
20 found that a very fascinating way to sort of take
21 a looksee at what it's like in the pens and around
22 the pens and hearing, you know, the sounds.

1 Also, I thought there was a healthy
2 dialogue about imports and sustainability and fish
3 farming in a number of the talks that were there.
4 And, one of the discussions on certification and
5 traceability I found very intriguing, because they
6 -- we're dealing with some of the nomenclature
7 issues of, you know, -- what's a red snapper, you
8 know.

9 In the U.S. it's (inaudible), but other
10 parts of the world it's considered that. And,
11 (inaudible) and how easily things that end up
12 slipping across the (inaudible), and, whereas in
13 one place it's safe to call a fish this or that,
14 but the minute it comes into this country or
15 brought across state boundaries, it's a different
16 thing from a law enforcement standpoint. So, I
17 found that very intriguing.

18 I heard something that was somewhat
19 disturbing. It was a conversation amongst the
20 chefs. And, in that commentary they made mention
21 that people are afraid to cook fish at home, and
22 they theorize that people don't understand how

1 quick fish can be cooked.

2 And, I didn't get a chance to ask the
3 deeper question, about, you know, -- what was the
4 source of that information. Because, it just
5 seems so countered, everything I've experienced
6 with my friends and other people in my world.
7 And, it sort of reminded me of when I worked with
8 Fish and Wildlife Service and people in the tackle
9 manufacturing.

10 I mean, it felt like people (inaudible)
11 couldn't be attracted to fishing, because they
12 needed a male figure in the household to get them
13 there. And, focus groups found later on that that
14 whole notion is debunked, because there are a lot
15 of solitary fishermen, or fisherwomen, anglers out
16 there. So, there's a lot of stuff out there that
17 really needs to be vetted. That's it.

18 MS. MORRIS: Any questions or comments?
19 You figured out what we're doing (inaudible).
20 (chuckles) We're responding to our experience
21 (inaudible).

22 MR. BROWN: No, I know.

1 MS. MORRIS: Well, I guess, like others,
2 I thought the North American Seafood Expo would be
3 about North American producers, and, boy, was I
4 wrong about that. It's about people who are
5 marketing to North America. Yeah. And, for me, I
6 was just really fascinated with kind of the
7 geography of everything.

8 Where are the Moroccan fishermen
9 fishing, and where are the North Carolina
10 fishermen fishing? So, all of the maps showing
11 the locations of fleets -- I mean, maybe it's all
12 marketing and it's not real, but, I found that all
13 very fascinating. I didn't expect there to be a
14 whole section that was dealing with processing
15 equipment and traceability technology and that
16 whole side of things. I thought it would be more
17 about the producers. And, so that was pretty
18 interesting.

19 And, I did feel some tension in the
20 conference talks, between the talk that was -- the
21 people who are trying to figure out how to have
22 more efficient use of feed and less fish meal in

1 the feed and making great progress in the
2 aquaculture world, of finding ways to compose
3 feeds with less reliance on fish oil and fish
4 meal.

5 But, then, the chefs in the keynote at
6 the end of the day sort of saying, yeah, we've
7 tasted some of those fish that that are eating
8 feed that don't have much fish meal and fish oil
9 in them, and they don't taste good.

10 So, everybody on the conference sessions
11 are really trying to screw down everything they
12 can do to make everything more sustainable on the
13 aquaculture part and also to get those of us, who
14 aren't very experimental in our seafood choices,
15 to eat lower on the food chain and to try things
16 that are unfamiliar or surprising to us. I think
17 the best sample that I had on the floor was smoked
18 eel, and I never had a chance to try smoked eel
19 before.

20 So, a very stimulating and broadening
21 experience, and, again, echoing what Pam said, I'm
22 very grateful that we had the opportunity to

1 include that on the schedule for this evening.
2 Other impressions, things that you'd like to raise
3 at this point?

4 SPEAKER: (Inaudible). Well, I didn't
5 really get to see much of -- but, I did get to see
6 all the activities around it. And, a lot of the
7 conversations that I've seen that I thought were
8 particularly interesting was -- like you mentioned
9 about traceability -- but about how there is a
10 real nexus right now with between the technologies
11 that are being promoted, how they can be combined
12 for improving market and prices for some of the
13 catches while also promoting conservation.

14 So, I think that's, right now, at a
15 really important stage, and global fisheries,
16 especially, from North American as well, or the
17 U.S, is that continuing promoting some of the
18 technological advances in management of fisheries
19 could improve prices for the fisherman, for
20 dealers, but at the same time also improve the
21 conservation status of many of the protective
22 resources as well as the ones that are

1 undermanaged as well as already properly managed.

2 So, I think that right now it's a really
3 good time to continue promoting the conversation
4 and collaboration amongst commercial fisheries and
5 conservation. So, I think that's something that I
6 saw that I felt -- that you don't see usually in
7 many of the more market-oriented -- the selling of
8 the fisheries, the expos. So, I thought that's
9 really something that's been (inaudible).

10 MS. MORRIS: (Inaudible)

11 SPEAKER: I mean, I respect those
12 comments, but, on the other hand, there is a lot
13 of conservation/economic tie- ins going on now.
14 Conservation for us is a long-term investment
15 strategy, without looking at any ENGO prompting or
16 anything. But, we are now using or getting some
17 relationships with some ENGOS to find commonality,
18 and it's an important deal.

19 And, if you look at Alaska, in
20 particular Canada, the West Coast, it's not
21 perfect. But, I just got back from the World
22 Ocean Summit a couple weeks ago. And, then you

1 begin to realize how, I'll say, messed up a lot of
2 the world's fisheries are in comparison to ours.
3 New Zealand's another place that's been, I think,
4 doing very well.

5 So, this is going on, and when you find
6 out it's an investment strategy, too, it just
7 makes it -- it's economically driven as well as
8 just good stewardship.

9 SPEAKER: And, like I say, I think we're
10 saying, actually, -- well, we're on the same side,
11 I really -- I think what we're saying -- and,
12 going back to an earlier comment, of how -- find
13 out where that source was coming from on the
14 individual versus restaurants eating the fish, and
15 I

16 (inaudible) that conversation as
17 well -- was it's really, -- you
18 know, that lack of utilizing the
19 economic information. Because,
20 that information is there. It's
21 just who's selling it.

22 That information of data is there, to

1 really have that information and seeing who that
2 consumer is and where is that going, where
3 targeted (inaudible). And, when I say
4 conservation, it's sustainable use. We're not
5 talking about preservation. So, I think we're all
6 on the same page.

7 MS. MORRIS: Any other comments? Ted.

8 MR. AMES: I'll just make an
9 observation. Maine is in the peculiar position of
10 having a sustainable fishery for going on 70 years
11 for lobster. And, up until the recent past, it's
12 been almost exclusively local between the eastern
13 provinces in Canada and exporting there and then
14 shipped back to the U.S.

15 What's happened in recent years with us
16 is, our lobster industry has realized what an
17 incredible opportunity it is. And, I think, for
18 the first time, in my knowledge, anyway, NLA have
19 organized -- gathered fishermen and brought them
20 en masse down to this expo to try to transfer
21 awareness that this is a global industry today and
22 that their industry is capitalizing on it.

1 So, if you can create the sustainable
2 productivity, it's just an incredible opportunity
3 for every fishery that comes down the pike. I
4 wish we had more.

5 MS. MORRIS: Okay. Any other comments?
6 If not, we'll move into the Science Enterprise
7 Update. Ready for that?

8 MS. LUKENS: So, I just want to take a
9 moment to introduce Dr. Cisco Werner. For those
10 of you who haven't met him yet, he actually came
11 and spoke to me back about a year and a half ago
12 when we were out in San Diego. But, now he is the
13 acting Chief Science Advisor for NOAA Fisheries.

14 Since 2011, he has been the director at
15 the Southwest Fisheries Science Center, and prior
16 to that he's an academia. At Rutgers University
17 he was the director of the Institute for Marine
18 and Coastal Studies.

19 So, I was looking at his CV and about 15
20 pages of publications and a lot of different spots
21 at a lot of different universities. So, he has a
22 wide breadth of experience here, and we're happy

1 to have him join us here at MAFAC and give us an
2 update. So, thank you for doing this today,
3 Cisco.

4 MR. WERNER: Thanks, Jen, and thanks,
5 Julie, for the opportunity. Is it on? Is the mic
6 on?

7 MS. MORRIS: The mic is just for the
8 court reporter.

9 MR. WERNER: For the recording. Okay.

10 MS. MORRIS: So, you'll have to speak --

11 MR. WERNER: Great. I'll speak up then.

12 MS. MORRIS: Yes.

13 MR. WERNER: All right. Thank you.
14 Again, thanks for the opportunity. And, as you
15 said, this is my first chance to give an update on
16 the science that we're doing. And, before I go
17 too far, I just want to make sure that the
18 presentation -- being the first one, it was really
19 done with a lot of help from people like Patrick
20 Lynch (inaudible), Leanne, and Nora (inaudible),
21 and others. XXXXXXXX START OF CLEARER AUDIO

22 So, I'll just go to the next slide. So,

1 I'll tell you what I'll be talking about. I'll
2 give you updates on two aspects that are related
3 to stock assessments, and one is where we are in
4 the prioritization process, and also on the Stock
5 Assessment Improvement Plan.

6 Some of you who were at the CCC meeting
7 last January or February had a chance to see a
8 little bit of what I talked about there. Then,
9 I'll give you an update on where we are in the
10 national Climate Science Strategy, which is
11 actually something I did have a chance to speak to
12 you -- when I spoke to you a year and a half ago
13 or so.

14 And, I'll touch upon management strategy
15 evaluations, which really appear in all of the
16 above, and it's something that we are undertaking
17 very formally within the science centers and
18 regional offices and such to really bridge this
19 gap between the natural sciences and
20 decision-making processing in sort of a systematic
21 and transparent way, and this provides that
22 opportunity.

1 Then, finally, I was going to give you
2 an update on where we stand on citizen science
3 activities, which is an exciting thing that's
4 happening and really taking off pretty quickly
5 right now.

6 So, just quickly, on why we need
7 assessment prioritization, there was a report in
8 2015 that you may have seen in the past -- maybe
9 Richard presented this -- where, really, the point
10 is, you know, we spend a lot of effort, human and
11 otherwise, in the stock assessment enterprise.
12 And, really, you know, to assess every stock every
13 year is not just -- not doable, but it's also
14 perhaps not necessarily realistic.

15 So, what this prioritization does is
16 we've invited, and already is underway, again, a
17 very systematic approach among the councils, the
18 science centers, the regional offices, on what is
19 the best way to prioritize the assessments, taking
20 into account a number of things that -- a number
21 of factors that would result in a ranking. So,
22 the stock assessment prioritization process is

1 one, as I said, we systematically investigated to
2 the assessment needs, how much data we have, or
3 were there data gaps, or where we've learned new
4 things.

5 And, there's basically a -- Bruce, as I
6 mentioned, the science center's regional offices,
7 councils, state agencies, et cetera, you know, we
8 all sit down and come up with a prioritization,
9 and where the results are really advisory.
10 They're non-binding. This is something that's
11 proposed to the councils and the other bodies in
12 terms of what those assessments should be. And,
13 even though it is something that is -- there's
14 sort of a national approach to it, it really is
15 something that is implemented at a regional level.
16 So, ultimately how the prioritization manifests
17 itself was implemented is regionally specific.

18 And, then finally, it's also not
19 intended to redistribute our resources between
20 regions. Even though there's a national view of
21 things, it really ultimately is implemented
22 regionally and with, again, non-binding

1 recommendations.

2 Very quickly, the processes -- you know,
3 you can just imagine you're organized, you know,
4 you know about the stocks, you've developed
5 factors for us, and those are spelled out in the
6 document a couple of slides earlier. We identify
7 assessment targets, and then with management also
8 assigns factor weights. Ultimately, you know,
9 when you've combined them all and multiply them
10 and sort through all of it, you come up with a
11 (inaudible) score.

12 As I said, management strategy
13 evaluations appear in all of this, because there's
14 sort of a possible wraparound, -- that process
15 that I just talked about, which is using MSEs, and
16 I'll talk a lot more about MSEs later in the
17 presentation. But, using MSEs is a tool to remind
18 that the prioritization -- you know, to really
19 include a lot more, particularly in terms of the
20 economic considerations in the prioritization
21 process, that accounts for more than perhaps what
22 do we know about the biology or the ecosystem.

1 The MSE process allows inclusion of additional
2 factors, such as socioeconomic factors.

3 So, the (inaudible) I'll talk about a
4 little later, but which one approach that -- one
5 of the councils had decided to use in how they do
6 the prioritization, which (inaudible) next slide,
7 which is where we are in the different councils.

8 So, listed there are, you know, Pacific,
9 North Pacific, all the way down to Caribbean
10 council. The second column just simply says where
11 they are in the process of the prioritization.
12 The Pacific council was the first one out of the
13 gate, so to speak, and they used, for example, to
14 determine the schedule of the 2017 brown fish
15 assessments.

16 The other ones were either initiated or
17 in progress, and I'd just wanted to point that the
18 second one there, the North Pacific Fishery
19 Management Council is the one that has decided to
20 approach the problem through an MSE process, to
21 evaluate the proposed changes. And, the other
22 ones, as I said, are either starting or on the way

1 or gathering more data as they move forward.

2 So, again, I hope that in this year or
3 next year we will have gotten at least through our
4 first round of the prioritization. Yes.

5 MS. MORRIS: Can you take a question?

6 MR. WERNER: Yes, please.

7 SPEAKER: I'm from the North Pacific,
8 and there's quite a bit of pushback on this
9 (inaudible).

10 MR. WERNER: Yes.

11 SPEAKER: In terms of concern about,
12 what, re-allocating resources across regions?

13 MR. WERNER: Yes.

14 SPEAKER: So, one of the things that I
15 keep considering is we're talking about climate
16 change. So, to think about your stock assessments
17 in terms of where you've been historically and
18 where you might want to be in the future in terms
19 of your assets, seems, to me, kind of working in a
20 vacuum. So, I don't know how that fit in to this
21 discussion.

22 Because, obviously, losing data that you

1 had historically as the climate's changing could
2 be negative, even though at the time you assessed
3 it maybe you didn't need the same amount of
4 information as you -- in terms of, you know, kind
5 of bridging future versus historical. I didn't
6 know how that fit into the process.

7 MR. WERNER: Right. So, with regard to
8 the re- allocation of the resources, like I said
9 earlier on, this is something that across regions
10 this is not something that is being considered or
11 even discussed at this point. The re- allocation
12 of resources might be an internal decision within
13 the region.

14 Like you said, for example, all of a
15 sudden, you know, we find out that there are
16 certain environmental states or climate signals or
17 something that you have to include in ways that
18 you didn't before. And, that's a decision that's
19 done internally within that region.

20 And, I think that that is one of the
21 things that I'll talk a little bit about that --
22 through the MSE process - - of how to include

1 that, you know, again, systematically and
2 objectively within how to (inaudible) re-allocate
3 some resources in terms of understanding how you
4 observe the changes that are going on and how they
5 affect your self- assessment process. So, the
6 answer is that we -- yeah. Anyway, I can stop
7 there and I'll come back to it in a second.

8 SPEAKER: And, I appreciate what you're
9 saying. I guess the only other thing I would flag
10 is I just noticed that we did not get all our
11 funding for stock assessment this year. So,
12 everybody assumes that you're at status quo, so
13 then to find out we were actually going into a
14 hole and then seeing this and then talking about
15 your management strategy evaluations for climate
16 change in the future, it just doesn't seem like
17 all the parts -- pieces fit together in terms of
18 the big picture.

19 MS. HAMILTON: I was thinking something
20 similar, although from a different perspective.
21 When you were talking about how you were
22 prioritizing -- when you say you're taking the

1 climate signals into effect in the process, that
2 also might accelerate some of the (inaudible) over
3 others if you're getting signals. Is that built
4 in? Is that just a no-brainer?

5 MR. WERNER: Yeah, well, the inclusion
6 of climate and environmental signals, if you will,
7 in the assessments is one that I think is pretty
8 much -- I don't want to say it's a research stage,
9 but it's at the early stages of how to quantify
10 those effects.

11 And, as I said, I think that, you know,
12 there's some

13 (inaudible) efforts in terms of how
14 to do it, but I think we're going
15 the MSE route, which I'll give in a
16 second in terms of how, really, to
17 include more fully the impacts of
18 the changes in the ecosystem,
19 because they're so pervasive in
20 some ways, or they can be so
21 pervasive.

22 They can affect so many different parts

1 of what we're looking at that it's not just the
2 one species that you're looking at, but it
3 immediately (inaudible) to look at things much
4 more holistically.

5 MS. HAMILTON: Even if we don't use the
6 word climate change, you've got La Niña and El
7 Niño and (inaudible) huge

8 (inaudible), were stocks are and
9 (inaudible).

10 MR. WERNER: Where stocks are and, you
11 know, by geographic shifts for -- you know,
12 including issues that could be looked at that
13 weren't looked at, of course. So, if it

14 (inaudible) reopens (inaudible).

15 SPEAKER: (Inaudible)

16 MR. WERNER: Yep.

17 MS. BEIDEMAN: Just a quick one. Every
18 time the councils come up I have to kind of bring
19 up the loophole there, which is the secretarial
20 actions, particularly with regard to highly
21 migratory species. And, does the prioritization
22 for that and stock assessments for that -- does

1 the agency just kind of go along with what the
2 international body sets up? There are some
3 species that are not specifically covered under
4 that.

5 MR. WERNER: Right. It's a little bit
6 trickier. Some of them fall outside of --

7 MS. BEIDEMAN: Yeah, kind of a --

8 MR. WERNER: -- the council -- a direct
9 council process. That's correct, yes, but in ICAD
10 and WCPFC and

11 (inaudible) --

12 MS. BEIDEMAN: Right.

13 MR. WERNER: -- (Inaudible) outside.
14 And, we do need them to work with the
15 international bodies in terms of how we do the
16 prioritization.

17 MS. BEIDEMAN: Good.

18 MR. WERNER: Correct.

19 MS. BEIDEMAN: Thank you.

20 MR. WERNER: I'll go slower. I just
21 didn't want to be the first one to mess you up in
22 your schedule.

1 MS. MORRIS: No. We started early.
2 We're in good shape.

3 MR. WERNER: Okay. All right. This
4 brings us exactly to some of the questions that
5 came up, you know, in terms of -- the second thing
6 I wanted to talk about was the SAIP, the Stock
7 Assessment Improvement Plan. And, that's really
8 (inaudible) to the next generation on Stock
9 Assessment Enterprise. I think their last big one
10 was in 2001.

11 And, a lot of things have happened since
12 2001 that make us realize that we need to, you
13 know, take a new look and take advantage of all
14 the knowledge that we gained in terms of, you
15 know, the more holistic questions that just came
16 up, in terms of understanding how the links occur
17 at the ecosystem level.

18 A host of new technologies are
19 available, ships and unmanned vehicles and things
20 like that that we're learning to use, and maybe
21 even, you know, eventually some of the
22 (inaudible) aspect. And, I'll talk

1 about it at the end of today. But,
2 there's a whole host of things that
3 we know we need to take into
4 account, where perhaps some of the
5 approaches early on, you know, were
6 documented in 2001 have now
7 evolved, you know, to, as I said, a
8 more complete understanding in
9 various ways.

10 And, then related to what I talked about
11 earlier about the prioritization is that we need
12 to see how this next generation's stock
13 assessment, again, folds into the -- some sort of
14 a schedule of how we perceive it.

15 This document is out now for review. It
16 went to the council's -- I think we distributed it
17 in, I think, January or February. It's not a
18 short document. And, so, we're hoping to receive
19 comments sometime in midsummer, maybe June-July.

20 And, what it is -- it's strategic
21 guidance that focuses on issues and capacities we
22 have, you know, the increased capacities that we

1 have, including, you know, the recent scientific
2 advantages -- or, advances that we've made. It
3 expands the scopes of some assessments, to include
4 those ecosystem and economic linkages. It uses
5 the new data streams.

6 And, it also, you know, recognizes that
7 we need a little bit of time, you know, for
8 assessing the methods themselves and perhaps
9 giving our stock assessment scientists a little
10 time to research and enhance the models that are
11 currently used. So, if you recognize it, you need
12 to find that balance of, you know, strengthening
13 and expanding the approaches with a schedule that
14 is -- as you all know, it's pretty breakneck, you
15 know.

16 And, it's, again, through the
17 prioritization, we perhaps might be able to find
18 that balance between time to think, if you will,
19 and make things better and at the same time meet
20 the deadlines that (inaudible) to meet. And,
21 before I go beyond that, you know, I'll stop
22 there. I see

1 (Inaudible).

2 SPEAKER: On the research capacity, has
3 there been any discussion about collaboration
4 (inaudible) stakeholders and (inaudible) just --
5 is that kind of a given as it exists presently,
6 or?

7 MR. WERNER: Well, Mike and I had a
8 number of chats online, and my personal view is
9 that we absolutely have to work with industry,
10 particularly as we enhance our observing
11 capabilities. We need to understand, you know,
12 what it is that we're seeing, and calibrating what
13 we see with what the industry sees on the water.

14 So, you know, I think we can only gain
15 by collaborating with industry and, again, you
16 know, if you want to talk about it in terms of
17 upsetting the science and such in terms of how
18 this all comes together. There are so many
19 examples that I'll bring up at the end, again, --
20 hint toward that.

21 It's not as systematic as we would like
22 it to be, perhaps, but, you know, as we put more

1 things on the table, I think we've always talked
2 about how to put the industry knowledge on the
3 table. So, yeah, it's something that we should
4 do.

5 MS. MORRIS: Erika.

6 MS. FELLER: I haven't read this
7 thoroughly, but I skimmed through a lot of the
8 regional science center reviews.

9 MR. WERNER: Mm-hmm.

10 MS. FELLER: And, one of the things that
11 comes up in a lot of them is the need to kind of
12 improve data integration, particularly
13 fishery-dependent data, to sort of improve stock
14 assessment process. Is that kind of thing
15 addressed in the Stock Assessment Improvement
16 Plan, and what are you guys thinking about how to
17 talk about it?

18 MR. WERNER: Yeah, it is. And, it also
19 recognizes that, you know, in some cases we'll
20 (inaudible) limited. And, so that also goes into
21 tailoring some of the assessments so that we take
22 full advantage of that data-limited capability and

1 recognize that that's part of that thinking, that,
2 you know, for those stocks where we might never
3 get all the data that we want, we need to think
4 about how to use that data, still quantitatively
5 and not apply the same tool to all stocks, you
6 know, irrespective of the differences and
7 (inaudible). So, yeah, the Stock
8 Assessment Improvement Plan does
9 include that, sort of a breaking apart
10 and recognizing where the different approaches
11 (inaudible) fall (inaudible).

12 MS. FELLER: But, like, improving just
13 -- functionally, how different kind of streams of
14 data can be better related to one another just to
15 make them easier for scientists to use.

16 MR. WERNER: Yeah.

17 MS. FELLER: Yeah.

18 MS. MORRIS: Randy.

19 MR. FISHER: Cisco, just out of
20 curiosity, is there a relationship between the
21 value of a fishery and the stock assessment?

22 MR. WERNER: (Inaudible) prioritization,

1 yes, absolutely. So, for example, it's one of the
2 12 criteria that come in in terms of, you know, --
3 whether it's about the fishery, whether it's, you
4 know, the importance of the ecosystem, whether
5 it's, you know, we don't know enough about it or,
6 you know, a whole number of things. But, the
7 value of the fishery is -- I would say it's
8 probably amongst the first two or three criteria
9 that are listed.

10 The prioritization (inaudible) document,
11 as I said, was issued in '15. Well, we hope that
12 first round will have been completed in '17
13 amongst the councils, and this one is just for
14 review right now. Again, it's a hefty document
15 but it's an important document, as it is an update
16 on what our approach was in 2001. So, any
17 comments that can be offered, that would be very
18 helpful to us.

19 The next one is an update on the climate
20 science strategy. And, we all know that we need
21 climate-related information in what we do. You
22 know, whether you're in the North Pacific and see

1 the warming conditions, whether you are in the
2 Northeast and see the warming conditions there,
3 too, in terms of the Gulf of Maine or in the Gulf
4 and you see, you know, different levels of
5 hypoxia, anoxia, and, you know, ocean
6 acidification and such.

7 We see changes in fish distributions,
8 well- documented both East and West Coast. We
9 see, you know, the impacts on habitat and coral
10 reefs and such, and, again,

11 (inaudible) Pacific Islands. So,
12 we know that there are larger
13 scale, you know, really big signals
14 that we need to take into account,
15 that are related to some kind of
16 larger departmental -- whatever
17 climate-related signal.

18 This pyramid, I think, you've seen
19 before. It's the approach on what we -- or, how
20 we go about it. And, if you start from the bottom
21 up, you know, we have an infrastructure, whether
22 it's ships or fishery data and so on that we bring

1 to the table, to begin to understand and see what
2 it is that's changing.

3 We monitor, basically, the system and
4 then we then try to understand why it's changing.
5 So, we see all of a sudden there's whatever.
6 There's black sea bass off New York, or there's,
7 you know, the (inaudible) red crab, you know, tuna
8 crabs off the West Coast or something. We begin
9 to see the status and trends of what we observe,
10 and then we try to relate that to why -- that goes
11 to the question of why is it changing.

12 You know, generally, when you see these
13 large-scale effects, then you realize it's not
14 something local, it's something -- it's a bigger
15 -- you know, something bigger is being impressed
16 upon the system. And, then, you know, once you
17 understand a little bit of that and you feed that
18 into models, you can begin to say, you know,
19 forward projections, you know, in terms of what
20 may be happening.

21 And, of course, a lot of the questions
22 are, are we going towards new baselines, to use

1 that term. Are we going to new normals? I mean,
2 this is something that we're looking at both on
3 the East and West Coasts in terms of the
4 (inaudible) Pacific and the
5 Atlantic in terms of -- the chances
6 that we're seeing don't seem to be
7 just the one onset, so we're trying
8 to see how real, you know, they're
9 being locked (inaudible) new
10 situations.

11 And, then, unless we understand that,
12 and then that leads ultimately into the top three
13 points, which are the top three (inaudible), if
14 you will, is how to respond. So, not just what
15 changed, the why, and what would it look like in
16 the future, but also, again, how do you include
17 that in adaptive management processes and
18 management strategies, again, which I'll talk
19 about again in a second, and ultimately perhaps
20 climate or ecosystem reference points.

21 The national document, if you will, or
22 the road map was also published in 2015, and then

1 following that there was activity at all the
2 different regions in terms of the regional
3 manifestation of this action plan. We call these
4 RAPs, the RAP, Regional Action Plans. And,
5 they're all now out or in public comment, and the
6 most recent one that was submitted for public
7 comment was the South Atlantic one. And, we
8 believe that the public comments there are
9 requested by the end of this month, I think, and
10 the Caribbean one is on its way.

11 I'm not sure exactly what the timeline
12 is, but, hopefully shortly we will have this
13 Regional Action Plan for all the different
14 regions. And, it identifies (inaudible) their 200
15 (inaudible). Many of them, of course, are things
16 that we've already been working on. Many of them
17 were overlapping.

18 But, the idea of these action plans is,
19 again, to provide that information that we need to
20 make the climate- ready decisions, you know, to
21 better manage the resources that we have, so just
22 sort of a checkpoint of where we are on the

1 different strategies, sort of a summary of all of
2 this work.

3 With regard to what's changing, you
4 know, there's monitoring efforts that I talked
5 about in terms of the key fisheries and ecosystems
6 position, whether it's distributions or, you know,
7 the hydrography or the badger chemistry of the
8 water column.

9 And, the green little stop sign there is
10 supposed to

11 (inaudible) things that we hope to
12 complete all over, you know, and
13 perhaps -- and in every way in
14 2017, which is -- these ecosystem
15 status reports in early mornings,
16 if we can give it to the councils
17 and other bodies.

18 And, the Pacific council and the Pacific
19 States Commission, John Stein and I have been --
20 and others have presented results of where we were
21 and have gotten good feedback in terms of what is
22 useful to report on these ecosystem status

1 statements.

2 Why and how it will change, this is
3 another formal undertaking that we've done, which
4 is a vulnerability analysis in vulnerability
5 assessments, which is, looking forward, you know,
6 and our best guess of how different aspects of the
7 environment will change. The question is how will
8 that affect the number of stocks that we're
9 managing or harvesting. So, that kind of gives an
10 idea of where should we be our most watchful in
11 terms of long-term changes, so in terms of
12 vulnerability of these stocks.

13 And, you know, the hope is that we'll
14 improve these vulnerability assessments and also
15 begin to look at forecasts and try to understand
16 how, you know, looking into the future we might
17 (inaudible) the stage, but also perhaps in
18 economic impacts of these. And, we will do that,
19 again, through this MSE, which I've mentioned many
20 times already today.

21 But, the MSE, again, takes all of that
22 information above and through a rather intense

1 effort and process does come out with the ability
2 of evaluating future scenarios in fishery
3 management strategies. So, I'm just going to flip
4 to the next slide, because -- or, actually, why
5 don't I do the following.

6 I'm going to skip to this slide, because
7 is really where it all comes together in terms of
8 -- so, really, in MSE you begin by defining your
9 objectives, and your objectives can be
10 single-species objectives, it can be an ecosystem
11 objective, as an industry objective. It's a
12 conservation objective.

13 So, it really brings the full suite of
14 objectives and interested parties to the table
15 right at the beginning. So, to me, the important
16 aspect of an MSE is the transparency with which
17 the conversation starts by everybody saying this
18 is what I want out of the system. And, so the
19 next question is, what is the system, how does the
20 system evolve, and how will the system respond to
21 the different strategies that we may impose on it.

22 And, so, once you define your objectives

1 and you include, you know, -- say, for example,
2 the best understanding of the ecosystem and your
3 best understanding of human activities, which
4 could be fishing or the energy (inaudible).
5 Again, this is sort of the meat of it, and that's
6 really the heart of when you, you know, to really
7 make sure that you have your objectives and the
8 representation of your system done right.

9 And, once you're there, then you begin
10 to ask the hard questions about different
11 management objectives, or how the different
12 objectives respond or are affected by the decision
13 process that goes through, you know, what you see
14 in the system, the assessment that you come up,
15 and the management decisions. And, then you judge
16 the outcomes and you begin to look at trade-offs
17 between the various responses for the various
18 sectors and the various objectives that you had,
19 and then you make a decision in terms of what that
20 best trade-off is in terms of what you do.

21 I'm going to go back two slides and just
22 say that the MSE is a modeling tool and it tries

1 to simulate in a very realistic way potential
2 policy choices or strategies in complex systems.
3 And, they're designed, really, to simulate that
4 full suite of physical, biological, et cetera,
5 societal systems and their effects on the policy
6 goals.

7 And, as I said earlier, you know,
8 there's different ways in which, you know, you
9 could request it to look at this, whether it's
10 regional offices, fishery management councils, et
11 cetera, in terms of how to use this to allow us to
12 make decisions within this complex system, again,
13 transparently, systematically, and jointly, not as
14 I did something and I'm going to pass it on.

15 But, it really just does bring in the
16 community of interesting parties together. So,
17 the science side, you know, might bring, you know,
18 what are the hypotheses, the operating models,
19 the, you know, how do we appropriately represent
20 the objectives and then how do we implement the
21 factors that are -- or the management strategies.

22 And, then, you know, the discussion with

1 decision- makers, stakeholders, advocates, then
2 begins to -- not just at the onset -- identify
3 what those objectives are, but you then identify
4 what those strategies, you know, should be or the
5 ones that you want to test, and then ultimately
6 make decisions, you know, the policy call on what
7 that strategy is, and go through that process that
8 I just talked about and you come up -- there are
9 various ways of then representing the results.

10 And, these diagrams are referred to as
11 either kite diagrams or radar plots. Either term
12 is used. And, you see that you might include --
13 you know, what are the things that you try and
14 maximize or do something about your target species
15 or, you know, some industry objectives or
16 (inaudible) system objectives or you want to
17 maximize certainty or so on.

18 And, depending on the different
19 strategies or the management strategies they have,
20 then you can see the different sectors might be,
21 you know, better off than others in terms of
22 having met those objectives. And, this is an

1 example from a case study in Australia, I think,
2 but, again, it's a process that does in the end
3 give you a sense of what are the trade-offs when
4 you consider all of these jointly in terms of how
5 to go forward.

6 The advantages or disadvantages of
7 management strategy delegations is that -- let's
8 start with the positive -- it does make management
9 strategy easier to make that decision, again,
10 because for all the reasons I said. It's
11 objective, transparent, and everybody's got it.
12 It forces explicit consideration of objectives as
13 you go through it, so that's sort of the driver.

14 And, so you follow that throughout the
15 entire process. And, it focuses on uncertainty
16 and robustness, and uncertainty is always a
17 question that we look at. And, optimal
18 performance is -- well, it's always something
19 that's questionable in terms of optimal for who.
20 So, that really gets you that trade-off.

21 The disadvantage is that it can take a
22 long time. You know, it's not uncommon for an

1 implementation to -- the one that used to be
2 (inaudible) a couple of years. Sometimes,
3 stakeholders may not want to put their objectives
4 out, and, you know, that's where it starts off.

5 You know, that's where we need to say
6 what it is that we want, and sometimes you --
7 maybe you're playing -- you know, you don't want
8 to quite put everything out there, and, so, you
9 know, that's something that I think is part of the
10 building up of trust. And, sometimes, you know,
11 some of the strategies are not, you know,
12 available to do something about, because they
13 might be destroyed by law and so on.

14 So, overall, all of it's sort of
15 downsizing. It's still something that we now
16 embrace, so we have a national MSE

17 (inaudible) mission, our vision,
18 where we want to develop this
19 capability with the science centers
20 and also with the regional offices
21 and councils, because it's jointly
22 that, again, since it's a process

1 we are on that. Before I go, I'll
2 take some questions.

3 MS. MORRIS: Julie.

4 MS. BONNEY: So, at some point can we
5 get your presentation posted, too?

6 MS. MORRIS: Yes.

7 MS. BONNEY: As I said, I'm having
8 trouble. If you can go back one slide. I think
9 it was one --

10 SPEAKER: (Inaudible)

11 MS. BONNEY: Yeah. So, it seemed like
12 you started out on what -- this is kind of an
13 adaption process for climate change, because there
14 was some kind of bridge in the beginning, where
15 you had the stop signs.

16 MR. WERNER: That one right there.

17 MS. BONNEY: No, the stop signs though,
18 where it seemed like you were --

19 MR. WERNER: Stop signs?

20 MS. MORRIS: The checklist for the stop
21 signs.

22 MS. BONNEY: Yeah.

1 MR. WERNER: Yep.

2 MS. BONNEY: So, it seemed like that's
3 where you were headed in terms of trying to
4 address what's left on the checklist. So, I'm
5 just curious. Have you tried to do any
6 evaluations in terms of trying to develop
7 community resiliency in terms of -- so, that's one
8 of our tasks.

9 I mean, you've got the data and then
10 you're trying to come up with strategies in terms
11 of adaption. Has there been any (inaudible) --

12 MR. WERNER: (Inaudible) --

13 MS. BONNEY: -- strategy evaluations?
14 Let's try to take on that task.

15 MR. WERNER: I think, perhaps, the most
16 advanced example is actually in the Alaska
17 regions, through the Akline project. And, that
18 one there, they've really done a really nice job
19 of integrating from climate change scenarios, you
20 know, the intergovernmental panel on climate
21 change, the IBCC, different scenarios, and that
22 would be, again, that step there in considering

1 various different scenarios. And, they've
2 included an economic component which Allen Haney
3 and others have done very nicely.

4 I think that they've gone through a
5 process of perhaps beginning to look at the next
6 scenarios in -- I want to say in a 10 to 15-year
7 time frame. So, that would be Ann Holloway -- the
8 group led by Ann Holloway and others have really
9 done a sort of a trailblazing effort on this thing
10 in the Alaskan region.

11 MS. BONNEY: It just seems like they
12 haven't got to the how do you adapt portion.
13 They're forecasting the issues coming, but I don't
14 know that they've come to the how do we handle it
15 and adapt.

16 MR. WERNER: I'll try to see if they
17 have something a little bit more specific and make
18 it available as well to everybody, because they
19 are perhaps one of the groups that is furthest
20 (inaudible). Yeah.

21 MS. MORRIS: Peter.

22 MR. SHELLEY: The Northeast is doing an

1 MSE, I think our first one now of herring.

2 MR. WERNER: Correct.

3 MR. SHELLEY: And, I have to say I
4 didn't know what to expect going into it, but it
5 was a very interesting conversation, in terms of
6 value. Just the conversation in the room between
7 different stakeholders, independent value,
8 regardless of where the MSE let off.

9 And, it would be interesting to see
10 whether it changes sort of a quality of the
11 conversations that go on as it gets into an actual
12 fishery management plan. Other than dynamics of,
13 you know, people who were traditionally opposed to
14 each other, might soften a little bit because of
15 these preliminary conversations.

16 I think the problem, I think, that needs
17 to be considered is it's very (inaudible).

18 There's 3 full days

19 (inaudible) for one species, and
20 then there's a peer review. So,
21 it's expensive and it's labor
22 intensive, and in a region like New

1 England, all sorts of
2 labor-intensive processes tend to
3 favor stakeholders who have
4 professional staff who can
5 participate and prepare
6 (inaudible), it tends to not only
7 disfavor, it tends to prejudice
8 small stakeholders (inaudible) a
9 very important in the socioeconomic
10 trade-offs. But, if they don't
11 have the capacity to participate,
12 which they rarely do -- in a 3-day
13 remote meeting somewhere, --

14 MR. WERNER: Right.

15 MR. SHELLEY: -- you get a false image,
16 I think, of the universe, that the MSE is trying
17 to direct toward it. And, I don't know what the
18 answer to that is, but I think it is a -- it is at
19 least an (inaudible), and it's a bias that needs
20 to be recognized and accommodated somehow.

21 MR. WERNER: Yeah. What I put on there
22 -- disadvantages of -- I should have put that

1 second one -- that it's not just whether all the
2 objectives are properly stated, but whether
3 they're even at the table. I think that's a very
4 good point in terms of, you know, ensuring that
5 that inclusion early on -- because, you know, --
6 because of the process being --

7 MR. SHELLEY: Because of (inaudible).

8 MR. WERNER: -- intense as it is. If
9 you start off by this either being incorrect or
10 incomplete, then you go to your effort and then
11 you find out that he missed some pretty good steps
12 at the beginning. So, I think that is where, you
13 know, that's where we need to spend a lot of time
14 in ensure that we're okay with those objectives,
15 and that they're integrated properly as well, you
16 know. So, I agree with you.

17 MR. SHELLEY: But, I don't know if there
18 could be a -- you know, ombudsperson or -- I don't
19 know how you would actually get those interests
20 into the room, but I think there needs to be kind
21 of a structural --

22 MR. WERNER: Mm-hmm. And, enough

1 conversation --

2 MR. SHELLEY: -- (inaudible) should.

3 MR. WERNER: Yeah, enough conversation
4 (inaudible) happened that, once those objectives
5 were stated, it can be translated into something
6 that -- into a currency, if you will, that then
7 can be used in the approaches. So, I think, for
8 all those reasons, you might come in and say
9 something, but unless you know how to translate it
10 into something

11 (inaudible), it may fall short
12 then.

13 MS. BONNEY: My comment was similar to
14 --

15 SPEAKER: (Inaudible), Mike.

16 MS. BONNEY: Oops. I'm sorry.

17 MS. MORRIS: Mike is next.

18 MS. BONNEY: Okay.

19 MR. OKONIEWSKI: The Pacific way is a
20 treaty-managed fishery, and with no idea
21 (inaudible). But, they've been talking about MSE
22 since 2012, I believe, and I was pretty skeptical

1 when I first saw it. But, it gets into an
2 interesting position, because, like with whiting,
3 they swim across the border at about 4 years of
4 age, when they're mostly counterproductive --
5 reproductive.

6 And, the Canadians have held this theory
7 all this time that we're destroying fish that they
8 could harvest later, because we're harvesting fish
9 that maybe aren't spawned yet in some cases. So,
10 then it's back and forth for at least 3 or 4
11 years.

12 The whiting (inaudible) mass is about an
13 all-time high, so, apparently it's not too
14 (inaudible). But, we find the (inaudible) using
15 MSE, (inaudible) as a compromise to inform us, in
16 this case about selectivity of age and
17 reproductive capacity of those aged fish or
18 (inaudible), I guess.

19 And, it was an interesting discussion
20 (inaudible), and I think everybody was kind of
21 remiss to go to the MSE step. And, there's really
22 Canadians that really pushed it. I know sablefish

1 up there is done. They're pretty happy with the
2 results. I think done correctly it can be a real
3 tool, or it could be, but I haven't seen the
4 results yet.

5 Boy, there's a lot of back and forth in
6 the development of the process, and I think it's
7 -- he mentioned that it's a creative long-term
8 development process. Now, maybe that'll be
9 expedited as we go through a couple of these crash
10 courses.

11 But, I do think it has potential. For
12 one thing, too, you could kind of -- stakeholders
13 get a chance -- say if we lay back a little bit
14 (inaudible) full (inaudible) or what it could be
15 biologically, that we might have a better chance
16 of sustaining a longer-term harvest of stock that
17 fluctuates in numbers.

18 So, I think it has a lot of potential,
19 but I think there's also some -- well, he also
20 mentioned about the stakeholders that don't have
21 the resources to kind of

22 (inaudible). I think that's a

1 valid concern.

2 MR. WERNER: Yeah. Just a couple
3 comments. It does offer that structure of the
4 objectives, you know, (inaudible) in a (inaudible)
5 way, I guess, you know. And, again, as long as
6 everybody states their objectives honestly and
7 clearly and quantifiably, it does give that
8 transparency a chance, you know, to make those
9 decisions. It is a long process.

10 I'll just say that in Australia this is
11 something -- a lot of developments were done by
12 Beth Fulton from Australia, and over time it's
13 become -- I'm not going to say fully embraced, but
14 it's now part of the conversation, and we have a
15 lot to learn from them. But, it has taken time,
16 not just to do one but also to accept it, so.

17 MS. YOCHER: Thank you. It sounds like
18 this might be something that is being perceived as
19 something that would be instead of and not just in
20 addition to in terms of tools that are used. And,
21 if that's the case, if some things are being
22 phased out so that you could redirect staff

1 towards this, target new hires in that way, you
2 know, one approach would be to then provide
3 funding that's saved by implementing this and
4 phasing out some other approaches so that you
5 could get good representation from the community,
6 so that NOAA wouldn't only be adding its own staff
7 but would be providing funding to stakeholders to
8 attend and participate.

9 MR. WERNER: A tricky question.

10 MS. YOCHER: Sorry. (chuckles)

11 MR. WERNER: It's intended to be
12 complementary to the present way of how we do the
13 assessments, how councils do the assessments and
14 such. So, it is a step in that direction of being
15 -- of recognizing, first, of doing something
16 better, taking a better approach to it, but this
17 is perhaps a -- you know, that old conversation
18 about strategic tactical -- this is a much more
19 strategic view on how you would do things.

20 You know, whenever you talk about
21 investment in people, is you invested in that and
22 therefore not in something else. But, I think

1 unknowns. Like, a lot of those
2 projections were based on the
3 perceived collapse of a lot of the
4 shell fisheries, and I don't know
5 that science (inaudible) has really
6 gotten us there yet.

7 And, I think I see the absence of
8 addressing -- like, potential impacts of harmful
9 (inaudible). If we start to see (inaudible) -- in
10 the Northeast, like, they're seeing in South
11 Korea, which seems like it's getting worse and
12 worse every year, that could be a huge game
13 changer. And, you know, what is driving a harmful
14 (inaudible) frequency globally is, again, is vast
15 unknown.

16 I'm just really troubled by the amount
17 of unknowns, and we're trying to make
18 recommendations that -- we have these
19 (inaudible) scientific cases --
20 science unknowns (inaudible).

21 MR. WERNER: That's a very good
22 observation. So, again, we started with that

1 circle there with our best understanding of the
2 (inaudible), which includes the -- you know, the
3 (inaudible) and, you know, things that we saw on
4 the West Coast with domoic acid and all that.

5 And, even the event itself, the warming
6 event itself, I -- none of the models captured
7 that. None of the models predicted that that was
8 going to happen. And, so, this may still be just
9 a conservative instrument of what might happen.
10 So, we might have to think about how do we factor
11 in surprises, and how do we bracket what surprises
12 might be. And, we are in a state where we're
13 beginning to see -- or, we're continuing to see
14 things just emerge that we didn't expect.

15 So, I think that the point is well taken
16 in terms of, you know, how much do we have to
17 think out of the box when we consider these
18 different scenarios, not just on the management
19 side of it but the ecosystem side. This is the
20 (inaudible) of the conversation.
21 The uncertainty of this is
22 something that -- we have

1 have the professional staff with councils been
2 involved in this process, moving in this
3 direction, and do you see good potential for
4 partnership between the science centers staffing
5 up and the way that councils evaluate the
6 trade-offs when they make them and
7 recommendations?

8 MR. WERNER: I'll answer it that if
9 we're not all at the table at the beginning, then
10 it's a recipe for derailment. It just won't work.
11 And, so, you know, here we are making management
12 decisions. This should hardly be the last step of
13 the loop. I mean, it really has to be up here so
14 that we know what some of the decisions -- what
15 some of the objectives are, or how the objectives
16 are defined by possible decisions

17 (inaudible). So, you know, we
18 would go about it wrong if we did
19 all of this work at the beginning and at
20 the end expect a decision without having them
21 included in there. It would be disastrous. So,
22 it's definitely one that everybody has to deal

1 with. And, so, the councils, the state agencies,
2 the stakeholders, industry recreational -- NGOs,
3 everybody has to be at the table to do this, which
4 is why I think, as you said, that's a very, very
5 intense meeting. But, you've got to get it right.

6 MS. MORRIS: Peter.

7 MR. SHELLEY: Well, sort of on that
8 point, -- and it's a little bit spooky for an
9 older person like me, but, some of the work that
10 Fulton's done, actually building algorithms and
11 models, where you can actually open a fishery
12 under different management constraints and predict
13 -- I mean, she's tested it against real situations
14 and predicts pretty well what some of the
15 consequences are going to be, both the ones that
16 you anticipate and the ones you don't anticipate
17 --

18 MR. WERNER: Right.

19 MR. SHELLEY: -- but that the algorithm
20 can anticipate. So, (inaudible) really could lead
21 to some much more eyes wide open management
22 decision-making.

1 MR. WERNER: Yeah.

2 DR. WARNER: Yeah, it removes sort of
3 the smoke- filled room in the back in terms of
4 helping that, yes.

5 SPEAKER: Did you have more
6 presentation?

7 DR. WARNER: Yes. Okay. This one I can
8 go quickly on this one. So where we are on this
9 it's pretty exciting, as you know, the, there's a
10 January 2017 the Crowd Sourcing and Citizen
11 Science Act was signed I guess and I just want to
12 give you a pretty quick update of where we are on
13 that and because it is so recent its more just a
14 couple of vignettes in terms of things that are
15 happening and where we think this is going.

16 Just a couple of numbers here in terms
17 of the federal community of practice, there's 40
18 agencies that and I hope I don't butcher this
19 because Laura Irwin gave me this and she is our
20 point person on this and she is great and she,
21 anyway these are, she knows a lot more about this
22 than I do but the points here are that this is

1 something that is happening in a number of
2 agencies, even though it was just signed two
3 months ago. Within NOAA we have 160 members
4 within NOAA that are affiliated or working with,
5 you know, and aspects having to do with citizens
6 science. And if you look at the graph there, it's
7 from 1995 to 2015 it's a search on citizen science
8 is the key word and the number of peer review
9 publications in which citizen science appeared and
10 you can see it basically went from pretty much
11 nothing what 20 years ago to over 200 publications
12 just two years ago.

13 The, I mean, these are just definitions,
14 citizen sciences projects which volunteer
15 volunteers partner with scientists to answer real
16 world questions. The crowd sourcing is when an
17 agency or program calls or solicits openly for
18 voluntary assistance of a large group of
19 individuals and I will talk a little bit about
20 both. In terms of just some examples at NOAA
21 fisheries we hope to have a complete inventory of
22 our efforts by mid-April so in about a month and

1 there is a crowd sourcing project that I think it
2 has been nominated or is maybe considered for an
3 award under the innovation in government. That
4 one has to do with the identification of right
5 whales and NOAA provided the aerial images of the
6 right whales and math works which produces mat lab
7 which is similar to something, you know, a tool
8 box like or something like that provided a \$10,000
9 award or announced a \$10,000 award. And I think
10 that our entry won or is close to winning or
11 something where the success rate of identifying
12 the right whales through this citizen's science
13 development of this software resulted in an 87
14 percent success of identification of right whales.

15 There is a role of citizen's science in
16 the south Atlantic climate regional action plan
17 and one that is just out for review right now.
18 And that one has to do with identification perhaps
19 of differences in distributions of certain species
20 in natural versus artificial reefs and a lot of
21 this has to do with just scuba divers and such
22 providing the data and saying where they see it

1 and feeding us that information. And there is
2 also some other apps that were developed, you
3 know, in terms of seeing where citations were
4 distributed off the U.S. west coast in the spirit
5 of not just by catch but also ship strikes and
6 things like that and so that would give us a sense
7 of that.

8 Just, you know, quickly again in terms
9 of stock assessments and resource management we
10 are using, at citizen sciences has appeared in
11 terms of contributions in the California
12 Collaborative Fisherman's Research Program and
13 West Coast rock fishes having to do with folks
14 telling us where they caught the fish and, you
15 know, and there has also been in the REEF program,
16 I forget now what REEF stands for in the Gulf of
17 Mexico and the south Atlantic having to do with
18 again I mentioned the distribution of grouper and
19 snapper.

20 And then it's also being used to
21 evaluate the population of rock fishes in Puget
22 Sound and again this has to do with divers and

1 others and fishermen just providing the data that
2 then we hope we can use somehow. In this case
3 this end of the year rockfish scuba project and it
4 is very hard to spot these, you know, and people
5 tell us where and what depth et cetera they
6 spotted them and that in terms helps us develop
7 habitat models and such. Another example of crowd
8 sourcing is the western Aleutian sea lion science
9 project and there, I don't know how many images
10 have been provided and there's crowd sourcing and
11 trying to identify an account, you know, the
12 sightings in the images.

13 In the south Atlantic council as I said
14 I think in speaking with Laura that that process
15 is actually perhaps pretty advanced. Is that an
16 example probably its already happening in other
17 councils as well to the point that last December
18 they actually designated a full-time council staff
19 person to work on citizens science and, you know,
20 a possible first project may be the development of
21 an app for fisherman to provide scamp which is I
22 guess a kind of grouper discard information.

1 And so again not to go to long, the
2 summary and this is, and my last slide is that the
3 citizen science efforts are on the rise. We are
4 involved, we are dedicating people to it. It's
5 something that we do hope to use and are using
6 already with some questions. I think it's natural
7 to see, you know, until we get the data and, you
8 know, if we want to make a management decision on
9 it I think that we need to assess, you know, how
10 is was collected and the usual -- the usual
11 reasonable and legitimate questions that we ask of
12 any data but it is something that we are very
13 engaged in and working on with either through
14 crowd sourcing of citizen science efforts to help
15 us in our management. And I think that's it.
16 Thank you. Sorry, I hope I didn't go too long,
17 thank you very much.

18 SPEAKER: Dave.

19 MR. DONALDSON: Cisco, I'm a, excuse me,
20 I'm glad to hear NOAA's interest in citizen
21 science. I know in the Gulf of Mexico there has
22 been more interest in getting the fisherman

1 involved. If you get them involved in the process
2 and they feel like they are part of the process
3 and it just, its beneficial so we obviously have
4 some issues with the recreational fishing,
5 fisheries down there and trying to -- the counsel
6 is looking at ways to engage the fishing public
7 more so. It's encouraging that you guys are
8 looking at it. Obviously with the caveats you
9 need to make sure, you need to manage expectations
10 that we can't, they can't just turn the data in
11 and we will use that in the assessments.

12 DR. WARNER: Right. And I think in the
13 citizens science, you know, effort, you know, is
14 that conversation happens -- the citizens science
15 is involved in understanding and perhaps even
16 defining some of the research approaches and it's
17 great that we can take, you know, take advantage
18 of the good will of everybody involved, you know,
19 and so, yes. It is -- that understanding has to
20 happen on both ends what we are doing and how we
21 are using it.

22 SPEAKER: Julie.

1 MS. MORRIS: I think there is a, what a
2 possible change in Madison to take into account a
3 citizen science and maybe Sam knows about this? I
4 guess I get a little bit nervous about that action
5 and what you are talking about here. In one case
6 in the North Pacific we had an NGO group go out
7 and collect data and then tried to effect policy
8 in terms of some of the Bering Sea canyons that
9 was really poorly constructed and then there was
10 additional funding that came out through the
11 science center to really bring out more robust
12 approach to the decisions to policy so I don't
13 know that just the terminology of this section
14 makes me nervous because it almost looks like you
15 are advocating for change in the Madison act
16 versus the idea that you are working in
17 partnership and using that science to, you know,
18 an elective versus an advocacy role so I don't
19 know how you brand this to make it clear that this
20 isn't affecting future language in a bill versus
21 just what is kind of organically growing.

22 MR. RAUCH: Certainly. So as Cisco

1 to go look at that law and maybe we can circulate
2 that around. It does talk about the fact that you
3 can't -- that the agency has to have a citizen
4 science plan in order to accept this kind of
5 information. So it's not just willy nilly you
6 accept anything but there are some provisions in
7 that law. That is a new law.

8 SPEAKER: So yes, just going on on that,
9 that's what I thought the law was passed and so
10 now the federal agencies need to create their own
11 plans and create for example if they are going to
12 use data that they are using, I'm assuming that
13 they are going to have to have certain standards
14 of what data is collected from the citizen science
15 program because at the same time if we think about
16 it, the data isn't biased but how you use it can
17 be. So that's also, you know, if it's just a, and
18 folks want to use one year of citizens data or two
19 days of data that comes from citizens to provide
20 an opinion on something I don't think they can do
21 that, right. But if it doesn't meet whatever
22 regulations that later on are created by the

1 agencies well then that's a different --

2 Mr. RHEAULT: It would be nice if the
3 citizen's science wasn't biased but sometimes it
4 is and there are cases like marine mammal
5 interactions in Drakes Bay which, you know, dozens
6 of people were training them to do this work but
7 they came with an agenda and bad science was
8 generated.

9 SPEAKER: Right. Well, right the agenda
10 right, but the observation that you saw a whale,
11 they saw but it is targeted at different times.
12 Now the way you design the efforts, right, that's
13 --

14 MR. RHEAULT: Yes, these were marine
15 mammal interactions with an oyster farm that never
16 actually occurred documented by people with an
17 agenda. That was an issue.

18 SPEAKER: Liz, did you want to say
19 something? LIZ: I just trying to envision my
20 documents that

21 didn't occur.

22 MR. RHEAULT: You write it down and you

1 note it on, you know, this interact saw these
2 people scare these seals off this beach but we
3 look at the time and the date, there was no beach
4 because it was low tide or if it was a Sunday and
5 you weren't working, you know, out on a yellow
6 boat or.

7 SPEAKER: I have been involved in the
8 South Atlantic Council Effort, you know, and they
9 hired inaudible to be the staff person for this
10 and identified basically the first major project
11 would be recreational discord that we don't have,
12 sizes, species, you can take a picture of it
13 because God knows what they are identifying when
14 they are out there. But what we are waiting on is
15 some support from NOAA and when that might occur.
16 We have gone, we have done the project analysis,
17 not the analysis but the startup of it through the
18 council, identified certain little things,
19 whatever we could get to provide good data and now
20 we would like to look at something for the effort.

21 DR. WARNER: In terms of a sense of how
22 to design the observation, the apps or whatever --

1 SPEAKER: Yes, or even financial. So, I
2 mean, I hear that as well then so from the
3 Caribbean standpoint, there is several efforts for
4 citizens science programs with regarding
5 fisheries, observations coming from that are
6 needed from, requested from the commercial side so
7 that they can actually report some of the
8 interactions that they are having that aren't
9 being captured anywhere. However in the funding
10 source again this is new so I am assuming
11 eventually some funding could come along and I
12 think your request or the need exists so I think
13 well hopefully right, since the citizens law has
14 been passed it could be if there is not too many
15 cuts, something, some funding could be allocated
16 to some of those efforts that I think support a
17 lot of these -- if you are going to pass the law
18 you are going to need some support.

19 MR. AMES: Yes. My experience in
20 interviewing fisherman is that you have got to
21 develop the protocol for validating the data which
22 they provided and time and location are just a

1 couple of the factors. You are going to get
2 varying abilities because of the, in the tidal
3 zone, what stage of the tide it is, et cetera, et
4 cetera but if you can get multiple reports of
5 similar things then you have got a valid piece of
6 data that you can use. So just taking it carte
7 blanche doesn't work. There are processes that
8 you can use to validate the data and again I think
9 it's a bold idea.

10 SPEAKER: I think getting the
11 information will be the problem. I mean, we had
12 one of the striped bass where they wanted to look
13 it over. It's got scales, it's an aged striped
14 bass and in the stock assessment they said I
15 wonder where we can get inaudible from? I said I
16 think our guys can provide a couple and after a
17 week Doug Graffin from inaudible called me said no
18 more. The freezers were full with racks and, you
19 know, so if you make it, you ask, if you build it
20 they will come.

21 DR. WARNER: Right. And no that
22 unbridled enthusiasm is welcome but I think like

1 Sam said, you know, I guess that would be that
2 plan of how many and where and such that I guess
3 we are working on now in terms of how those
4 citizen science plans happen so that we don't fill
5 the refrigerators too big.

6 SPEAKER: Columbus.

7 COLUMBUS: Yes, was there an
8 authorization for appropriations associated with
9 that bill?

10 SAMUEL: We just sent the link around.

11 MS. MORRIS: Yes, Heidi just sent it out
12 to everyone on your email. I'm looking. Okay.
13 The agenda says that it is time for a break and I
14 think parting, thanks to you, Cisco, and your team
15 in presenting that presentation. It seemed very
16 clear. Thanks for answering all the questions.
17 Many of the things you are working on seem like
18 they line up with some of our resiliency tests,
19 test four, test six and so really glad that we had
20 the update today so that we can blend our work
21 with what you have been working on. So thank you.

22 DR. WARNER: It's a pleasure, thank you

1 very much.

2 MS. LUKENS: Lois, to answer your
3 question, there is a section on funding in there
4 but it just says that agencies may use funds
5 appropriated by Congress to carry out that, this
6 act, so it doesn't look like there is any
7 authorization in the new source.

8 MS. MORRIS: Okay. This break is
9 supposed to last until 10:45. So please be back
10 by then.

11 MS. LUKENS: Okay. Thank you. Today we
12 have Susan Marie Stedman from NOAA's Office of
13 Habitat and Conservation and Headquarters. She
14 has been leading our efforts to start looking into
15 mitigation policy, development of the mitigation
16 policy and all of the issues surrounding that and
17 as I was just telling Julie, its one word but it
18 means so many different things and different
19 interpretations so Susan Marie is here to give you
20 some presentation on what we have been working on
21 and really looking to MAFAC and other stakeholder
22 groups to help shape how we move forward with the

1 development of this policy. So I will turn it
2 over to Susan Marie.

3 MS. MORRIS: So do you want to do the
4 presentations and then take comments at the end or
5 do you mind if we interrupt your questions?

6 MS. STEDMAN: You can interrupt me
7 because if there is anything that you don't
8 understand I would rather clear it up right away.
9 The presentation will be that much more desirable.

10 MS. MORRIS: That's great and so we will
11 do that and also it's kind of like a, you're
12 scoping so you are interested in what our input is
13 about what the scope of this policy should be.

14 MS. STEDMAN: Yes, I'm going to talk to
15 you about the process of developing it and some of
16 the issues that we have already identified but we
17 are very much in the process of looking for issues
18 we might have missed or aspects of issues we have
19 identified that we may not have thought of. So we
20 are looking to hear from you about it so this is
21 actually a fairly short formal presentation. We
22 are more interested in your questions and your

1 thoughts and the back and forth.

2 MS. MORRIS: Great, thank you.

3 MS. STEDMAN: And I apologize for the
4 frog in my throat. I caught a really bad cold
5 yesterday. So first of all the reason we are
6 doing a policy, there are many reasons we are
7 doing a policy on mitigation. First, let me
8 define the term mitigation. Mitigation includes
9 the avoidance, minimization and then compensation
10 for adverse effects on our habitats or species and
11 so all of our EFH conservation recommendations,
12 all our ESA consultations, they're all about
13 mitigation. They're all about avoiding effects,
14 minimizing effects and then compensating for what
15 we call unavoidable adverse effects so it's a
16 pretty big part of what we do.

17 It's also a topic that has been evolving
18 very quickly particularly in the private sector.
19 It used to be that if somebody wanted to fill 10
20 acres of say a wetland, build a shopping mall,
21 they would apply for the permit to do that. They
22 would -- the Army Corps of Engineers, we would

1 review it, we would provide recommendations to
2 reduce the impact and then for any avoidable
3 impacts we would provide recommendations on how to
4 compensate for them. It was very much dealing
5 just with the permit applicant.

6 Well, these days we have things called
7 mitigation banks. They are privately funded for
8 the most part, some are public partnerships but
9 mostly they are privately funded restoration sites
10 or preservation sites where somebody goes in and
11 creates environmental credits for doing
12 restoration and then they can sell those credits
13 to people who need to do compensation for an
14 impact. And that type of thing has been going on
15 for the last three or four decades under the Clean
16 Water Act but now mitigation bankers are moving
17 into the Endangered Species Act realm so we now
18 have fish banks, salmon banks out on the West
19 Coast and the private investment is also looking
20 to move into NRDA cases and some of these banks
21 with our, are anticipating to serve Clean Water
22 Act, Endangered Species Act and NRDA needs all at

1 the same time and then possibly water quality
2 credits or, you know, so it is becoming a very
3 complicated area. And our staff are dealing with
4 some new situations and some parts of our country
5 are dealing with those new situations one way,
6 some parts of the country are dealing with it
7 another way so we felt the need to develop some
8 consistency within the agency.

9 And then finally we are the only major
10 agency involved in this kind of thing that doesn't
11 have our own mitigation policy. We do have some
12 existing guidance. Our agency was one of several
13 that helped jointly develop interagency mitigation
14 banking guidance and inaudible back in the 1990's
15 and 2000. Our staff in California developed an
16 eel grass mitigation policy. More recently the
17 West Coast has a conservation banking guidance and
18 conservation banking guidance is mitigation
19 banking for ESA species. And then we have some
20 guidance to trustees under NRDA and I'm sorry, I
21 shouldn't be talking this without explaining it.
22 That's the Natural Resources Damage Assessment.

1 That's the process that's invoked in things like
2 the oil spill or other injuries to natural
3 resources.

4 So in response to a presidential
5 memorandum last year, our agency was asked to
6 develop guidance to trustees on how to involve
7 privately funded restoration sites in compensating
8 for impacts under NRDA. So we have done a lot of
9 thinking about this. We just don't have that one
10 policy that covers everything and everybody in our
11 agency. As we started this process we had a few
12 ground rules and probably the most important one
13 is not reinventing the wheel. The Fish and
14 Wildlife Service with whom we coordinate closely
15 on a lot of things has recently developed their
16 own mitigation policy, a broad mitigation policy
17 and then a policy specifically geared towards
18 conservation banking for endangered species. And
19 so we are not going to pretend that those policies
20 don't exist. We are going to take advantage of
21 all the thinking that went into them. Those
22 policies went up to public comment. We have been

1 in touch with the man who was behind shepherding
2 those policies through so we are fortunate to be
3 able to learn from what the Fish and Wildlife
4 Service has done and they have already helped us
5 avoid some problematic language that created
6 trouble for them that we don't have to deal with.
7 Sorry.

8 Our major goal is to develop one
9 mitigation policy for coastal resources and
10 defining that broadly in that we want this
11 mitigation policy to apply to all the programs
12 that are involved in mitigation. Again, mostly
13 our inaudible fish habitat, Endangered Species Act
14 and NRDA activities but we also do mitigation of
15 the corals and a few other programs so we are
16 looking to develop a broad overarching policy that
17 will apply to all of those uses of mitigation in
18 our programs.

19 And then finally we are trying to get a
20 lot of stakeholder involvement. One of the things
21 that the Fish and Wildlife Service didn't do is
22 get any stakeholder involvement in their policy.

1 They were up against a deadline, they needed to
2 get their policy out before the administration
3 changed so I can understand why they did that but
4 we are taking the opposite tact and we are going
5 out to as many people as we can for stakeholder
6 input. So this policy I'm talking about this is I
7 call this our mitigation policy pantheon.

8 We have got a broad policy up here as a
9 capstone. It's going to deal with both universal
10 issues. There are some things about mitigation
11 that apply no matter where you are but we are also
12 going to be dealing with coastal issues. There
13 are some things about mitigation that are specific
14 to coastal areas or have a certain flavor in
15 coastal areas and then we anticipate following
16 this overarching policy with what we are calling
17 step tap guidance because this policy again is
18 going to be broad statements and within each
19 program there is going to need to be additional
20 guidance on okay so how do you implement that
21 broad policy statement within the specific
22 program? And then underlying that I think we are

1 going to need to develop some new tools because as
2 I said this process of calculating credits and
3 trading credits and making sure that all of the
4 ledgers matchup is pretty complicated and so we
5 are going to develop some new tools to help with
6 that.

7 So beginning in September of last year
8 we started developing an internal issue paper. We
9 put together a group of people from around the
10 regions and headquarters and different programs
11 and asked them what their most pressing issues
12 were with respect to mitigation and we have also
13 been going out to stakeholders to talk to them
14 about what they think the most pressing issues are
15 with respect to mitigation in coastal areas. In
16 February we held a workshop where we brought all
17 the people who have been working on this together
18 and we worked through the 19 issues that we have
19 identified at that point and came up with either
20 draft policy statements or options for draft
21 policy statements or suggestions that that
22 particular issue is not a policy issue and we

1 should address it some other way. So we have got
2 kind of a start on some of the issues that we have
3 already identified. Excuse me. Our timeline
4 anticipates that we will work through the end of
5 this calendar year creating a draft mitigation
6 policy, continue getting stakeholder input on
7 issues and approaches and hopefully put something
8 out for public comment at the end of the calendar
9 year. And then hopefully by May of 2018 have
10 something final out.

11 So here are a few of the issues that we
12 identified that tend to be universal as opposed to
13 unique to coastal areas. A lot of the flack that
14 the Fish and Wildlife Service got for their policy
15 is that they were encouraged to think about
16 mitigation as a way to get a net gain in natural
17 resources and unfortunately that tended to suggest
18 that they were trying to overreach their
19 authorities. They weren't. But I'm sure you all
20 know how things are easily misunderstood.

21 SPEAKER: Susan, we have a question.

22 MS. STEDMAN: Yes.

1 MS. BONNEY: So I'm going to ask a
2 stupid question.

3 MS. STEDMAN: Sure.

4 MS. BONNEY: So when you talk about
5 mitigation you're talking about habitat, ESA, a
6 whole group of authorities under NOAA. But you
7 are basically when you talk about mitigation you
8 are basically talking about industry development
9 that affects those types of programs and what they
10 need to do to really be able to move forward in
11 their permitting process? Is that where you are,
12 what you are typically trying to do?

13 MS. STEDMAN: Yes. Yes. Mitigation is
14 triggered when somebody needs an authorization
15 like a permit or in the case of NRDA when somebody
16 is responsible for compensating for the impacts of
17 an oil spill or some kind of chemical spill or
18 something like that.

19 MS. BONNEY: So just to follow up so, I
20 mean, I think whether you are in the North Pacific
21 Management Council or here you are always
22 mitigating but in this case it's just, it's an

1 industry activity and a reaction from the agency
2 to allow that activity to happen.

3 MS. STEDMAN: I think that's correct. I
4 think -- I'm used to thinking with that in
5 different words but I think what you just said is
6 what I'm -- and I knew talking to you all was
7 going to be a little bit of a challenge because,
8 you know, you guys look at things a little
9 differently than say the developers that I'm used
10 to talking to but I think that what you just
11 expressed is the gist of it.

12 SPEAKER: Randy, Liz was next.

13 MS. HAMILTON: Well, there's also, I
14 mean, this is such a broad subject because we even
15 use mitigation when we are talking about
16 hatcheries, right, when you authorize a dam there
17 is language about mitigating hatcheries. But
18 there's inaudible power of administration for
19 instance tries to use this sort of program as a
20 get out of jail free card. So anyway.

21 MS. STEDMAN: Yes, as we get into the
22 issues you might get that clearer sense of how

1 this may or may not apply to you all.

2 SPEAKER: Randy, I'm sorry.

3 MR. FISHER: Yes, I'm just curious
4 whether you see this as being more work or the
5 same amount of work you do now? In terms of this,
6 I mean, when you are doing inaudible consultations
7 or whatever it might be so it just seems to me
8 that if you have the policy that probably means
9 that you are going to do something with it so do
10 you visualize this as being more work or less work
11 than you do now?

12 MS. STEDMAN: I think it will help to
13 standardize the work that we are doing. For
14 example, people on our West Coast are doing fish
15 banks right now. People on our East C Coast have
16 never heard of that. And so one of the things we
17 are trying to do with this policy and what we
18 tried to do with the workshop that we held is get
19 everybody in the agency that's working in
20 mitigation to learn from one another so that when
21 somebody goes to the East Coast and proposes an
22 ESA conservation bank that our field staff don't

1 back away saying no way, we don't like this.
2 They've talked to people on the Pacific Coast.
3 They know how they work, they know the pros and
4 cons of that. So developing a policy itself that
5 would be more work but in the end I think it is
6 going to reduce our workload because we will have
7 a set of principles and then with the step town
8 guidance we will have specific standards so that
9 things will move more smoothly than if every time
10 this concept comes up we have to scratch our heads
11 and figure out what we want to do.

12 SPEAKER: Columbus.

13 MR. BROWN: So will this policy likely
14 deal with essential fish habitat?

15 MS. STEDMAN: Yes.

16 MR. BROWN: Okay.

17 SPEAKER: All right. Okay, Susan, back
18 to your presentation.

19 MS. STEDMAN: Okay. So we in terms of
20 the goals of mitigation are very focused on our
21 authorities. We are not going to talk about using
22 mitigation to generate an increase in habitat or

1 species. We are going to focus on what our
2 authorities allow us to do which under EFH as
3 implemented through the Clean Water Act, it's
4 compensate fully so no net loss rather than a net
5 gain. Under the Endangered Species Act, it's my
6 understanding that because we are trying to
7 recover species we can ask an applicant to maybe
8 do a little bit more but anyway, we are going to
9 focus on our authorities as opposed to kind of an
10 abstract goal of a net gain.

11 The term sequencing or hierarchy refers
12 to this idea that you avoid all your negative
13 impacts first and then you minimize to the
14 smallest extent possible and then any that you
15 can't avoid you compensate for. And this sequence
16 is a pretty written in concrete in some parts, in
17 some of our programs. For example again the EFH
18 implanted under the Clean Water Act but under the
19 Endangered Species Act, you can sometimes go to
20 compensation even if you haven't minimized to the
21 greatest extent possible because the compensation
22 that's being offered is so much more than you

1 would have gotten otherwise. So we are going to
2 take a different approach by program area in that.

3 SPEAKER: Mike has a question.

4 MR. OKONIEWSKI: Yes. It might be a
5 little out of step but it just occurred to me, if
6 you are looking at a species or a habitat area
7 that's and you take an assessment on it just say
8 last year or something but say in the last 10
9 years that's had a real resurgence of whatever it
10 is you are attempting to protect or restore, do
11 you take that into account on this process?

12 MS. STEDMAN: Yes, and that would be
13 part of developing the tools is to make sure that
14 we have the most up to date information for
15 assessing areas.

16 Mr. OKONIEWSKI: So if it's been on a
17 high growth or resurgence of restoration I guess
18 then that would be factored in as not -- maybe
19 it's not as sensitive or in need of I guess the
20 restoration process or, I mean, so that it phases
21 in as whatever cyclic --

22 MS. STEDMAN: Right. I think for

1 something that is cyclic what our scientists would
2 want to do would be to look at the larger
3 timeframe and, you know, not just a single point
4 in time because that's not going to be
5 representative of the natural resource.

6 SPEAKER: Julie.

7 MS. BONNEY: Just, you were talking
8 about EFH and under the Clean Water Act, but I
9 think that what the provisions under the Madison
10 are different so how do you decide which law is
11 affecting your mitigation in terms of an outcome?

12 MS. STEDMAN: Well, it lands on what the
13 federal authorization is. So EFH kicks in for the
14 consultation requirements when there's a federal
15 authorization and for a lot of our staff the
16 federal authorization is the Clean Water Act
17 permit. And the standards for mitigation in EFH
18 are pretty much the same as the standards that are
19 in the Clean Water Act.

20 SPEAKER: Go ahead.

21 MS. STEDMAN: Okay. In terms of a high
22 value and hard to replace resources this is

1 something that comes up in a lot of our existing
2 guidance and conversations that there are some
3 resources, like corals for example that are very
4 hard to replace and in a lot of cases are very
5 high value and our policy is going to emphasize
6 avoidance of those resources. Its -- again this
7 again is a holdover from a presidential memo last
8 year where agencies were instructed to emphasize
9 avoidance for high value, hard to replace
10 resources. We emphasize avoidance for pretty much
11 everything so this isn't really going to be a
12 stretch but we will make a stronger statement in
13 terms of high value, hard to replace and, you
14 know, we don't know how we are going to define
15 that yet. We are away from that. Sorry, and then
16 invasive species is a topic that comes up a lot in
17 mitigation because --

18 SPEAKER: I'm sorry, Phil, was your
19 question about high value?

20 MR. DYSKOW: I got a question on what
21 was just mentioned. Over and over again you have
22 said that the guidance came from a presidential

1 memo of last, issued last year.

2 MS. STEDMAN: Right.

3 MR. DYSKOW: Is this the type of thing
4 that could be overturned in the new
5 administration? In other words could they be
6 taking a left turn in a month?

7 MS. STEDMAN: Yes.

8 MR. DYSKOW: And going a different
9 direction entirely?

10 MS. STEDMAN: Yes. We are not going to
11 be citing that presidential memorandum from last
12 year. Some of our issues were developed, the
13 issue paper was developed while that memorandum
14 was still in effect and so there are some holdover
15 topics.

16 MR. DYSKOW: But a lot of your guidance
17 apparently from what you have said is coming from
18 that memorandum?

19 MS. STEDMAN: No. Just the two topics.
20 The mitigation goals topic, the idea of a net gain
21 and then the idea of emphasizing avoidance for
22 high value resources. Those two were something

1 that our agency was directed to look at by the
2 presidential memo so we looked at it last year.
3 But as we are moving forward, we are not going to
4 be constrained by what's in the memo but they are
5 still good topics to look at.

6 The invasive species is an issue because
7 sometimes the reason a habitat is degraded is
8 because of invasive species and our field staff
9 are often asked to accept as compensation the
10 removal of invasive species because you can get
11 some kind of gain in habitat value, a gain in
12 ecosystem services through that. The problem is
13 invasive species have a tendency to come back and
14 so we are going to be developing some kind of
15 policy statement that makes it clear that if you
16 are accepting invasive species as compensation you
17 need to have a plan to keep those invasive species
18 gone. You can't just remove the salt cedar and
19 then walk away from the area. Okay.

20 So these are my favorite because these
21 are the ones that deal specifically with coastal
22 areas. There's a lot of talk in ecology right now

1 about taking a landscape approach. A landscape
2 approach doesn't necessarily work for marine
3 resources. And so we are looking at how to
4 develop a landscape/seascape approach and what I
5 mean by taking a landscape approach is that it
6 used to be that if you were filling a wetland to
7 put up a shopping mall you were asked to
8 compensate for any avoidable impacts as close to
9 the area that you filled and with the same kind of
10 habitat that you filled.

11 And several years ago the National
12 Academies of Science came out with a report citing
13 that's not working. We are just getting a bunch
14 of cat tailed marshes next to shopping mall
15 parking lots and that's not really doing much for
16 our resources. And so now people are encouraged
17 to look at what the watershed means. And when you
18 are thinking about what kind of compensation to
19 provide for that lost habitat think about what the
20 watershed needs, think about placing it in a
21 better place in a watershed. Think about maybe
22 even looking at a different habitat than what you

1 have.

2 And again if you are dealing with inland
3 habitats that makes sense but if you are dealing
4 with coastal habitats you might want to instead of
5 looking within the watershed look within the
6 literal drift cell or within the bay or lagoon.
7 So we are going to be developing some guidance or
8 at least a rough policy statement on not looking
9 solely within a watershed if you are going to look
10 at the best place to compete for losses in
11 habitat.

12 Out of composition is a pretty big issue
13 for our field staff and what that means is that I
14 mentioned that there are a lot of mitigation banks
15 right now and the Army Corps of Engineers
16 encourages the use of them because one of the
17 advantages of a mitigation bank is that its
18 consolidated restoration. Instead of having a lot
19 of little restoration sites, you have one big
20 restoration site and there is somebody responsible
21 for making sure that it's successful. However,
22 most mitigation sites, most of the mitigation

1 banks in the country are freshwater habitats. And
2 so we, our field staff are finding themselves in a
3 position of seeing maybe sea grass being lost to
4 dredging and the applicant says well, I want to
5 buy mitigation credits from this freshwater marsh
6 bank and the Army Corps of Engineers is saying
7 well, there's no sea grass bank so sure, go ahead.
8 And we object to that but we get overruled.

9 So one of the things that we are going
10 to -- that we need to talk about in our policies is
11 making a really strong statement that its not okay
12 to compensate for sea grass with a freshwater
13 marsh, that we need to make stronger effort to do
14 the kind of compensation that will replace the
15 functions. A policy statement in and of itself
16 though isn't going to accomplish what we need
17 which is more sea grass mitigation banks so we are
18 going to need to accompany this with some kind of
19 incentives that have yet to be developed.

20 And similarly, we are seeing a lot of
21 compensation going out of the coastal area and
22 this is one of those paradoxes where if you want

1 to put your compensation in an area that's not
2 affected by pollution, not in danger of being --
3 having a road go next to it, then you need to go
4 away from the coastal area because coastal areas
5 for the most part are very heavily developed right
6 now and a lot of ecologists will tell you that the
7 best place to put your restoration is out of those
8 icky urban areas. But those urban areas are where
9 people live and if we want the population of this
10 country to support natural habitats, then they
11 need to actually see them and so we are going to
12 need to find a way to strike a balance between
13 putting compensation out in an area where it's
14 free from the impacts of humans or in an area
15 where there will be some human impacts but the
16 benefits of humans interacting with that resource
17 outweigh the loss of ecological services.

18 And then finally preservation is a type
19 of compensation that basically means instead of
20 doing restoration you buy up a big parcel of land
21 and you put a conservation easement on it to sell
22 it to a state agency or give it to a state agency

1 and that is your compensation. Typically it's not
2 looked upon very highly because you don't really
3 get any, you don't get any compensation. I mean,
4 that area was there before you filled the ten
5 acres for the shopping mall. It's still there
6 when you filled the ten acres for the shopping
7 mall but now you are out the 10 acres for the
8 shopping mall. The thing is in coastal areas we
9 are losing land so fast that I think we think we
10 need to take another look at accepting
11 preservation as compensation because if we don't
12 set some of these areas aside they will be gobbled
13 up by development and so in the long term maybe
14 not in the next five years, within the next 20
15 years you actually are getting an environmental
16 trade off that's positive because if you hadn't
17 placed that area under protection it would be
18 gone.

19 So those are some of the issues that we
20 are talking about now. And again I realize that
21 this is a little bit of a different context than
22 what you -- I'm used to talking to and what you

1 guys are dealing with. But the bottom line is
2 that we are trying to find, we are trying to
3 develop a policy that will make sure that when
4 they lose habitat that supports fisheries that we
5 get the best compensation for it and that even
6 before that that we reduce the amount of loss of
7 that habitat that supports fisheries as much as
8 possible. And so again we are interested in any
9 thoughts or questions you have on that and we also
10 are happy to take your thoughts and questions
11 after this. I can put my email up there and you
12 can send your thoughts to me if something occurs
13 to you later.

14 SPEAKER: Okay, Raimundo.

15 RAIMUNDO: Yes, hi. Could you go back
16 to the previous slide just for a second?

17 MS. STEDMAN: Sure.

18 RAIMUNDO: And so when you speak about
19 these approaches and I understand that you are
20 working on them, are there any associated metrics
21 with them? For example for preservation so
22 immediately what the long term what it could

1 produce? I know for example you also mentioned
2 the sea grasses versus coastal freshwater
3 wetlands. So, I mean, I think the metrics,
4 depending what metrics you decide to use really
5 addresses how you can really --

6 MS. STEDMAN: Yes, yes, absolutely. So
7 if we are dealing with mitigation in the central
8 fish habitat context there are a number of habitat
9 assessment methods that we can use with endangered
10 species to have compensation, you know, they are
11 dealing with their species profiles. There is a
12 mixture of the real, you know, three decimal
13 points science and that's professional judgment
14 that goes into this. So if you are dealing with
15 something where you have a type of habitat that
16 you have a good assessment for and then you can do
17 some very precise exchanges. What happens with
18 preservation is sometimes you, if you are in an
19 area that is under what we call imminent threat so
20 you are at the edge of that rapidly development
21 area -- developing area, you could do a
22 calculation assuming that if you don't put that

1 land into a trust it will be developed and, you
2 know, through your assessment with the assumption
3 that say half of it gets paved over. Or some of
4 our field offices have just come to an
5 understanding with the permitting agencies that
6 preservation should be credited at a 20 to 1 acre
7 for acre basis so if you filled an acre of
8 wetlands in order to use preservation as a
9 compensation, you have to buy 20 acres. So it's a
10 really interesting mix of that.

11 RAIMUNDO: Yes, and so for that example,
12 you know, the 20 to 1 and or sea grasses that end
13 up being fresh water and wetlands, you know, those
14 are two systems that depending on what metrics you
15 use could -- 20 to 1 is falls very short so then
16 for carbon storage.

17 MS. STEDMAN: Right.

18 RAIMUNDO: But with the sea grasses are
19 going to be tremendously over way more productive
20 or way more capacity than the fresh water well
21 then the fish isn't the fish everywhere. Right.
22 A fresh water fish isn't the same and a blade of

1 grass isn't the same as a blade of grass on land
2 or in the water. So these things are really
3 interesting because I think sometimes in the
4 mitigation aspect even if you do see if it is
5 applied 20 to 1 then it's implemented it still
6 falls tremendously short if it's not -- the metric
7 isn't appropriate enough for what you're trying to
8 mitigate for the impact that's being done. So I
9 think it's great that that, what you mentioned
10 that you are trying to work on that especially
11 with the sea grasses because I think that is one
12 of the least prioritized efforts of coral reef
13 associated ecosystems.

14 MS. STEDMAN: And as we have been
15 talking about tools, one of the things we have
16 been talking about is bringing new carbon into the
17 calculations of what is being lost and what needs
18 to be replaced.

19 RAIMUNDO: Okay. Thanks.

20 SPEAKER: Mike?

21 MR. RUBINO: When I see this out of
22 coastal area compensation, I have been a rural

1 person most of my life I guess. And I get this
2 idea of the urban areas all of a sudden making,
3 you know, somebody at some level is making
4 decisions about these balance scales. High
5 ecological value versus high sociological value.
6 It seems like the less population you have
7 sociological value might go down at least in some
8 people's eyes. But on the other hand there might
9 be resource extraction or whatever it is in some
10 of these areas, natural resources I'll keep it to
11 that but so can you kind of give me an example of
12 what you're out of, on the out of coastal area
13 compensation, can you give me an example of how
14 this would work or, I mean, I'm a little bit --

15 MS. STEDMAN: Sure. Let me --

16 MR. RUBINO: -- some ugly thoughts going
17 through my head when I see this.

18 MS. STEDMAN: Oh, I definitely didn't
19 want to create ugly thoughts but that's why we are
20 here because I need to hear if something I'm
21 saying is creating ugly thoughts. So one of the
22 things let's say that a marina needs to expand and

1 that's going to involve filling maybe some tidal,
2 I want to say tidal fresh, I don't know if a
3 marina would get into tidal fresh. Let's say
4 there is going to be a loss of tidal fresh water
5 marsh in an urban area and so your choice for
6 replacing the services that are ready to be lost
7 would be replacing that tidal fresh water marsh in
8 that same area which because it is urban is going
9 to be affected by pollution which will reduce the
10 services that that habitat can provide or going a
11 few miles inland and you've still got that tidal
12 fresh water marsh but its farther away from the
13 urban area and you're going to have greater
14 services there.

15 We've over the last couple of decades we
16 have become very focused on replacing those
17 ecological functions and ignoring any kind of
18 sociological functions and so what we are talking
19 about and what we are interested in hearing from
20 people about is whether there shouldn't be when
21 you do this assessment of, you know, how much
22 credit or how much benefit do we get by doing that

1 restoration further upstream or closer to the
2 urban area, do we need to include some kind of
3 calculation of how many people would use the
4 wetland? How many or, you know, is it accessible
5 to a park or something like that. And there are
6 assessments that have done that in the past but
7 they've become overshadowed by taking a strictly
8 ecological approach so does that help or does that
9 create more ugly thoughts?

10 MR. RUBINO: Well, I might have tripped
11 myself up here but, you know, the outer coastal
12 that means if there was -- you would just
13 primarily on that is the way you just explained it
14 I think means that you would take it somewhere
15 else other than the coast. I mean, inland.

16 MS. STEDMAN: Right.

17 MR. RUBINO: I would suspect. Okay.

18 MS. STEDMAN: And again because there's
19 been this emphasis on using a watershed approach,
20 we have had instances where, you know, the
21 compensation has been proposed for further
22 inaudible of watershed and watersheds are often

1 defined using U.S. geological survey 8 digit hucks
2 which can go really far inland. And so we are
3 just trying to -- we are trying to have a
4 conversation about if your impact, if the habitat
5 that you're losing is in the coastal urban area,
6 does it make sense to think about doing the
7 compensation in that area even if you are not
8 going to get as much ecosystem services as you
9 would if you took it further up in the watershed.

10 SPEAKER: Raimundo.

11 RAIMUNDO: See and -- okay. Sorry.

12 SPEAKER: Pam? PAM: I have got a
13 process question. I wondered if
14 you could go back to your mitigation
15 policy timeline.

16 MS. STEDMAN: Sure. PAM: I want to
17 make sure that we are as helpful to
18 you as we can be as MAFAC and so I'm
19 wondering exactly where in this timeline you
20 visualize us fitting in and what the nature of the
21 input you would like to have? I mean, we have got
22 individual comments that come out at the meeting,

1 you know, as a result of your presentation but I'm
2 wondering if some of those things in that middle
3 box there that are not yet out for the public, if
4 those are things that you would visualize like for
5 example giving the ecosystem subcommittee a copy
6 of the work shop report from the NOAA internal
7 workshop. You've mentioned here today some of the
8 approaches, the new approaches that you are
9 thinking of taking, not just the 19 policies but
10 the approaches. Anyway, giving us some documents
11 that we could really work with and comment on as a
12 body or if you are just looking for kind of
13 individual comments at -- to help you?

14 MS. STEDMAN: Well, both but we are
15 going to be doing a summary of the issue paper
16 that we would envision distributing so people can
17 have a better understanding of what we are talking
18 about. And so I think that's scheduled to be done
19 in a couple of months. The original issue paper
20 was basically a brain dump of our field staff.
21 Some who were very frustrated with the way things
22 were going so it's not in good shape to go out

1 beyond our agency but we are going to be doing a
2 summary of that that we can make an appeal to
3 interest in stakeholders but in the meantime I
4 will put my email up on the last slide and you can
5 also email me your thoughts and comments.

6 SPEAKER: Anything else, Pam? PAM: No

7 SPEAKER: Okay. I have got Columbus,
8 Peter, Bob, Raimundo, Randy and Ted so Columbus is
9 next.

10 MR. BROWN: Okay. At the beginning of
11 my career many, many years ago, you know,
12 mitigation was one of the things that we were just
13 growing into. And my -- I have got a couple
14 questions for you. Will your policy likely point
15 to some science systems that will help your field
16 people make decisions? I know way, way back in
17 the 70's, 80's, Fish and Wildlife Services was
18 using things like HSM models to help and coming up
19 mitigation for various projects.

20 MS. STEDMAN: Right. We are -- in terms
21 of assessment methodologies we are often
22 constrained by what the local authorities are

1 already using so for example in Florida the state
2 has their own assessment methodology for wetlands
3 and the Army Corps of Engineers has endorsed that
4 as the methodology that should be used for the
5 Clean Water Act permits. In other areas we don't
6 have that and so what we want to do with policy is
7 probably set some standards for what an assessment
8 methodology should include. And then if there are
9 areas where we need an assessment methodology then
10 part of our tool development would get at that but
11 rather than prescribing a certain assessment
12 methodology we are looking to set some standards
13 for what an assessment methodology should include.

14 MR. BROWN: Okay. So how will you
15 collaborate with other federal agencies and the
16 states on mitigation policy when you have
17 overlapping authorities? Especially like the Fish
18 and Wildlife Coordination Act which requires the
19 state Fish and Wildlife agencies to comment.

20 MS. STEDMAN: Right. Well, we are
21 blatantly stealing some language from the Fish and
22 Wildlife Service policy and the introduction of

1 our policy will talk about how our policy is
2 similar to the Fish and Wildlife Service policy or
3 in cases where we are different, how it's
4 different and why? I have had meetings with the
5 Fish and Wildlife Service and as I have mentioned
6 they have already told us about a few pitfalls we
7 can avoid. As far as states we have done
8 briefings with the association of state wetland
9 managers to get their thoughts on this and I think
10 we are trying to get together with the Coastal
11 States Organization as well.

12 MR. BROWN: Okay. And when you
13 mentioned the law where it says net increase, will
14 you be able to sort of differentia what areas
15 where the net increase might be appropriate to
16 even consider?

17 MS. STEDMAN: Yes. So we are going to
18 tie it all back to our authorities and some of our
19 authorities allow us to ask for more and some of
20 our authorities don't. And so we are going to be
21 very particular about that. That was one of the
22 problems the Fish and Wildlife Service ran into

1 with their policy is that people felt they weren't
2 clear enough about where they could and where they
3 couldn't.

4 MR. BROWN: Okay. And regarding
5 restoration activities, especially in coastal
6 areas, are you likely to look at nature preserves
7 and other holdings of state, federal lands as
8 possible areas to increase to, you know, expand?

9 MS. STEDMAN: For preservation, adding
10 on to an existing, you know, preserved area is
11 always preferable to just putting something out by
12 itself so that's one of the criteria that would
13 normally be looked at to decide whether or not
14 preservation is a good option.

15 MR. BROWN: And when you are looking at
16 things like artificial reefs or other activities
17 that would develop a particular habitat type in
18 areas, in the coastal areas that didn't quite
19 exist before?

20 MS. STEDMAN: If it would address the
21 reestablishing the -- if it would address
22 compensating for the impact and we are already

1 doing that in Florida.

2 SPEAKER: Peter?

3 MR. SHELLEY: Susan, that was a great
4 presentation. I mentioned a lot of your examples
5 were near shore and coastal salt marsh. I'm
6 interested and maybe I missed it but going more to
7 the blue water jurisdiction you have. Things like
8 sand and gravel mining, wind farms, pipelines, et
9 cetera, et cetera, et cetera. Is your policy
10 going to extend to think about mitigation or
11 compensation of those contexts?

12 MS. STEDMAN: It will and I don't know
13 if this is considered quite blue water but one of
14 the habitats that we tend to not get compensation
15 for is open water near shore, you know, on a
16 vegetated bottom which some people look at and say
17 well, that's not even habit but the 400 biologists
18 would beg to differ. So one of the things we want
19 to do is make it clear that yes, you do need to
20 compensate for that kind of an impact. Excuse me.
21 I don't know a lot about what inaudible on in like
22 wind farms and things like that but because this

1 is meant to be a broad policy we would definitely
2 want to include that so we will make sure that our
3 field staff who work on that are involved in it
4 and if we don't have the right field staff we will
5 make sure we get the ones we need.

6 MR. SHELLEY: Yes, I mean, it's just a
7 very complicated policy area I think there is so
8 much altering activities going on out in the blue
9 water all the time anyway.

10 MS. STEDMAN: Right.

11 Mr. SHELLEY: I know with fishing and
12 other things so it just trying to figure out what
13 the framework would be. I think there should be
14 one but figuring out what it should be is tricky.

15 MS. STEDMAN: Well, and again these are,
16 this is a broad policy so we are going to be
17 talking about, you know, principles. It may be we
18 need step down documents specifically for impacts
19 in deep water areas and that would deal with more
20 maybe complexities that are specific to that kind
21 of invasion.

22 SPEAKER: Bob.

1 MR. RHEAULT: Susan, fascinating. Near
2 and dear to my heart following the payments for
3 the ecosystems services for a long time. I think
4 it's a great tool to put a dollar value on things
5 to help politicians understand things that we
6 value in a different way. But very dicey as well.
7 Looking at the nutrient credit opportunities and
8 you get the three orders bank to valuation
9 depending on how you want to valuate, the value of
10 a kilogram of nitrogen. We have then, you know,
11 essential fish habitat is you can put a value on
12 it in one location and it's very high. If it's
13 limited habitat and if you have got thousands of
14 acres of eel grass, perhaps losing an acre of eel
15 grass is just not such a big deal so, you know,
16 when you have got inaudible just a very high value
17 and when it's all around you it's of questionable
18 value. So, I mean, there's a lot of very
19 challenging nuances to this that I really am
20 fascinated by. And then, you know, how do you
21 charge the people inland for their nutrient
22 impacts, the beautification in our coastal

1 ecosystems happening now. You know, so I'm -- and
2 then just to put it all into perspective, I'm a
3 shellfish guy, we would love to be able to get
4 some credit for the fact that there is habitat
5 value associated with the gear that we put out
6 there and, you know, perhaps, you know, displacing
7 a little bit of eel grass is not the end of the
8 world if the ecosystem services rendered by that
9 gear are almost equivalent in many facets. So I
10 think this is a fascinating realm and a
11 challenging realm and I wish you the best of luck.

12 MS. STEDMAN: Thank you.

13 SPEAKER: Raimundo.

14 RAIMUNDO: Okay. All right. So it was
15 going back to the conversation that we were having
16 with Peter with Mike and he mentioned that I think
17 it was part of the fears arise when you mention,
18 you know, that if there's an urban, a coastal
19 urban effort to see where those mitigation would
20 be most appropriate and preservation is an option
21 so it would be preservation for urban coastal and
22 most likely the more appropriate from the

1 ecosystems point of view or from the biodiversity
2 or for the resource it would be more of a rural
3 area because there probably wouldn't be as much
4 resources in an urban area to protect. So I think
5 that's where part of the fear would arise from the
6 community because then while you are protecting
7 resources you are with the utilization of
8 preservations particularly of coastal areas it
9 could be seen as a limiting economic growth for
10 those urban and rural areas. So I think that
11 that's part of the fear is that where some
12 communities might arise feeling that, you know,
13 putting urban above rural areas and could limit
14 other areas of economic growth so I think that's
15 an area that needs to be worked with very
16 carefully.

17 MS. STEDMAN: Could I just make sure I
18 understand? So by economic growth you mean --

19 RAIMUNDO: For developments.

20 MS. STEDMAN: -- the jobs that would
21 come from doing restoration in rural areas?

22 RAIMUNDO: No. So, I mean, so if you --

1 if there's a -- this hotel came in and built here
2 and they went up the coastal where its less urban
3 and it's a bit smaller town it limits their
4 coastal development in terms of for example for
5 them to have a local service industry to further
6 them to development because there coastal
7 influence were preserved from a development.

8 MS. STEDMAN: Okay.

9 RAIMUNDO: So it's kind of -- and it's
10 really interesting because again from the resource
11 point of view it's probably more appropriate to
12 preserve the coast this little track here when we
13 are developing. You know, too much so I think
14 that is kind of part of the concern from the
15 communities that aren't, you know, the rural
16 versus urban and I think that's something that
17 happens quite a bit. So, I mean, that's why we --
18 I hear that concern and that's something that we
19 have heard around the world with other projects
20 that were similar so I, so that's one of the
21 things that I wanted to mention as well as also
22 considering the differences between an island

1 habitats.

2 Island jurisdiction, how this applies to
3 them being that for preservation and some of the
4 mitigation aspects mean that to an island it's
5 much more limited on the space. And so that's one
6 of the things and one more thing that I did want
7 to mention though is for the mitigation because I
8 wanted to ask if the creation of sustainable
9 finance mechanisms have been considered as a tool
10 under mitigation just because for example from
11 USDA, NRCS the Conservation and Innovation Grant
12 have begun funding a lot of sustainable finance,
13 stable finance mechanisms for agriculture so I was
14 wondering if that's something that through this
15 new effort could be considered, you know, a trust
16 and stable finance mechanisms that would support
17 ecosystem management out of the coastal and marine
18 resources.

19 MS. STEDMAN: So I'm not sure I
20 understand what a sustainable financing mechanism
21 is.

22 RAIMUNDO: Money to put into trusts for

1 the long haul. Instead of a sinking fund, it
2 would be a trust.

3 MS. STEDMAN: So -- oh, I'm sorry, were
4 you going to --

5 SPEAKER: Do you want to respond
6 quickly. I'm trying to get to the other people
7 who want to --

8 MS. STEDMAN: Okay. Responding as
9 quickly, there are things called in fee programs
10 where you hang money into a fund that is, has a
11 plan for how they are going to spend the money.
12 It's not just a here take some money and so that
13 might be a little bit like what you are talking
14 about although I suspect it's a little bit
15 different as well but yes, there has been
16 arrangements like that created as well.

17 SPEAKER: Okay, so I want to take
18 comments from Randy, Ted, Erica, Phil and Liz then
19 we are going to break for lunch but after
20 midafternoon at 2:30 we have an hour and a half
21 work session on this. Pam has been taking furious
22 notes as the assistant subcommittee chair so I

1 encourage all of you who may not be able to make
2 strong points right now in the conversation and
3 things may pop up during lunch to join that
4 conversation this afternoon. Randy.

5 MR. FISHER: Well, yes. Quickly I sort
6 of agree with what Bob said. This is fascinating.
7 But I have, I think it would be useful for me at
8 least if you are going to develop standards to
9 know what you are really, what your authorities
10 really are because mitigation, you know, is in the
11 eyes of the beholder sort of. And the Corps of
12 Engineers doing that do they really have to listen
13 to you or not. They don't. They never do so it
14 would be interesting if you are going to put this
15 out to figure out what your authorities really are
16 in some of these instances.

17 MS. STEDMAN: Right. And our
18 authorities except under ESA but and EFH are
19 advisory and so our strongest position is to have
20 science to backup what we are asking for and then
21 we talk to the Corps and you're right. They don't
22 have to listen to us but again if we have science

1 to back up what we are asking for they're more
2 likely to meet us at least halfway.

3 SPEAKER: Randy, are you done? Ted.

4 MR. AMES: Yes, mine is related to
5 Mike's concerns as well. Just a point of
6 clarification. The mitigation from urban areas
7 goes into the same watershed within head of tide
8 it's to restore some other marsh area, is that
9 what the proposal for mitigation?

10 MS. STEDMAN: So right now we don't have
11 any proposal. The situation that we are looking
12 at is that if an area in -- if habitat in an urban
13 area is lost, you know, to development then --
14 there's been a strong desire to get -- so that
15 means you need like 50 habitat units or they need
16 to replace those ten acres and there is a strong
17 encouragement to do that compensation somewhere
18 away from the water pollution and other effects of
19 an urban area so within the same watershed but
20 further up in the watershed and what we are saying
21 is that we would like to talk about whether that's
22 always the best option because that means that

1 eventually you will have a coastal area with no
2 natural habitats and you will have a whole bunch
3 of natural habitats further up in the watershed.

4 We don't have real good numbers on this
5 but from the numbers that we do have we know that
6 about somewhere between one and three percent of
7 the restoration that's funded by the federal
8 government is in coastal watersheds. And coastal
9 watersheds have like 43 percent of the wetlands in
10 the country. And most of the loss in wetlands is
11 occurring in those coastal watersheds. So we
12 clearly have an issue with their being some kind
13 of parody in terms of putting the restoration
14 where the wetlands are to begin with and we are
15 losing them.

16 SPEAKER: Okay, Erica.

17 ERIKA: I have a lot of questions. But
18 I'm going to just --

19 MS. STEDMAN: I'll be back at 2:30.

20 ERIKA: Okay. So there was one thing
21 that Bob mentioned in his question is this idea
22 of, you know, which habitats are limiting

1 particularly for fish so, I mean, I don't know how
2 consistently essential fish habitat designation
3 has been done with really fine scale information
4 about which habitats are most limiting or or most
5 of concern. So like what kind of information is
6 there to sort of say if this impact is
7 contemplated on this wetland or this seagrass its
8 going to have an impact on these fish. It's going
9 to have more or less of an impact on different
10 types of fish species that managers care about.
11 Like is there information to do that?

12 MS. STEDMAN: My impression and others
13 in the room might know more about this is that
14 it's very difficult to do that for most of the
15 stocks.

16 ERIKA: Well, there was another part of
17 it that sort of struck me is that this framework
18 could offer some kind of opportunity for, I mean,
19 if you had that kind of information for maybe
20 prioritizing consultation and really sort of
21 focusing consultation in areas where there is
22 known to be a bigger impact.

1 MS. STEDMAN: Right. And I think our
2 field staff already do that because they have a
3 sense even if it's not something they calculate in
4 their head it's about which habitats are limiting
5 and are in the most threat.

6 SPEAKER: Phil.

7 MR. DYSKOW: It's been a few years since
8 I have been directly involved in a coastal
9 development project. I know there is lots of
10 authorities and a lot of overlapping authorities.
11 In most of the developments that you've cited,
12 you've talked about marinas and urban
13 developments. I'm not aware of NOAA being
14 directly involved in that. Are you involved in an
15 advisory role or on a permitting role?

16 MS. STEDMAN: No, in the advisory role.

17 MR. DYSKOW: Great. So are there
18 examples where you're not in an advisory role but
19 in the permitting role?

20 MS. STEDMAN: The Endangered Species
21 Act. Well, that's advisory as well but it has a
22 stronger advisory role.

1 MR. DYSKOW: So I guess in coastal
2 aquaculture you might be more primarily involved
3 but in most of these areas you're an advisor to
4 another authority?

5 MS. STEDMAN: Yes.

6 MR. DYSKOW: So this is not an
7 additional level of permitting it's just an
8 additional resource that people could use.

9 MS. STEDMAN: It's -- well, we have been
10 doing -- we have been making restorations with --

11 MR. DYSKOW: Yes, I know.

12 MS. STEDMAN: -- respect to mitigation
13 all along. So this is none of this is new. It's
14 just a matter of being more consistent and more
15 methodical about it.

16 MR. DYSKOW: Right. Well, I know in
17 some permitting process where there's a particular
18 species that's being impacted perceivably you have
19 been involved in that as far as providing data
20 information and expertise. And nothing is
21 changing from that role?

22 MS. STEDMAN: No.

1 MR. DYSKOW: Okay.

2 MS. STEDMAN: And let me go back and say
3 that under the Endangered Species Act we do have a
4 permitting role to take permits.

5 MR. DYSKOW: Can you give me a specific
6 example of that without trying to burn up a lot of
7 time?

8 MS. STEDMAN: No, because I'm not an ESA
9 person.

10 MR. DYSKOW: Okay, thank you.

11 SPEAKER: Liz.

12 MS. HAMILTON: Well, I think in the
13 process you can condition or NOAA can condition
14 permits for the agency that doesn't take NOAA's
15 condition has to give written explanation of why.
16 And I'm going to say, I know right where I'm going
17 to be at 2:30 so I'm going to save my stuff until
18 then. I think we are all really interested in
19 this.

20 MS. STEDMAN: So you are going save your
21 stuff until 2:30.

22 MS. MORRIS: I wanted to make one

1 comment which is when you're geographically
2 locating mitigation sites, I'm sure you're already
3 thinking about rising sea level and its potential
4 to impact the success of that mitigation over the
5 long term?

6 MS. STEDMAN: Yes. Climate change is
7 one of the topics.

8 MR. RUBINO: Areas in Arizona because
9 everything else is going to be underwater.

10 SPEAKER: A final word, Mike.

11 MR. RUBINO: Going back referencing
12 Bob's comments, which I don't know, I didn't think
13 about this earlier but if you put in this context
14 of there's a large amount of eel grass in the bay,
15 a huge amount has been growing back at rapid rates
16 for many years and then you look at the context of
17 no net loss that scares me because, you know, in
18 some cases I have heard not one blade of eel grass
19 is going to be lost and yet that's -- there may
20 actually be more net eel grass growing in the next
21 few years. It seems to be in that pattern but
22 none the less, you're not going to take anything

1 away even though there is net gain going on so I
2 question whether this can be used as a -- and I
3 understand you're an advisory group in this matter
4 but I need to -- it sets the stage for lawsuits is
5 what I'm thinking. And or it could and these
6 litigations are just the fact that you are
7 fighting these agencies forever to get something
8 done and in this case aquaculture is pretty
9 maddening and its very expensive. And if you're
10 in some cases don't have a lot of dollars you are
11 dead in the water.

12 MS. STEDMAN: Well, I think --

13 MR. RUBINO: I guess I'd just like your
14 quick explanation how that is going to be handled
15 or considered and if no net loss means, I mean,
16 right there in that point of time you are not
17 going to allow one blade of eel grass to disappear
18 or something?

19 MS. STEDMAN: No. Nothing that this
20 policy does is going to change our approach to
21 looking at mitigation and in particular. Well,
22 let me take that back. Nothing this policy does

1 is going to change the way we implement our
2 authorities. And the no net loss goal, the Clean
3 Water Act is one that is expressed for the entire
4 country. It doesn't mean no net loss on a project
5 by project basis and our authorities don't even
6 have no net loss goal in it so that's why for
7 this, that big issue we are going back to what our
8 authorities tell us to do and then I know
9 particularly with respect to eel grass some of our
10 -- in some parts of the country there is a or was
11 at one time a don't touch a single blade of eel
12 grass approach and in other parts of the country
13 there was a we can replant it over here. So my
14 understanding with respect to eel grass is that
15 its location specific and we are not going to
16 change that.

17 If there are places in the country where
18 doing eel grass restoration is a good way to
19 compensation for eel grass impacts that's not
20 going to change. But I was going to say but I
21 definitely want to have more conversations about
22 this because we do not want people to get the

1 impression that this is going to be a big scary
2 thing and that's all of a sudden going to put
3 every aquaculture facility out of business.
4 That's not what we are intending to do with this.

5 SPEAKER: Susan, thank you for your
6 presentation, you obviously have thought really
7 deeply and thoroughly with your team about this
8 project and we are glad that you came to talk to
9 us about it.

10 MS. STEDMAN: I'm glad to be here.

11 SPEAKER: And so now we are having our
12 lunch break and that's until 1:15 I think the
13 hotel, is really the only option for lunch, is
14 that correct?

15 SPEAKER: So the hotel was supposed to
16 pass out something to you all. It's as some of
17 you know the ferries and water taxis can be very
18 fast where some of us had dinner last night was
19 just a wee bit water taxi ride to go to number
20 four on this, on the map. Nathaniel Hall area
21 which has lots of lunch options is number 18. The
22 north end would be water taxi number 25 a little

1 longer but I would recommend if somebody would
2 like to leave the hotel to go to Nathaniel Hall or
3 just straight across towards the seafood, I mean,
4 there are several different restaurants literally
5 steps from number four water taxi stop.

6 SPEAKER: Yes, but keep in mind if you
7 are late we are starting without you because we
8 want to hear from Sam about what's going on so I'm
9 just letting you know. And that's going to be at
10 1:15.

11 (Recess)

12 MS. MORRIS: Thank you everyone. You
13 can see the box of papers that's been brought. And
14 there's sign-up sheets out there in the hallway on
15 the way in to check your name off. We're trying
16 to get some warm coffee, or get the hot cup.
17 Instead of room temperature. It will be refreshed
18 a little later, there's (inaudible) being sent.

19 Okay. So back to the agenda. Sam, the
20 acting administrator, Assistant Administrator for
21 Fisheries is here and he's going to talk to us
22 about his transition and our

1 (abundant seas) talk.

2 MR. RAUCH: Yeah, so thank you. I was
3 going to do this in two steps. One is I've got a
4 number of transition related topics that we're
5 going to go over and then I'll stop, take a break,
6 take any questions on that, and then we can go
7 into the response to your December 23rd document,
8 which we've been working on.

9 I am Sam Rauch I am normally the Deputy
10 Assistant Administrator for Regulatory Program,
11 the Chief Regulatory Officer. This is the second
12 time that there's been a vacancy for the Head of
13 Fisheries that I have served as the acting
14 capacity. The Head of Fisheries is political.
15 I'm career. As soon as they appoint a political
16 person I will go back to my day job.

17 And I don't know when that will be. It
18 could be quickly. It could take a while. I acted
19 for two years last time, I don't expect it to be
20 that long.

21 Before I start I do want to, Julie,
22 thank you for all the work that you've done as

1 Chair. This is your last meeting as it was said.
2 I have been involved in MAFAC for the
3 years that I've worked at the Commerce
4 Department and it has come and gone in terms of
5 how relevant the issues that MAFAC has worked on
6 has been to the agency. And the work that you all
7 have done in the last six, seven, eight years has
8 been really good and been very helpful. So I
9 thank you for that.

10 So first of all transition personnel
11 issues. The Commerce Department we had a
12 Secretary, Wilbur Ross, who was confirmed about
13 three weeks ago. There is not a lot of other
14 staff that Mr. Ross has to support him. Normally
15 they come. There is a suite of political folks
16 that come in ahead of and shortly after the
17 Secretary. And we are starting to get some of
18 those folks. But there aren't any yet that are
19 there.

20 So the political team is still filling
21 out. So a lot of the things, and we'll see this
22 again when we get to the recommendations, some of

1 the things that we're just not able to respond to
2 at this point, because we don't have the interim
3 leadership. There is no head NOAA. There is no
4 true head of Fishery Service. There's no Deputy
5 Secretary. All these people are critical people
6 in the Department and they're not there yet. They
7 will come at some point.

8 When Mr. Ross was confirmed he made an
9 opening statement and throughout his confirmation
10 hearing he's made a number of statements that have
11 related to NOAA, related to both satellites and
12 fisheries and other things. And he reiterated his
13 commitment to the core of our mission. Of
14 particular relevance to this group is his views on
15 trade. He has indicated that one of his main
16 efforts is to solve the seafood trade deficit, or
17 at least cut into it. And he views that the way
18 to do that is to more fully achieve maximum
19 sustained yield in the wild captured fisheries and
20 also to promote aquaculture by increasing the
21 amount of U.S. product on the market, his views
22 are that we can cut into that trade deficit.

1 And so we're working with him on that to
2 the extent that he has time to deal with that.
3 But that is the way that he is, in our view,
4 coming at this issue. Trade is very important to
5 him and he does understand that increasing the
6 U.S. raw materials, if you will, is going to be
7 important to solving that trade deficit problem.

8 A couple of other personnel issues. So
9 I am at the moment the Acting Administrator. Like
10 we did last time, Alan Risenhoover, who many of
11 you have met who's the Director of Office of
12 Assistant in Fisheries, has moved up. He is
13 Acting Regulatory Deputy for me.

14 You've met Dr. Werner here earlier. He
15 was Acting Chief Scientist upon Richard Merritt's
16 retirement. Paul, who was at the Seafood show
17 today, will be here tomorrow, Paul Doremus. He is
18 the other Deputy. He's the Deputy for Operations
19 and Management. He will be here tomorrow to talk
20 to you more about the budget. He is also acting
21 as the Assistant Secretary for Conservation
22 Management. This is a NOAA level position that is

1 between the head of NOAA and the Fisheries
2 Service. It's one of three Senate confirmed
3 positions. So he is filling that job while we are
4 waiting selection. So he is both doing the
5 operational deputy job at Fisheries and this
6 higher level filling in for the political position
7 until the political show up.

8 So we're very busy on that. A brief
9 comment about the budget. Paul will be here more
10 tomorrow to talk about the budget. You
11 undoubtedly are aware that the President released
12 a 64-page budget, budget outline really in March.
13 It's the first step. We don't know the details.
14 The President did outline a number of priorities
15 in which he wanted to increase funding for and
16 decrease funding for. And there's some top level
17 goals.

18 How we're supposed to meet that is as
19 yet unclear. There will be another budget in I
20 believe May, which will give more guidance on
21 that. This is the first step in the process.
22 This is, let me just be clear, we're currently

1 operating under a continued resolution that will
2 expire at the end of April. There is no funding
3 for us or any other federal agency after that. So
4 the first task will be the continuing resolution
5 or some sort of funding for the rest of the year.
6 That's not what this budget is.

7 The budget outline that came out in
8 March is the plan that would guide us starting in
9 Fiscal Year '18, which would start October 1 of
10 this year. So that's the proposal for FY '18, we
11 expect a fuller budget in May. Congress will have
12 to deal with that and decide whether to accept or
13 change, or modify that budget.

14 And only when Congress passes a budget
15 will we even have money for '18. So that's how
16 that process is going to go. It's still a long
17 way to go in that there needs to be more detail.
18 The President's budget, obviously Congress needs
19 to do what it's going to do to the budget.
20 There's a ways to go before that happens. And I
21 cannot speak more about what is in there. You can
22 read the President's budget. There's not a lot of

1 specific direction for the Fisheries Service in
2 there. So we'll have to see about that.

3 In addition to the budget issue and
4 those personnel issues that I mentioned, there
5 have been a number of executive orders that the
6 President has signed that apply to us and other
7 agencies. In terms of regulations that we go
8 through, a few of those, just to let you know
9 where those sit.

10 On the first day in office the
11 President's Chief of Staff signed a Memorandum
12 putting a temporary regulatory freeze in place.
13 The language was virtually identical to the one
14 that Obama's Chief of Staff did and very similar
15 to the one that Bush's Chief of Staff did. So
16 this is not unexpected and it's not new. There
17 are exemptions to that that basically says you can
18 get rules through if it is cleared by the head of
19 the department, which was the Secretary of
20 Commerce. Or you go to O&B direction and talk to
21 them.

22 We were able fairly quickly to establish

1 a route to O&B to discuss a number of fishing
2 regulations that were time sensitive and to get
3 those through the system. Now we have a Secretary
4 of Commerce we are discussing those rules with the
5 Department now instead of with the White House.

6 All the time sensitive rules that need
7 to go through have gone through in the opening
8 month or so, two months, of this Administration.
9 So that has worked for the fishing related rules.
10 And it was not unexpected. So we anticipated
11 this. We've been able to work through this
12 system. And many of the fishing rules that were
13 time sensitive have come out. And there has been
14 throughout the process an understanding that the
15 rules that are developed through the Council
16 process, that are publically vetted through the
17 Council process should be given some sort of
18 deference. And so we've gotten really good
19 responses from both the Department and the White
20 House about letting those Council originated rules
21 go through with very little conflict.

22 Shortly after he, I think like a week

1 after he was in office, he issued an Executive
2 Order, which I don't remember the number, but it's
3 basically the two for one Order. And what this
4 Order did is it imposed two restrictions on all
5 regulatory agencies. One is that if we are going
6 to issue a significant rule we have to rescind two
7 other rules. And the second one is that there
8 needs to be a net neutral impact on the economy.
9 So there's two different requirements.

10 The Office of Management and Budget did
11 clarify that at the moment it applies to
12 significant rules. Significant rules are a
13 regulatory term that has been around for several
14 decades that indicates it has an impact of \$100
15 million or more. Or it impacts international
16 trade or certain other specific criteria.

17 So a significant rule it has to go to
18 OMB anyway for review. These are the rules that
19 it applies to at the moment. There is in the rule
20 and elsewhere an understanding that as we go
21 further the Office of Management Budget will put
22 out further guidance. We are awaiting the

1 selection of the head of a sub agency of O&B
2 called OIRA, which is I actually don't know what
3 it stands for, O-I-R-A. Office of
4 (Intergovernmental) Regulatory
5 Affairs, right. There is not a
6 head of that agency yet. When the
7 head of that agency arrives we expect
8 that there might be more specific guidance on the
9 way that you interpret the rules. Either the two
10 for one, or the way you calculate the economic
11 impact of the items.

12 So we're working on that, but in the
13 meantime the fishery rules that are passed through
14 the Council that are time sensitive that are
15 needed to be issued to operate the Fisheries, to
16 manage the Fisheries have gone through.

17 There's one other regulatory rule that
18 just came out that is specific to one of your
19 recommendations, which requires that the
20 department, each department, create a process for
21 looking at outdated, duplicative, or unnecessary
22 rules. With the idea that these are the rules

1 that would be slated for the two for one removal.
2 And so those two processes go together.

3 That Executive Order came out, I think
4 it was a Friday a week ago. And we are working
5 with the Department now on what that actually
6 entails. But it's fairly clearly a stakeholder
7 process, there's an opportunity for stakeholders
8 to be involved in that process by the Executive
9 Order.

10 What that might look like, how that
11 might operate, we do not yet know. That is though
12 one of your recommendations was to create a
13 stakeholder process to look at outdated,
14 ineffective, unnecessarily restrictive rules. It
15 seems to me that we won't create two processes,
16 that this likely will be the process that meets
17 that requirement. I'll talk about that more in a
18 little bit. But that now is out there and we will
19 work with the Department on that.

20 The last Executive Order I want to
21 mention is the Reorganization Order. So last week
22 at some point the President indicated that we are

1 supposed to access whether or not various
2 organizations within the federal government are
3 duplicative. Whether the functions could be
4 handled by others, and those kinds of things. And
5 make suggestions with clearly the idea that at
6 some point the President may propose a
7 reorganization.

8 We would be working with the Department.
9 There's a deadline of maybe 90 days, or something,
10 or something like 60 days to do that. I will be
11 working with the Department on that. I don't have
12 any more information yet about that issue. He
13 wouldn't be the first president to propose
14 reorganization. Obama did that as well when Obama
15 proposed that the Fishery Service and all of NOAA
16 move into Interior. So these things are not new.
17 It does require Congressional authorization to do
18 that, and so we will work with the Administration
19 on that one.

20 The final action that I want to talk
21 about before I open it up for questions and/or
22 return to the recommendations, is the hiring

1 freeze Cisco mentioned that we are trying to hire
2 some new scientists at (NSD). At the moment the
3 federal government is under a 60-day or 90-day
4 hiring freeze that was issued on day one of the
5 Administration. Once again, this President was
6 not the first one to do a hiring freeze.

7 There are certain exceptions to the
8 hiring freeze for say law enforcement or other
9 kinds of essential services. It's the expectation
10 that when this freeze is over that the Office of
11 Personnel Management will create more guidance on
12 how to operate. And that guidance might look at
13 how to reduce the size of the federal workforce.
14 That would certainly be in line with some of the
15 President's stated objectives, but we haven't seen
16 that yet.

17 So we continue to work in the interim to
18 try to get critical mission functions where those
19 openings are filled. And we will work with OPM
20 when we see whatever guidance that is come up
21 there.

22 So that's sort of the transitional

1 issues. I'm going to stop here and take any
2 questions on that before we go into the break.

3 MS. BONNEY: Hiring freeze, you said is
4 it 60 days or 90 days?

5 MR. RAUCH: I think it's 90.

6 MS. BONNEY: 90 days. So I know it was
7 the last

8 (overview) we were down by five or
9 six personnel just because people
10 have either moved out or retired.

11 MR. RAUCH: We lose about 3% of the
12 workforce every year just because of retirements.

13 MS. BONNEY: So how do they -- so they
14 have to wait days before they can start
15 backfilling those positions?

16 MR. RAUCH: There are certain positions,
17 as I said, like law enforcement or other critical
18 positions, we can ask permission to get them back
19 from the Secretary of Commerce. So that's a
20 cumbersome process but the door is not closed.
21 There is a way to do that, but it is not an easy
22 way to do that.

1 MS. BONNEY: Well that's one side of
2 going through the process to try to start the back
3 fill. But then when we hit 90 days the pile of
4 the people that want to be hired has got to be
5 huge too.

6 MR. RAUCH: It may be. We'll have to
7 see what guidance we get from Personnel Management
8 at that time as to whether or not we can precede
9 to hire as we normally would.

10 MS. BONNEY: So I mean in terms of a
11 recommendation for MAFAC is there something that
12 we could put down on a piece of paper or make a
13 recommendation --

14 MR. RAUCH: You're supposed to recommend
15 to us, not me to you.

16 MS. BONNEY: Well I mean is there a
17 vehicle that you see that can help those two
18 problems?

19 MR. RAUCH: I leave that up to you as to
20 whether or not you would like to make a
21 recommendation. We do advise the Secretary
22 directly.

1 MS. MORRIS: The critical wording would
2 be law enforcement and other essential?

3 MR. RAUCH: At the moment there's an
4 exception for law enforcement and certain
5 essential personnel.

6 MS. MORRIS: Essential personnel.

7 MS. BONNEY: Yeah, but what (inaudible)

8 MS. MORRIS: We would have to
9 (inaudible). Mike?

10 MR. OKOIEWSKI: I don't have a very good
11 answer. You can dodge the question, but
12 (laughter) we have the same issues in the western
13 unit (inaudible) process of regulatory

14 (20:26 inaudible) I guess (in the
15 Department well now) right now.
16 There's a lack of staff, I guess is
17 what you would call it politely.
18 And one comment I wanted to make as
19 far as the focus on trade and the
20 trade deficit (inaudible) I think
21 there is a lot that can be done to
22 offset that and to kind of find a

1 collaborative approach in this.

2 And I'm saying this for myself and my
3 company not necessary MAFAC, but I think there is
4 quite a bit that could be done to further making
5 that objective and we're willing to talk about it
6 later. I'm sure you're going to get a bunch of
7 other opinions on that too.

8 SPEAKER: Peter?

9 SPEAKER: Sam, there was early on back
10 in the (FIN) budget document there was a concern
11 that the Coast Guard might be looking at a big
12 cut. And I think there was sort of a subsequent
13 some statements from the director of O&B, but that
14 that was misreading the (chart). Do you have any
15 information on what's likely to happen with the
16 Coast Guard? I mean not what's likely, I'm sorry,
17 whether the Coast Guard budget is being proposed
18 to be cut.

19 MR. RAUCH: The Coast Guard is in
20 Homeland Security. So that part of the budget is
21 out there. And you can see the guidance for
22 yourself. I did not go back and look at that and

1 see what might or might not be in there for them,
2 but it's out there.

3 SPEAKER: And I know you don't have a
4 crystal ball but I've heard that the rumor is that
5 one way that this

6 (inaudible) in past years is focus
7 on more (inaudible) by 10% and
8 (inaudible) the discretion to do
9 this, it might instead
10 (inaudible) for example employ (in
11 senior). Is that the rumor, or is
12 that something that MAFAC might
13 want to take up in terms of
14 priorities in staffing?

15 MR. RAUCH: Well I mean let me be clear
16 that the President's budget can't tell Congress
17 how to go about doing it. The President can
18 suggest a proposal and then Congress would decide
19 how it wants to approach the budget. The Congress
20 in the past has done across the board cuts,
21 sequester was like that, which was a straight
22 across the board cut. Or directed cuts, or

1 directed increases. That's up to Congress. The
2 President will just make suggestions.

3 Sea Grant is targeted and named
4 explicitly in the President's budget for
5 reduction. And we can read that. Sea Grant is
6 not in the Fishery Services, it's in the Office of
7 Ocean Atmospheric Research. So you can look at
8 that directly. But yes they've been identified as
9 a (inaudible) that needs to take reductions. But
10 it is at this point a suggestion by the President.

11 MR. RHEAULT: So we've got a (rule
12 making) that's going to allow us hopefully
13 eventually to get shellfish sold. Is that a rule
14 that needs to have two others killed before we
15 can?

16 MR. RAUCH: I don't know.

17 MR. RHEAULT: And how do I find it?

18 MR. RAUCH: We continue to work on
19 either rule as they come even the -- as I tried to
20 indicate we are awaiting a new director of OIRA.
21 When we get that I expect more clear guidance from
22 OIRA on what rules are or are not. That rule I

1 think is currently ready to process through the
2 system. So too soon to tell whether that's the
3 issue that issue

4 (inaudible).

5 MS. MORRIS: Sam, can you unpack the
6 comment that Secretary Ross made about maximizing
7 sustainable yield? I've heard some speculation in
8 the press about what it means and do you
9 understand any more about what he means by that?

10 MR. RAUCH: I've not talked to him
11 directly. My understanding is that is that he is
12 focused on trade and increasing the amount of U.S.
13 product on the market. Making sure that we
14 achieve maximum sustained yield in our fisheries
15 is one way to do that. I think he also understand
16 that we regulate fisheries through the Magnuson
17 Act and maximum sustained yield is a guiding
18 principle of fisheries management under our
19 statute.

20 I don't recall a prior Secretary in
21 their opening statements ever mentioning Fisheries
22 at all. (Laughter) The idea that he not only

1 recognizes the importance of Fisheries but was
2 about to identify the guiding principle for
3 management I think is a good sign. Beyond that we
4 haven't had much discussion with him (inaudible).

5 SPEAKER: Going back to what you were
6 saying about Sea Grant, there have been previous
7 proposals to reorganize NOAA and do different
8 things with it. Would those require legislative
9 action or are those the sorts of thing, I mean
10 doing an actual reorganization, not the budget,
11 are those things the Congress would have to act
12 on, or are those things in the President's
13 discretion?

14 MR. RAUCH: My understanding, Sea Grant
15 aside, that's one of the reorganization question,
16 my understanding is that prior reorganizations do
17 require Congressional approval. Whether it
18 requires legislation or not, I do not know. When
19 Obama put out that he wanted a Commerce Department
20 focused on trade, and so proposed to move NOAA to
21 Interior in order to make room for it, he
22 indicated that he needed Congressional approval to

1 have that done, and he asked for it and never
2 received it.

3 I'm not sure what the legal standard is
4 for why he needed that, but he thought he did. I
5 would assume that that's the case if there truth
6 to the rumors I should hear too, Congress would
7 somehow have to approve it. And I don't think
8 they necessarily need legislation to do that. But
9 I don't know.

10 MS. MORRIS: Any more questions about
11 the transition part of this presentation? Julie?

12 MS. BONNEY: So one of the
13 recommendations from MAFAC was to develop an
14 expertise group for trade barriers for seafood,
15 has that (inaudible)

16 MR. RAUCH: We're going to get all that.
17 We was just trying to get the transition things
18 out of the way.

19 MS. MORRIS: Are we ready to move on?
20 Let's go.

21 MR. RAUCH: I was very pleased to see
22 the recommendations that you sent to us in

1 December, the amount of work and forethought that
2 you put into it. And the fact that I thought
3 these were all reasonable things to request,
4 because we were going to do them. (Laughter)

5 But I do think the process you went
6 through and the fact that you were thinking about
7 these things which are actually things that are
8 important and that we're thinking about is very
9 good. And these were things we need to get
10 handled. So what we did is we took those, we
11 farmed them out to the various sectors within
12 Fisheries that have expertise and we said can you
13 do this. What would you think about this?

14 I'm going to report out on what we have
15 done to respond to these recommendations. Some of
16 them obviously are incomplete. Are sometimes in a
17 couple of places you are asking the Secretary to
18 direct within 100 days to direct us to do things.
19 Well the Secretary has not done that yet. And the
20 Secretary may still, but it hasn't happened yet.
21 So we'll get to those. But I do want to thank you
22 for the work that you have done on these

1 recommendations. I think they are very useful and
2 they will help us as we go forward and I think
3 that the political powers that be whenever they
4 arrive will also find it very useful. I just
5 don't know when that will be.

6 Let me turn to the first one, and I was
7 going to go in order. If you have a question as
8 they go along, you can save it until the end or
9 you can interrupt me, that's fine. The first one
10 is direct us within 100 days to do a policy on
11 data systems including electronic technology, with
12 guidelines for data storage, sharing, and
13 management. So I can't speak to being direct at
14 new policy, that obviously hasn't happened yet.
15 We are moving toward a number of electronic
16 initiatives. Let me identify a few.

17 One, we have been working with other
18 agencies in the government on something call pubic
19 access to research records, PARR. Which means
20 that we're trying to take all of our electronic
21 data sets, all of our data sets that are not
22 confidential and make them public accessible.

1 That is a large effort and our target is 2018 to
2 be done with that. So that is an enormous effort
3 (to sideswipe mainly undertaking) but not
4 uniquely, put all that stuff in some sort of
5 accessible format along with other (inaudible).
6 So that's been a big initiative to do that.

7 There is a limitation in that much of
8 our Magnuson Act fishing data, landings data is
9 confidential and cannot go into that system.

10 With the councils we have adopted
11 regional electronic technologies and plans for
12 implementing EM, electronic monitoring and
13 electronic reporting, EM ER. Not all of them are
14 camera systems. Many of them are. But every
15 region is moving out in some fashion on trying to
16 increase our use of electronic technologies for
17 various reasons. This is something that I am very
18 passionate about moving forward for a number of
19 reasons. One we'll get better data in many
20 places, not every place. It's more cost
21 effective. It's more timely. It allows you to
22 better manage. So there's a number of reasons why

1 we should move out and we are.

2 We have implemented large scale camera
3 systems on the east coast with Atlantic highly
4 migratory species, on the west coast with Hawaii
5 Fishery. They're working on a program in Alaska
6 which should be done by next year. They're
7 working on expanding the west coast ones, which
8 the Pacific Commission is actually in charge of,
9 to other (inaudible) fisheries there.

10 We continue to work with New England on
11 designing a program for camera systems up there.
12 Now that has gotten wrapped up into the broader
13 monitoring amendment. Where we are not working on
14 cameras we are working on things like electronic
15 log books, particularly in the charter fisheries,
16 but in other fisheries too, to help with that data
17 throughput.

18 So we're very much supportive of that.
19 That has is in funded there have been specific
20 Congressional appropriations in recent years that
21 has helped us fund a lot of that work.

22 We're doing that. One of the things

1 that we're not doing is a singular national data
2 repository for landings data. Rather we're
3 focused on making regional based improvements in
4 landings data with our state parks. The reason
5 there if you go on the Atlantic you got through
6 the Atlantic States Marine and Fisheries
7 Commissions the ACC is looking, I don't know what
8 that stands for either, but it is a large federal
9 state data collection program, that we work on
10 uniquely there. There is a different program in
11 the Gulf. There's a different program on the
12 Pacific. There's a different program in Alaska.
13 It is too difficult to make all of that
14 interrelate and it is somewhat unnecessary because
15 you're dealing with different states. It's not a
16 unique federal problem. We rely heavily on our
17 state partners.

18 But we can achieve much of the same
19 goals with focusing on regionally based solutions
20 that get at much of these issues.

21 We recognize that there still is
22 challenges to improving these data systems. This

1 is work we are constantly trying to do. Not only
2 just improving the system, but bring sort of the
3 electronic overlay to it. I am very interested
4 in, we'll talk about that one later on. But
5 that's sort of where we are on that process. Go
6 ahead.

7 MR. ESPINOZA: I want to commend you for
8 recognizing we're moving forward with that
9 process. And I think it's really great that the
10 support is there. But for the last three years
11 from Fisheries, several of my Fisheries friends,
12 there has been a priority for support of
13 electronic monitoring and reporting in the U.S.
14 territory.

15 However, for example, in Puerto Rico
16 funding to implement that has not come from
17 Fisheries actually they've been turned down,
18 actually the (monetary program) is actually
19 funding that effort right now. So I think when we
20 discussed this a while back in Seattle or
21 Portland, one of the things that I wanted to see
22 was (inaudible) well a comment was made at that

1 time, it was also if it's a priority to see how
2 the commitment behind it. Because if there is
3 true support for movement in that direction, we
4 want to see some commitment behind it as well.
5 Where is the commitment?

6 Because it's a different office, of
7 course, at least from the Fisheries we see Coral
8 Reef Program doing that, which is also in
9 Fisheries. But when it's from Fisheries and it's
10 not (inaudible) for this part like right now
11 (inaudible) with T&C (inaudible) to (CSRP). Which
12 had to take on a new effort because the first
13 effort was (inaudible) that was not support effort
14 to begin, the support broke down. So now they had
15 to restart that, as there will be support.

16 SPEAKER: So I think he takes your point
17 about going into more detail. Can you respond?

18 MR. RAUCH: I can't respond with the
19 details of what happened.

20 MR. RUAUNDO: Well I appreciate that.
21 It seems that your comments are (inaudible). I
22 have seen more of a commitment (inaudible) but

1 there's going to far more

2 (inaudible)

3 MR. RAUCH: Certainly both we and
4 Congress have been supportive of EM ER methods and
5 have provided funding for those efforts. We
6 (inaudible) Congress has got a dedicated fund.

7 So the next recommendation was within a
8 hundred days to initiate a regional stakeholder
9 process to review regulations. I talked about the
10 fact that it's unlikely we're going to create a
11 unique process because it does seem under this new
12 Executive Order there's a much broader process
13 that's going on which will achieve much the same
14 objective.

15 I did want to talk briefly about one
16 process that currently exists under an older
17 Executive Order, or maybe it's actually under the
18 Regulatory Flexibility Act, which is called the
19 610 Review so we have for 15 years or so been
20 implementing the Regulatory Flexibility Act, it
21 requires that you look at rules that are
22 significant rules that are five years old, that

1 investment in support for EBFM which is Ecosystem
2 Based Fisheries Management, and as you know we
3 recently for the last year we issued an EBFM
4 roadmap which outlined a specific direction going
5 forward for how we can more specifically follow
6 the EBFM policy.

7 We know that we have to leverage the
8 work. The EBFM is not something that the
9 Fisheries Service can do alone. Clearly the
10 Councils are a key partner in that as are states
11 and others. And we're going to have to work
12 through that process moving forward. We had a
13 discussion at the recent CCC meeting about this.
14 The Councils are mostly supportive of the
15 concepts. In many ways they are doing EBFM.
16 They, like everybody, is concerned about the
17 resources available to do it. But we are actually
18 moving out in many places on EBFM through the
19 Council process. We've outlined sort of the steps
20 and principles that you need to do that through
21 the roadmap, and we continue to work on that.

22 By mid-2018 we are scheduled to complete

1 regional implementation plan to take sort of the
2 national level guidance and to identify what is or
3 is not achievable with the Councils, because
4 obviously they would have to do a lot of the
5 implementation as well. So we look forward to
6 that. That will include (archives) milestones
7 much like the electronic monitoring plans,
8 regional plans where the Councils and us got
9 together and said here's what we think we're going
10 to achieve, and here's where we think we're going
11 to achieve. But we will be doing that.

12 Next section was on flexible adaptive
13 management. And in this one it looks, and I would
14 appreciate hearing a little bit from this group
15 about what specifically is meant by this. Reading
16 this you could look at it in terms of supporting
17 the use of frameworks in fishery management. So
18 the way the issue through fishery management plan
19 is you do the planning and do an amendment and
20 that's a two Council process that's very
21 cumbersome.

22 In some areas of the country they've

1 been able to streamline that through something
2 called frameworks. So New England does frameworks
3 a lot. In frameworks you set out the broad
4 parameters and as long as you stay within the
5 specified parameters you can up and down and you
6 can have a much more accelerated process. In
7 other areas of the country we don't use frameworks
8 that much particularly in Alaska.

9 I read this, when I initially read this,
10 as you like to support a broader national use of
11 that mechanism. That's one way to do that. And I
12 think we're going to look at that how we can do
13 that. But it also looks like that you're just
14 talking in general about being more adaptable.
15 About looking at the resiliency question, how we
16 can better react to changing environmental
17 parameters in a faster timeframe without waiting
18 for three years for a Fisheries Management Plan
19 process.

20 That's why I raised that. I initially
21 read it limited solely just for that, the use of
22 that procedural mechanism. But now it seems to be

1 that you're also looking at the broader question
2 of how we can just be more flexible and responsive
3 to changing parameters when we see that one of the
4 things that this feeds into, the management
5 strategy evaluations, that Cisco mentioned
6 earlier, is a good way to do that. Figure out
7 what parameters would change and how that would
8 affect things like that. So we are interested in
9 working through that.

10 I think the idea being responsive to
11 changing and it just is a lot of what we did in
12 the Climate (Durability) analysis, if that was
13 that idea. Which ones, if they change, are we
14 going to have to pay attention to more? I think
15 we also need to look at not just the departmental
16 parameters, we're seeing the fish stocks move,
17 that's creating allocation issues up and down that
18 coast, as stocks are -- it's more that they're
19 arriving in new places, so much that they're
20 leaving the old places. But all these things we
21 need to be a little bit more flexible and adaptive
22 to.

1 I don't have a ready answer to this, but
2 we are going to work on that.

3 You mentioned a number of issues
4 regarding trade. And before I get to that in
5 detail I will say that John Henderschedt will be
6 here this afternoon. He is the head of our
7 seafood trade and international division, so he
8 will more specifically respond to some of those
9 trade issues and get into that in some detail with
10 you.

11 Particularly that's the identify trade
12 better, seafood products, and those kind of
13 things. I don't know whether the Secretary is
14 going to be in a task group. But John can talk to
15 you about how he normally deals with that. And we
16 do have some resources that, we have a person in
17 Brussels, a person in Japan, that try to work with
18 the industry on trade issues where there are
19 barriers in the EU for Asian markets to try and
20 get that, but he can talk with you more about that
21 later this afternoon.

22 There was in that vein as well some very

1 specific recommendations about aquaculture. I
2 know from long experience with this group, that
3 there's been a clear focus on aquaculture from
4 this group. MAFAC was very influential in the Ten
5 Year Strategic Plan that we had dealing with
6 aquaculture over a decade ago. And it's
7 consistently weighed in on aquaculture ever since.
8 We do appreciate the input from this group and of
9 the Aquaculture Taskforce, on the new Five Year
10 Aquaculture Strategy, the more recent five year
11 strategy, and about how we can use aquaculture,
12 how we can address permanent challenges in
13 aquaculture in federal waters, and what Mike
14 Rubino often calls Tools for Rules, how we can use
15 the federal facilities to help provide decision
16 making tools for managers to assist with things
17 like (inaudible) and those kinds of things.

18 He will be here also I think tomorrow to
19 answer these in more detail. But I did want to
20 just reiterate under this topic that the Secretary
21 has specifically highlighted aquaculture and
22 increasing the U.S. aquaculture production as

1 something that he is interested in mainly from the
2 trade issue, but he is interested that he has
3 challenged us to try to figure out to come to him
4 with some proposals for what that might look like.
5 What it is that he might be willing to do.

6 Paul, when he is here, may well talk to
7 you -- there's two issues. One is the regulatory
8 barriers. What Paul has been working with Harlon
9 on public private partnerships and to try to
10 jumpstart aquaculture, what is the role of the
11 federal government? Are there things that we and
12 do to help promote aquaculture in a region without
13 crossing aquaculture as a private business?
14 There's only so many things we can do. But we can
15 help. There are models to help. So this has been
16 something that Paul personally has taken up and
17 been trying to work on with that.

18 We continue to work with USDA to try to
19 insure that USDA programs that are available for
20 farmers are available for aquaculturists,
21 theoretically they are most of them, although
22 specialty crops maybe not (last night) but many of

1 them are so we were working in the last
2 Administration, and I believe that those efforts
3 will continue in this Administration to support
4 that.

5 In terms of permitting, in federal
6 waters if it is a species that is regulated by the
7 Council, we may have a permanent authority. If it
8 is not a species regulated by the Council we don't
9 have permanent authority. If it interacts with a
10 native species we may have consultation authority.
11 But mainly the CORE and EPA if we're not there.
12 If it's in state waters it's the CORE and EPA and
13 whatever state program, however the states choose
14 to regulate it. And that can vary broadly by
15 state. And we have even less rule.

16 I up until last year chaired an
17 intergovernmental panel on aquaculture permitting,
18 trying to work with the EPA and the CORE and other
19 entities like Fish and Wild Service to try to
20 identify what those processes were to try to
21 provide some materials to potential aquaculturists
22 here's the pathways to try to streamline them as

1 much as possible.

2 That process ended when the Gulf Plan
3 was implemented. But there may be more interest
4 in that in this Administration. At least for the
5 Fisheries Service we were willing to do that.
6 We've even gone so far as to offer to do the NIPA
7 work for a facility off of California, in which
8 we're not a partner in. It's (40-day permit) we
9 offered to do the paperwork just to get that
10 moving.

11 So we've very supportive. We want to
12 continue to work on identifying areas where if we
13 are the barrier working through that. If the
14 other agency is the barrier can we be facilitators
15 to try to remove those issues.

16 You had a recommendation or a series of
17 recommendations on cooperative research and
18 management. We do a report in 2015, as I'm sure
19 you're aware, which had a series of
20 recommendations about cooperative research, which
21 we continue to implement those. And looking at
22 ways to address the barriers to cooperative

1 science partnerships that work for all of us.

2 The Cooperative Research Program had
3 prepared a report identifying which of the various
4 long term multi-year cooperative research projects
5 that we have that are essential to our overall
6 (science) enterprise. The Cooperative Research
7 Program is a grant program. We are using the
8 grants to fund what might well be core science
9 research initiatives. We're going to look to move
10 some of that out of the grant program and into
11 more stable funding lines. If anything we're
12 increasing the money, but it's going to stabilize
13 that.

14 The science side working on that report
15 we expect them in the next month or so they're
16 going to formulate some ideas about how to do
17 that, but that's the goal is to move some of these
18 into the stabilized funding.

19 We also developed a reporting tool to
20 track how each of these Cooperative Research
21 programs fits into our overall science based
22 management process. Each one of these Cooperative

1 Research projects is aligned to nine major themes.
2 So we're going to apply this tool to all the
3 projects, make sure they're aligned for the years
4 2013 to 2016, and that probably should be
5 available by the end of May. So hopefully we'll
6 get that out and be able to look at how we have
7 done, most of those are life history studies, and
8 how well aligned those Cooperative projects are.

9 And for the ones that really are
10 basically core science move them out of this grant
11 program and into stable funding.

12 MS. MORRIS: Does moving it into stable
13 funding, mean it's no longer going to be
14 cooperative?

15 MR. RAUCH: No, it'll be cooperative.
16 We have a lot of, like (joint surveys) where a
17 state or some of them will survey and we don't do
18 it, but we shared the data from it. We may fund
19 some of it. I don't think -- the idea is that
20 it's not -- it won't be in the Cooperative
21 Research Grant Program, but it will still in our
22 view be Cooperative Science in that it's not a

1 NOAA scientist that's doing it. But we do it with
2 a common objective.

3 MS. BONNEY: I'm just curious how do we
4 define stable funding? (Laughter)

5 MR. RAUCH: In that it's not competitive
6 every year. It'll be part of -- we have a mixture
7 of grant programs even amongst ourselves where we
8 compete -- where we put out either internal or
9 external grants. And we won't make it
10 competitive. It'll just be based on (inaudible)

11 MS. BONNEY: So at the end of the day
12 you get additional funding for those cooperative
13 programs or you're taking away from the grants?

14 MR. RAUCH: It may not be any increase
15 or decrease in funds, it may just be a different
16 way of accounting for it.

17 MS. BONNEY: So it's just different
18 lines, same amount of money.

19 MR. RAUCH: But yeah the researchers
20 there will not feel the need to compete every year
21 so that we won't be able to do a more (long term
22 plan).

1 MS. BONNEY: Okay. Thank you.

2 MR. OKONIEWSKI: Maybe you said this but
3 I missed it, but the first two recommendations are
4 make reference to industry based, I shouldn't say
5 industry, stakeholder based advisory groups. Is
6 that something that's -- you said the first
7 hundred days on seafood business and trade, and I
8 --

9 MR. RAUCH: This is a task group of
10 industry leaders to identify and propose solutions
11 to the major trade barriers?

12 MR. OKONIEWSKI: Yeah. I'm just
13 wondering if you had any thoughts on that.

14 MR. RAUCH: This one I take it is
15 designed to ask the Secretary to do that. The
16 Secretary may well be willing to do that. He's
17 not addressed that yet. Currently there's no plan
18 to do that. But it is not off the table. We need
19 some more intervening political folks between
20 myself and the Secretary to talk about that. But
21 it's something that the Secretary may well be
22 inspired to do.

1 MR. OKONIEWSKI: And I guess in your
2 role would you highlight that at least to the
3 Secretary.

4 MR. RAUNCH: We're highlighting all the
5 things. I don't have any favorites over there.
6 (Laughter) Yes, we'll talk about that. As I
7 indicated this is something that the trade issue
8 is something the Secretary is passionate about.
9 And so he may well be willing to do something like
10 this. He hasn't been able to focus there because
11 in part there's not a lot of support staff for the
12 Secretary yet.

13 He made a specific recommendation about
14 the development of issues communities investment
15 fund. And so we are currently working on the next
16 round of Saltonstal-Kennedy proposals that every
17 year we indicate certain priorities for
18 Saltonstal-Kennedy funding. We don't know in a
19 given year whether we're going to get any
20 Saltonstal-Kennedy funding for not. So we're
21 looking at that in the context of whether or not
22 we will make that part of the priorities for that

1 next round of funding, if there is that round of
2 funding. If it is available. Right now we don't
3 have any (money inaudible).

4 But that's how we're looking at that
5 one. And so we'll see where we are. The next
6 recommendation was basically to move the
7 Morris-Deal recommendations forward on
8 recreational fishing. We did at the November
9 meeting give our response, we shared a response
10 with you too, the Morris-Deal report. We've taken
11 that very seriously. We've done what we think we
12 can on that. We gave you our report card on how
13 we thought we had replied to that.

14 In the absence of any legislative
15 changes, which of course we can't take a position
16 on, we did make a point of doing a number of other
17 things that I just wanted to highlight. One of
18 them is recent in that we finalized with the
19 Council a policy on allocation. This has been a
20 very important to the recreational community. It
21 is often unclear how you get the Councils to
22 reassess some type of decades old split between

1 commercial and recreational fishing. Many of the
2 recreational fishermen believe that if you looked
3 at it in light of what is important to the (harm
4 and community) today, the recreational industry
5 would get a larger allocation of quota.

6 It was often hard to figure out how to
7 actually make that extension to the Council
8 enforcing Council decision. So the Council did
9 agree that our request to highlight the pathways
10 for making allocations on a regular basis, either
11 at a regular set interval or have some triggers
12 that were clear and articulable that if they are
13 met they would engage in an allocation discussion,
14 what do you do with the allocations.

15 It doesn't necessarily mean that the
16 recreational industry would get more fish, but at
17 least it's a pathway to have a transparent and
18 open discussion about that.

19 We also issued the National Standard 1
20 guidelines which was designed to achieve a number
21 of objectives, but it was designed to highlight
22 the flexibilities that the recreational industry

1 has asked us to highlight. We think that many of
2 the things that the recreational community wanted
3 to see could actually be done, and in many cases
4 were actually getting done. So we wanted to make
5 it clear to other Councils that some of these
6 approaches are legitimate and available and might
7 be appropriate to use in recreational fishing to
8 address some of the issues the recreational fisher
9 met.

10 We did participate in and provide grant
11 support for a workshop for alternative management
12 approaches to recreational fishing. The
13 recreational fisherman have articulated and I
14 truly also believe that the Magnuson Act was
15 originally designed as a commercial enterprise
16 regulating trying to achieve maximum commercial
17 harvest. And at the time it wasn't designed for
18 recreational issues. Now many of the principles
19 that are in the Magnuson Act are perfectly
20 applicable to recreational fishing. Some are not
21 so easy to apply.

22 And there are different ways to manage,

1 and you can manage your recreational fishery
2 different from a commercial fishery, and that's
3 perfectly appropriate to do so. And that's what's
4 this whole alternative management approaches
5 workshop was designed to get at. And the other
6 thing that we heard is that forage fish
7 conservation is an important issue for the
8 recreational fisherman as it is for others. And
9 we advance this (departure) with the Council,
10 MAFAC, the Mid Atlantic Council did (honor) Forage
11 Fishing Amendment 2016 and we included forage
12 fishing in our (EPA) policy that we did last year
13 as well.

14 Finally, there was a recommendation on
15 protective resources and the recovery and I do
16 want to thank MAFAC for playing such a critical
17 role in the retrospective analysis of recovery
18 plans which is one of the things that MAFAC has
19 done for us, that complemented a natural recovery
20 program review that we did last year, that fed
21 right into that. The recommendations that you
22 made were part of that. So we are moving forward

1 with that.

2 Based in part on your recommendations in
3 that whole review, we were working with Fish and
4 Wildlife Service on a framework that would revise
5 the 2004 joint interim guidance. So in 2004 there
6 was an interim recovery guidance that both
7 (lead) (inaudible) issued. We are
8 working with them to try to revise
9 it taking into account
10 recommendations that you've given
11 us. We cannot change that joint
12 regulation guidance alone. We have
13 to do it with them. But we are
14 working with them and we anticipate
15 that process to really to take
16 probably the rest of this year and
17 I can't give you a deadline for
18 when we're going to be done with
19 that, but we'll be moving out
20 throughout the course of this year.

21 So that is where we are at the moment on
22 all the recommendations and I really do appreciate

1 the work that you all spent drafting them, we are
2 taking them seriously. I think I talked about
3 them all but if I forgot one let me know. I'm
4 happy to take questions.

5 SPEAKER: My question's a little bit
6 more on aquaculture. The Gulf of Mexico, as far
7 as I know, is the only Council that has come up
8 with kind of a generic aquaculture permitting
9 scheme. And I don't know if they've actually
10 issued any permits or not. So is this something
11 that the Agency is going to defer to the Councils
12 on and my concern if the agency were to do that is
13 that at least in New England, it's a real culture,
14 the people who are on the Fish and Management
15 Council are not going to be inclined naturally to
16 support giving up bottom offshore to Bob's Oyster
17 Farm or someone else's shellfish pens around a
18 wind farm, or whatever. So I'm sort of curious
19 how we can promote appropriate aquaculture on the
20 shore in the absence of some arm twisting from the
21 top.

22 MR. RAUNCH: The New England Council

1 actually does have a provision that allows for
2 permitting of aquaculture in federal waters and
3 there is some -- the regulatory construct in New
4 England is nowhere near as elaborate as the Gulf,
5 nor do I think that the New England Council
6 envisioned at this point something as elaborate as
7 the Gulf, but there is a way to get small scale
8 permits for certain kinds of activities there.
9 And I believe the Western Pacific Council they are
10 actively working on a similar program like the
11 Gulf, other Council especially. So I think now
12 that the Gulf has been the first one out of the
13 gate, you're going to see more councils approach
14 this.

15 We do believe that aquaculture is
16 fishing under the Magnuson Act. Therefore it is
17 appropriate. We've believed that since the early
18 '90s. It is appropriate for the Council to have a
19 role in that. There are tradeoffs that you have
20 to deal with in terms of the bottom and other
21 issues. We will work through that system. But
22 most Councils have expressed some interest at

1 least in looking at this. They do understand that
2 they don't need to deal with these kinds of
3 issues.

4 In reality in federal water aquaculture
5 is not per se prohibited. It would only be
6 prohibited if there is an explicit prohibition
7 that the Council first developed. Which there is
8 basically not. But since it's not fishing from a
9 vessel, they basically have to apply with the
10 individual requirements that normally apply to
11 recreational fishermen. So bag limits apply to an
12 aquaculture operation. Well that's a difficult
13 kind of thing to apply.

14 So usually what happens is it's an
15 unintended effect of a Council rule largely
16 regulating recreational fishermen that prevents
17 aquaculture for that species. And working through
18 that and eliminated those kind of unintended
19 effects and either basically having the Council
20 say we do not wish to regulate or we do wish to
21 regulate and do something like the Gulf is what we
22 would want. But there's been support for the

1 Councils in this kind of issue.

2 And not all aquaculture have a large
3 impact on the bottom. And you can (cycle) these
4 places just like you would farms and other kind of
5 things where you can try to make it so they don't
6 impact (fishery) but it is an issue (to take a
7 look)

8 SPEAKER: I picked on Bob, because he
9 likes oysters. It's fun to pick on Bob, but he
10 likes oysters and oysters is not a federally
11 managed species. So that wouldn't, at least for
12 the Gulf of Mexico model, as I understand it.

13 MR. RHEAULT: Well we're specifically
14 not allowed to produce non federally managed
15 species in the Gulf of Mexico.

16 MR. RAUNCH: But the example that I
17 cited where we do legal work is an unregulated
18 fish off the California coast, so it's not
19 regulated at all by the Magnuson Act. And it
20 wouldn't apply to, none of this Council activity
21 would apply to state waters anyway. And in state
22 waters is where the large potential for growth is.

1 It's where the most accessible sites are.

2 You can do aquaculture in federal
3 waters, but you have to go through federal waters.
4 There's a lot more economical needs to do
5 aquaculture in state nearshore waters. That's
6 where we see all the growth. And certain states
7 are very supportive. Maine has a huge aquaculture
8 program. Other states are not.

9 MR. PEARCE: We just spent half a day on
10 aquaculture down by the lake, and there's a
11 concerted effort to do ban aquaculture in the
12 Gulf. Here in (inaudible) and Mike Rubino and in
13 the Gulf we've got some really new (inaudible)
14 some tweaking the needs of the agriculture program
15 such as

16 (inaudible) fishermen, that we need
17 to kind of tag how long such as the
18 regulatory process we're doing if
19 they (inaudible) a permit, we're
20 working on all those to try to
21 bring those that are understanding
22 how do we get it done, and are we

1 going to get it done in a timely
2 fashion.

3 The State of Louisiana's Lieutenant
4 Governor is pushing hard for aquaculture not only
5 in the federal waters that and agriculture. We've
6 probably put into place four or five different
7 (sittings) a day and are working on making this
8 happen. Outreach would possibly be putting in a
9 (aquaria) system to get outreach to the general
10 public. Because not only that, people just we
11 have a bad habit of beating up on aquaculture but
12 we want to beat up on imports. And when you do
13 that you beat up on aquaculture in general. We
14 need some PR there looking at (developing a
15 consortium) group to sit down and say well we've
16 been working on the problem and NAA, GAA my TSI
17 group and just three or four people sit down in
18 the near future and try to put together an idea
19 that we can bring to the Department of Commerce
20 tell them exactly what we need to do and how we're
21 going to get there. There's a lot of hidden
22 parts. And the goal is to try and get something

1 done that quick. (Inaudible) with the harvesting
2 components, recreation component, to money lenders
3 to you name it, some of the things (get done)
4 accurate council process. We can extend the terms
5 of the permit one through the council process,
6 (change focus on) (inaudible)
7 process to framework activity.
8 There are some things that we can
9 do legislatively to make all the
10 agencies play nice, I wish they
11 could in the process as well.
12 There's just a lot things wrong
13 right now to get this process to
14 work in the Gulf fisheries, and get
15 folks in there that's going to
16 work. But the thing is we held a
17 round table that almost no one
18 supported that (Dick Land) was at
19 that round table. We had (part of
20 the problem) agriculture and the
21 Gulf partner floating in the air
22 and none of them are at the same

1 table. We weren't all at the same
2 table from aquaculture to
3 (inaudible) people to shale oil, to
4 (culture) to all state agencies.
5 So we got to figure out how, what
6 our problems were, how do we work
7 out the problems to make everybody
8 happy with what's going on and get
9 it done. And that was the first
10 round table (may end up going)
11 bring all those stakeholders
12 together and to try to satisfy
13 their problems and their thought
14 processes.

15 SPEAKER: My question is this, the Gulf
16 plan regulates it basically says you can do
17 aquaculture for managed species in the Gulf of
18 Mexico.

19 MR. RAUNCH: And it precludes
20 aquaculture in the federal waters for nonnative
21 species.

22 SPEAKER: And so it would preclude a

1 core EPA from permitting and aquaculture operation
2 for something else, if that 00

3 MR. RAUNCH: It would not preclude the
4 core from determining anything, but it could
5 actually grow (inaudible) because we would
6 preclude it under (inaudible)

7 SPEAKER: One of the ideas that went
8 into preparing this topic was to identify things
9 where MAFAC thought that there was a real
10 opportunity for the next four years to many
11 different things that were I think ready for some
12 action on a sufficient scale that should warrant
13 the attention of the Secretary of Commerce. And
14 also things that we were sort of hoping that the
15 Secretary would come back and say work with us.
16 So I'm kind of curious from your standpoint are
17 there items on this list that you would sort of
18 recommend you know from MAFAC there's things that
19 maybe going to be a help for you to dig into.

20 MR. RAUNCH: I find that hard to answer
21 because we don't have political folks there to
22 tell me whether or not these things are

1 appropriate. Some of these things are a
2 reflection of the work that we've already done.
3 Like the Morris-Deal report the record is
4 consistent the MAFAC focus. The Protected Species
5 was a MAFAC focus. Aqua (industries) seems to be
6 MAFAC focused. There may be a role in like the
7 regulatory review process, if there's a need for
8 (Fauka) Committee to assist with that. It's I
9 think too soon to tell at this point whether that
10 is.

11 MAFAC certainly may have a view on if
12 there are outdated rules or (inaudible) it's
13 certainly within your purview to suggest those
14 things to us if you have them. Beyond that it's
15 hard for me to say because it is too soon for me
16 to indicate whether or not there's something
17 specific.

18 I know that one of the reasons that I
19 believe that these have been useful is because we
20 have been able to work with MAFAC on things that
21 we jointly thought were appropriate. Because it
22 was something that the Administration wanted to

1 do. It's not clear to me what they want to do. I
2 do suspect there may be some energy behind the
3 trade issues. But I can't tell you right now that
4 that is a place where they are going to focus
5 other than this is what the Secretary's repeatedly
6 said. That I think is an issue that's likely we
7 will come back and request some assistance. But
8 what that might look like I don't know.

9 MS. MORRIS: Thank you, Sam again for a
10 great briefing. I don't know how many of I speak
11 for by saying that we're fearful about the
12 uncertainties that lie ahead with new
13 Administration and your sort of (stemming). We
14 have been through this before and we'll be find is
15 very reassuring.

16 (Laughter) So we are next moving
17 into two subcommittee
18 meetings. And I want to give each of
19 the Chairs a moment to pitch the focus of what
20 they'll be doing for the next hour and a half, so
21 that people can decide where they want to go.
22 Erika?

1 MS. FELLER: For the subcommittee I'll be
2 leading is going to be on Task 5 on communications
3 about change within communities, that kind of
4 stuff. And what I'd like to spend the time on is
5 talking about the types of recommendations and
6 just perhaps talking a bit about what kinds of
7 things people would like to see reflected in this.

8 MS. MORRIS: And that meeting is going
9 to be up on the third floor in the Chesapeake Room
10 so take the elevators up then Chesapeake will be
11 soon on your left after you get off the elevator.
12 And then Pam?

13 MS. YOCHER: We have two things that we're
14 going to be working on. We're going to get and
15 update from Peter (Shelly) and update on the
16 Columbia Basin partnership taskforce activities to
17 date and progress to date, and then we're going to
18 be also discussing further the NOAA mitigation,
19 specifically (how the act) can be involved in the
20 future possibly in addition to just the individual
21 comments received today.

22 MS. MORRIS: So I'm sure there'll be

1 some unavoidable break time between now and when
2 you assemble in those two. That group will be
3 staying here, correct. But be sure to be back
4 here at 4:00 before 4:00 for the final session of
5 the day on international fair trade. So again,
6 thank you everybody for good work.

7 (Recess)

8 MR. HENDERSCHIEDT: Thanks very much for
9 the opportunity to come in and talk with you this
10 afternoon. Just because I'm using a power point
11 does not mean that this should be me talking and
12 you listening. I really hope that this can be
13 more of a discussion than a presentation. So I
14 welcome your questions at any point in the
15 presentation, as we step through them. So, what
16 I'm going to do is turn on the flicker. I'll be
17 focusing on how National Fishery Service grew. My
18 office really focuses on trade issues. But I'm
19 going to start at the level of the office itself,
20 to give you some context of what falls in our
21 mission, and what, sort of how trade relates some
22 of our other responsibilities. So the mission of

1 our office is very broad, as its name indicates.
2 So we work a lot on issues, internationally on
3 management and conservation of marine resources.
4 And this is in the form of engagement at regional
5 fishery management organizations, other
6 multilateral conventions for conservation and
7 management. We enjoy a bilateral relationship
8 with about a dozen countries, and so that means
9 that we're sort of engaging one-on-one on a
10 variety of topics from management to cooperation
11 at these (inaudible), as well as trade. We
12 administer a number of regulations that have
13 direct trade implications. So this is a really,
14 in my view, a really interesting part of the
15 office's portfolio of work, and actually a very
16 interesting policy direction for a way to effect
17 conservation management effectiveness outside of
18 the U.S. through trade regulation. The Seafood
19 Inspection Program is part of our office. I will
20 describe in a little bit more detail what it does,
21 and what its responsibilities are, and then trade
22 support. I am of the opinion that U.S. industry,

1 seafood producing industry, is by enlarge beyond
2 the need for a simple trade promotion. We have a
3 very sophisticated industry internationally. To a
4 large extent companies themselves know where
5 markets exist, where markets can be developed. I
6 see our role more as supporting the development of
7 infrastructure that makes that trade happen.
8 Things like health certifications, test
9 certifications, other protocols that may be
10 necessary to effect the trade itself. The
11 structure of our office is really three divisions.
12 The one that's taught on here is basically our
13 mission support, our business operations, human
14 resources, information technology, that sort of
15 thing. But we have obviously our international
16 fishery site. That includes, as I was describing,
17 our international engagements at the multilateral
18 and bilateral level. And then these regulatory
19 programs that I'm going to describe in more detail
20 a little bit later on. And then in another
21 division we have commerce and certifications.
22 Thus, this trade work that I'm talking about, as

1 it entails a few staff in headquarters, but it
2 also includes someone in Brussels and someone in
3 Tokyo, to represent our office in those very
4 important trade cor. Trade monitoring, this is
5 basically putting in place the mechanics to effect
6 these regulatory actions that would impact trade,
7 in connection with certain conservation standards.
8 And then finally the Seafood Inspection Program.
9 So, I'm going to frame the discussion today, the
10 terms of trade ways that National Fishery service
11 supports the seafood industry in trade. One is in
12 fair access to markets. One is in establishing
13 confidence in the product quality. And the third
14 is in establishing a level playing field for U.S.
15 producers. That's through the regulatory
16 programs. Confidence in the protocol is largely
17 through the Seafood Inspection Program. We don't
18 see that as a regulatory program, or an
19 enforcement program. We see that as an
20 opportunity, through our status as competent
21 authority, to establish confidence in the seafood
22 that is being produced in the U.S. and exported

1 into the global markets. And then of course, fair
2 access to markets is dealing with things like
3 trade terrorists, other technical barriers to
4 trade, memorandum of understanding that expedite,
5 the regulatory side of trade, hopefully to the
6 benefit of our seafood producers and exporters.
7 So the Seafood Inspection Program provides
8 services to processors and efficiency products to
9 ensure that the product is safe, of high quality,
10 and ultimately, as I said, to enhance the market
11 ability of that product through the consumer's
12 confidence in it. It operates under the authority
13 of the Agriculture Marketing Act of 1946, as well
14 as some others, like the Food Safety Modernization
15 Act. The Seafood Inspection Program's main
16 functions are lot inspections of products, which
17 is how it got its name. Really, in order to issue
18 health certificates originally it was done mostly
19 through lot inspections, looking at samples of
20 products, verifying its wholesomeness and its
21 quality, and issuing a health certificate before
22 its exported. That approach has transitioned

1 largely to a hazardous analysis and critical
2 control point, following the management program,
3 which is looking at ways to engineer into the
4 processing ways to ensure the quality of the
5 product that is coming out of the factory. So
6 you're basically looking for places in the process
7 where things can break down, where food hazards
8 can occur. You engineer those risks out of the
9 system, and you have a much higher reliability of
10 the product coming out of the factory, and much
11 diminished needs to do inspections of any
12 significant frequency of the product coming out.
13 So we still do those lot of inspections, but we
14 also audit the quality management program. That's
15 got us making sure the companies actually do what
16 they say they're going to do. That their
17 sanitation records are more than just checking off
18 boxes, and that they're actually doing what they
19 say they're going to do. We maintain contractual
20 agreements with a number of seafood processors and
21 distributors, both foreign and domestic, and
22 provide services for support of safety

1 regulations, for product quality and evaluation,
2 product greater than certification. As I
3 mentioned, the inspection program serves as a
4 competent authority for any export health
5 certificates that reporting nations may require,
6 uh, the European Union being the most prominent of
7 those. And we also are in a lot of plants at the
8 request of buyers. So buyers will go to a
9 processor or a reprocessor and say, in order to
10 meet our quality standards we want you to have
11 somebody from the inspection program, such as
12 monitoring production, on some regular basis. We
13 also are in plants that are producing products
14 through the U.S. Grade A. That would be for
15 government purchases, that sort of thing. I'll
16 stop and see if there are any questions about the
17 inspection.

18 MS. BONNEY: (Inaudible) certified from
19 an outside entity (inaudible) product in a certain
20 marketplace. I think it was written on resumes.
21 And it's extremely difficult to get the treatment
22 processed, compared to what is required through

1 your program. But it just seems to me that if
2 you're in a (inaudible) program like that is what
3 you do in some ways is turn it over to the
4 taxpayer why you have the U.S. Government certify
5 you if you're really only waiting for a higher
6 standard through a different (inaudible).

7 MR. HENDERSCHIEDT: So let me, I mean the
8 USDA is something that requires statutory
9 government purchasing. But you're expression is a
10 great one, and it raises a very important point,
11 which is, to a large extent participation in the
12 program is voluntary. Health certificates aren't
13 if you're say exporting to the EU. The choice is
14 to pay our program to do lot of inspections,
15 instead of doing the audits on a passive program.
16 When I worked for a processing company in Seattle,
17 when I started there we were doing all lot
18 inspections. And just pencing out the cost it was
19 decided that it was better for us to join the
20 Quality Management Program, and I'm pretty sure
21 they're still in it today. I also wanted to call
22 out the noaafishwaters.gov, which is another way

1 that NOAA works to contribute toward competence in
2 understanding of seafood sources and seafood
3 markets. And I'm sure you're all familiar with
4 that is a product generated by

5 (inaudible). Mike?

6 MR. OKONIEWSKI: There might BRC,
7 British Retail Consortium, as we've got a couple
8 of those going on. But the one program that was
9 normally (inaudible) was from exports, and that's
10 the UMP Program, which I think everybody is
11 required to have Hassad.

12 MR. HENDERSCHIEDT: So everybody is
13 required to have Hassad under FDA requirements?

14 MR. OKONIEWSKI: Oh, yes, I believe
15 you're right.

16 MR. HENDERSCHIEDT: So everybody got
17 Hassad through FDA, through the Food Quality
18 Modernization Act. But does he know like the
19 quality and admin programs, or amplifies, that
20 raises it to a little bit of higher standard? And
21 that's the aspect of the problems here. So,
22 that's where there is some sort of overlapping

1 jurisdictions. We will do a lot of the FDA
2 audits, and that's good for the FDA as well.

3 MR. OKONIEWSKI: When we get audited by
4 Costco, and I don't know who all, it's, you know,
5 if there was one dynamic for me the whole dynamic
6 of the program is going to step up to a certain
7 level. But, it sounds like something that I would
8 probably get usage with. It's continual training
9 of logic (inaudible).

10 MR. HENDERSCHIEDT: Of course what we're
11 unable to do is rely on private third party audits
12 as part of (inaudible). In order to be considered
13 the competent authority for issuing those health
14 certificates we really have to be involved in that
15 part of the process. Any other questions before I
16 move on? So the next is this question of market
17 access. Technical support is very important. I
18 mean there are times when a container will arrive
19 in Bremer Island, and numbers don't match. And,
20 you know, the two possible outcomes are, we fix it
21 there, and figure out what's going on, or that
22 container comes all the way back to Seattle, or

1 all the way back to Boston, until we can get the
2 certificates to match the container seals, etc.
3 Having someone in Brussels, at the U.S. mission
4 there, who is on a first-name basis with both the
5 European commission, and with importing nations,
6 is tremendously valuable. And it's Stefan Benoit.
7 I don't know if any of you know Stefan, but he's
8 been with NOAA for a long time. We actually hired
9 him through the International Trade Agency, as
10 part of the commerce. And he is a very valuable
11 representative. He is a big asset to NOAA and to
12 the U.S. industry. So we want to ensure
13 competence in, again, the safety and quality. We
14 also want to support industries from these
15 technical requirements for access to markets. And
16 things get very complicated in certain of what
17 certain nations will require for their imports.
18 And we work really hard to keep importing nations
19 out of the U.S. doing inspections. That becomes
20 tremendously expensive, very burdensome, and it's
21 really counter to the principles of things like
22 HSA and health programs at a national level. So

1 we encourage them to come and audit us, to make
2 sure that the work that we're doing in plants, you
3 know, the inspections or the audits that we do,
4 are adequately evaluating the product, meeting
5 their standards. But we just sort of constant
6 push. And I would say loaders are everywhere
7 wanting to micromanage, to wanting a free trip to
8 the States, and we give up all of that. We also
9 partner really closely with USDA's Foreign
10 Agricultural Service in some nations. I would say
11 the most important example of that is in China.
12 We don't currently, that is our office does not
13 have someone on the ground in Beijing. It's
14 something that we evaluate quit often, and don't
15 really feel that we'd have any medical benefit of
16 having our own person there, because it's so
17 difficult to get meetings with the right people.
18 But we do have an excellent person with FAS. She
19 represents our office, and is very good at getting
20 information back to us. And so we're able to
21 engage very directly in a country like China, that
22 is such an important trading partner, without

1 necessarily having our own person in country.
2 Through those contacts, whether they are through
3 FAS, through Stefan in Brussels, through Kayko in
4 Tokyo, or other contacts, one of our main
5 objectives is to stay ahead of the information
6 currently. And when push comes to shove our
7 mission, with respect to this sort of technical
8 trade support, is not being through cost, and most
9 importantly not putting industry in the position
10 of being surprised by a new regulation or a
11 reinterpretation of a (inaudible) regulation,
12 because these things can become so disruptive to
13 trade. You know China, I'm going to end up on
14 China a little bit today, because they are such an
15 important, and yet challenging trading partner.
16 But a lot of times we will not hear from the
17 government in China that there is a new regulation
18 or a new requirement. We will hear from an
19 exporter that they've been told by the importer
20 that there is this new regulation, and it can be
21 very difficult to actually verify that with the
22 Chinese Government. And the problem is that

1 sometimes these are truly a change in regulation.
2 Sometimes it's a buyer trying to get out of the
3 contract, or a buyer trying to get a little bit
4 more product. Just like, you know, on occasion a
5 falling claim will be more related to market
6 dynamics than anything having to do with the
7 quality of the product. And we run into that as
8 well with some of these trade plants. That's
9 where some of these bilateral memorandum of
10 understanding are very important. Trying to
11 establish an MOU with the country, so that we have
12 some sort of framework in which to create some
13 stability, eliminate as much uncertainty as we can
14 about what is the process for exporting to those
15 nations. And so for instance, we bartering with
16 the FDA to reduce regulatory barriers in Central
17 America. Columbia has been quite interested in
18 this, and of course China. And Central America is
19 also a region that has been pushing hard to get
20 its inspectors into the U.S. One other thing I'll
21 mention in that respect is that occasionally we'll
22 have a processor in the U.S. who decides, all

1 right, I'll bring the inspector over. And that is
2 really problematic, because now we've a precedent
3 that we have to somehow walk back and sort of
4 reestablish a national policy that, no, we're the
5 competent authority, come on with us, don't
6 inspect your plants. I mentioned China. The most
7 problematic area right now is live export of
8 seafood to China. We had an issue with geoducks
9 from shipping Northwest from Alaska. A change in
10 their inspection requirements brought trade to a
11 standstill about three years ago, and we're still
12 trying to work through that. We also have issues
13 with the export of live lobster. In that case,
14 because of (inaudible), a potential for
15 (inaudible) in the parts of live
16 lobster. And, again, it's really a
17 race against time. How do we get a
18 live product through, in this case
19 China's inspection service, could
20 be enough to avoid a mass mortality
21 loss in shipping. And then finally
22 I'll mention Dungeness crab, which

1 was flagged, as many of you know,
2 for domoic acid content earlier in
3 the season. And there was a
4 co-mingling in some shipments going
5 through Vancouver, Canada, which
6 resulted in China first blocking
7 its course of all live crab from
8 the U.S., no matter where they're
9 coming from, no matter what the
10 species, all live crab. And it
11 just sort of took a process of
12 chipping away working with Canada,
13 working with China. And I think
14 we're back in a situation where
15 based on information that the
16 inspection program is providing on
17 openings by California, we're in
18 Washington trying to (inaudible).
19 So, I'm going to -- that looks like
20 a frightening and blank slide. But
21 in any case, I also wanted to talk
22 a little bit about tariffs. There

1 are several agencies in the U.S.
2 Government that are directly
3 engaged and responsible for
4 tariffs. The Department of
5 Commerce, through the International
6 Trade Agency, the U.S. trade
7 representative, which is in the
8 executive office of the President.
9 NOAA Fisheries is involved more as
10 sort of in a consulting role. We
11 are at the table say for TPP, for
12 TTIP, to best known current
13 multilateral negotiations as
14 consultants on the U.S. Fishing
15 Industry and on the Fish Management
16 Conservation. I noted in MAFAC's
17 letter a real concern about
18 tariffs' trade barriers. And one
19 of the messages that I wish today
20 is the value of detailed and
21 specificity in that discussion.
22 And I hope that either this

1 afternoon, or on an ongoing basis,
2 we can sort of illuminate that
3 discussion to the point where we
4 know what countries and what
5 tariffs. Because as soon as we
6 start talking about tariffs we're
7 talking generally about some sort
8 of bilateral relationship, and the
9 question is, what can we do. Who
10 can we engage to hopefully have
11 something. I have to say that, you
12 know, the transpacific partnership,
13 which our administration has
14 indicated, you know, an intent to
15 withdraw from that partnership, had
16 some really good stuff in it for
17 our seafood exporters. It would
18 have largely eliminated tariffs of
19 imports of U.S. seafood among the
20 members of TTIP. Probably most
21 significantly was a fairly quick
22 wind down of any remaining tariffs

1 prior to going into Japan. I think
2 we're at a position now where there
3 is still a possibility to engage
4 bilaterally. Obviously, the
5 negotiating positions and strengths
6 are different, but I would
7 certainly encourage MAFAC as a
8 group, you know, through its
9 earlier memorandum, and its
10 members, to engage the
11 administration within priority.
12 And NOAA would certainly be happy
13 to serve as a conduit for that
14 message as well. I very recently,
15 recognizing the importance of this,
16 put together what I am calling our
17 tiger team. So there are a lot of
18 issues, like tariffs, where NOAA
19 Fisheries can do very little on its
20 own. We're not necessarily able to
21 negotiate those things directly,
22 but it's an agency that you come to

1 about fish, and about fish trade.
2 And, so, my team has reached out,
3 and we sort of assembled a tiger
4 team among, National Fishery
5 Service, International Trade
6 Agency. And the USTR will be
7 reaching out to FDA as well, to
8 ensure that we have a network of
9 individuals who sort of understand
10 the challenges of seafood trades,
11 and are prepared to respond and to
12 support. Hopefully bringing some
13 of those higher tariffs down, and
14 encouraging exports in U.S.
15 seafood. So we'll stop again and
16 see to see if there are any
17 questions about the sort of trades.

18 Jim Coin?

19 MR. COIN: I had heard about lobsters.
20 I never heard of a (inaudible) examination. Is
21 that verified?

22 MR. HENDERSCHIEDT: So, yes, it's in the

1 tomalley of the lobster, and since the whole thing
2 is consumed in some nations it's come up with
3 export of lobster to China and also to Japan.
4 Since we're talking about lobsters, as you
5 probably know, we've been really struggling with
6 an initiative that Sweden brought to the European
7 Commission to band the export of live lobster to
8 the EU on an invasive species concern. And our
9 office worked very closely with USTR, worked very
10 closely with the Department of Fishery and Oceans
11 in Canada to push back on that. We were
12 successful. And so our current strategy is really
13 to engage Sweden directly, and hopefully to
14 support them in developing some measures that
15 satisfy their concerns about live lobsters as an
16 invasive species, because a threat does not really
17 exist at the import level. The chain of custody
18 and the security of those imports is quite robust.
19 It's really into like in a retail level. Somebody
20 comes in and buys a dozen lobsters and runs
21 (inaudible), and there's very little that the U.S.
22 Government or the EU can do about something like

1 that. So we're treating this issue as one that's
2 not going away. And in general I would say that
3 my greatest concerns about continued access to
4 markets is with exports of live seafood. It is
5 such an issue, a sensitive issue, with respect to
6 invasive species, with respect to seafood
7 inspection, and the vulnerability of live exports
8 to mortality. That's where I have my major
9 concerns.

10 MR. RHEAULT: Does that extend to the
11 shellfish too?

12 MR. HENDERSCHIEDT: I think that it is
13 perhaps less of an issue in shellfish now. I
14 would say in general, that's just the area where I
15 see things, you know. We are going to watch
16 things really closely, be looking for indications
17 of new regulations and new requirements.

18 MS. BONNIE: So when you were talking
19 about new regulations, or pushback in terms of
20 purchases because of the quality, how can be at
21 the agency, clear that out and push back
22 (inaudible)

1 MR. HENDERSCHIEDT: That's what happens
2 in a network of people that are both in business
3 and in government. I mean let's say we hear from
4 an exporter that their buyer said, we're run into
5 a roadblock. There's a new regulation. So, the
6 first thing we're going to do is reach out to that
7 service person in Beijing, just for the claim
8 export to say, can you verify that. And they know
9 who to reach out to within, you know, Chinese
10 customs, and other agencies, to try to verify this
11 new regulation. We'll also go to our counterparts
12 in Canada and say, have you heard about this? Can
13 you reach out to your people? Can you reach out
14 to your folks in Beijing and see? It's really
15 just sort of a, you know, it's a fact-finding
16 exercise at that point. We are very hesitant to
17 give credence to these claims before we can verify
18 them. So what we do is we try to address that
19 particular export, like what can we do to get that
20 shipment through. But before we like sound the
21 alarm, say, hey, there's a new regulation, we want
22 to make sure that there really was. We don't want

1 to create a self-fulfilling prophecy. So, I
2 mentioned that the third aspect of great support
3 is in the form of regulatory programs that level
4 the playing field. And this is a very unique way
5 of working at a government level to effect
6 conservation and management outcomes beyond the
7 nation's words. That by using access to a
8 valuable market to intensifies chain fraud. Now
9 I'm not going to into great detail of any of
10 these, but just briefly to describe enough to give
11 you the sense of how they work. So there are
12 some, first, there are just some trade monitoring
13 programs, and through that species that have a
14 fairly high risk of illegal fishing or illegal
15 import are tracked. And many of those have been
16 started by just being regional fishery managements
17 organizations, like our Antarctic Marine Living
18 Resource permits. Anybody that's importing or
19 exporting type of tuna fish into the U.S. or out
20 of the U.S. has to get a permit from NOAA for that
21 particular transaction. Every transaction needs a
22 permit. We all have the Tuna Tracking and

1 Verification Program. So that's basically the
2 reporting that importers have to do in order to
3 use the Dolphin Safe, the USDC Dolphin Safe Label.
4 So there's a good example, you know. As a policy
5 congress decided that it was important to level
6 the playing field, if you will, and make sure that
7 measures that are being taken, in some fisheries
8 that were taken more comprehensively developing
9 this Dolphin Safe Label, and putting in place laws
10 that require regulatory oversight and formation
11 collection. That general construct is saying,
12 here are the criteria you have to meet. And if
13 you don't meet those criteria we're going to
14 restrict access to the U.S. market. There's going
15 to be the sort of the thread through all of this.
16 So thinking about our rights to Stevens
17 Preauthorization Act, identification and
18 certification. So, every two years our office
19 issues a report to congress that identifies the
20 agents that have unresolved allegations of
21 illegal, unreported, or irregulated fishing. To a
22 large extent these cases are instances in which

1 there are regional fishery management organization
2 infractions to which nations have not responded.
3 They are unresolved allegations. There are
4 examples however. We identified in 2015 Mexico
5 for its launches and small boats fishing just
6 south of Brownsville, coming into the U.S. zone,
7 and fishing snapper. And we actually certified
8 Mexico in this year's report to congress, which
9 means that we have already put in place court
10 access restrictions. And the President has the
11 legal authority to put in place import
12 restrictions as well. We also identified Russia
13 this year for an unresolved case of Russia power
14 coming into the U.S., selling in the Bering Sea.
15 And, so, that process over the next two years will
16 be working with Russia, to try to get them to do
17 whatever sort of investigation they need to do.
18 Either determine that it didn't really happen, or
19 we don't think that it happened, or it did, and we
20 we're willing to fine against the vessel owner.
21 If that remains unresolved that's when we would
22 say, okay, we're going to issue a negative

1 certification. We're going to place these
2 restrictions on that nation. Just a couple of
3 other examples. The Seafood Import Monitoring
4 Program, which is essentially the import component
5 of the Seafood Traceability Program that is part
6 of a broader fine review with seafood effort.
7 Again, an effort to meet that standard, sort of a
8 legal standard for importing fish that has not
9 been harvested legally elsewhere. And then
10 finally, the Marine Mammal Protection Act
11 Incorporal Rule, this is probably the most
12 ambitious of all of these. This requires that any
13 fishery exporting products to the U.S. has in
14 place by January 2022 a regulatory framework
15 comparable in effectiveness to that of the U.S.
16 for the protection of marine mammals in the course
17 of commercial fishing. This means that we are
18 engaging over 120 nations, collecting data at all
19 of their fisheries, making determinations about
20 their regulatory framework, working with them,
21 working a lot with other organizations that can do
22 capacity building in those nations. When we think

1 about a potential for regulation like this, it's
2 amazing. I mean the best case scenario for this
3 MMPA Import Rule is that we don't have to restrict
4 imports, because nations have responded and put in
5 either scientific or management driven measures,
6 and we have effected a broad spectrum of
7 fisheries, improved, sort of upped the game in
8 terms of protecting marine mammals, and level the
9 playing field for U.S. fishers, seafood producers,
10 that have really invested a lot in achieving those
11 conservation objectives in U.S. fisheries. And,
12 so, you know, this rule is a tremendous amount of
13 work for mammal fisheries, and for all of our, you
14 know, trading partners. I mean it's a pain in the
15 neck for a lot of people. But, when we make it
16 work it has a very positive, and I hope a
17 long-lived outcome. So any questions about those
18 regulatory programs, either as a general or --

19 MR. RHEAULT: (Inaudible). Does that
20 mean we have to stop eating the mammal?

21 MR. HENDERSCHIEDT: No. That's a great
22 question. So this is a provision the Marine

1 Mammal Protection Act about commercial fisheries.
2 So this is not about either about
3 (inaudible), whether it's
4 (inaudible) or commercial. This is
5 about injury and mortality of
6 marine mammals in the course of
7 commercial fishing. And in this
8 context commercial fishing includes
9 aquaculture. And I mentioned that
10 the regulations have to comparable
11 to effectiveness, which means that
12 there's a lot of judgment involved.
13 What we well be is saying, all
14 right, what U.S. fishery most
15 closely aligns with this fishery
16 that we're evaluating. Where can
17 we find some close comparison upon
18 which to evaluate this fishery.
19 But there is one bright line
20 requirement for all fisheries, and
21 that is a regulation prohibiting
22 the intentional take in the course

1 of commercial fishing. That is
2 really stirring things up in the
3 aquaculture. In Canada, in
4 Scotland, this has people quite
5 concerned. And it's the one area
6 where there's no sort of judgment
7 of whether it's comparable. It's
8 sort an absolute, you know, no
9 intentional thing.

10 MR. RHEAULT: Unless you're eating them.

11 MR. HENDERSCHIEDT: Different part of the
12 MMPA.

13 MR. RHEAULT: There is this guy who
14 particularly want to cut down on predatory seals,
15 he eats them.

16 MR. HENDERSCHIEDT: Any other questions?

17 MR. OKONIEWSKI: Do you have any insight
18 or substitutions on (inaudible) maybe having an
19 aggression embargo regarding seafood?

20 MR. HENDERSCHIEDT: We had, a couple of
21 months ago, had some exchange with Russia about an
22 interest in renewing. It had some inspection and

1 auditing requirements. It was an inquiry that we
2 took as slightly moderate, as long as we know.
3 There's certainly no reason to do that if you're
4 not planning to import seafood. That did not,
5 didn't pan out to going. I can say in general,
6 that at least from where I sit, in the last months
7 of the last administration Russia was generally
8 using anything it could in the political terms.
9 So I did not expect to see any breakthroughs. It
10 put the (inaudible). I'm certainly hopeful that
11 we can make more progress now, because, as you
12 know, lack of access to that part, especially from
13 the Pacific, waiting, makes things just difficult.
14 The import quotas that the EU has don't
15 (inaudible) level of production. And I hear that
16 this year's production is likely to be at a record
17 high.

18 MR. OKONIEWSKI: It is at a record high,
19 600,000.

20 MR. HENDERSCHIEDT: Well I appreciate you
21 bringing that up, because that will obviously be a
22 pressure point

1 (inaudible). So this is going to
2 come back to this reminder of how,
3 at least in our role, this all fits
4 together, really trying to promote
5 and maintain fair access to
6 markets. I think that that was
7 largely the thrust of MAFAC's
8 communication to the
9 administration. And I truly
10 welcome additional discussion,
11 additional details, things that we
12 can really take back, and grow
13 into, and work on. In that regard,
14 in addition to that access to fair
15 markets, maintaining confidence and
16 product quality, product
17 wholesomeness. And that is
18 something that the CP and special
19 program remains focused on. And
20 then finally, working to level the
21 playing field through the
22 regulatory programs that we have at

1 our disposal. And some combination
2 of those efforts will, I hope,
3 provide significant benefits to
4 U.S. seafood producers and
5 exporters. And I'll end up, note
6 that this is where we are now. I
7 am very much a subscriber to the
8 notion of continuous improvement.
9 And, so, I always welcome your
10 input, individual companies' input
11 on what we can be doing to support
12 trade and support your work. So,
13 thank you very much for your time
14 and your attention. And I'm happy
15 to answer any more questions you
16 might have.

17 MS. BEIDMAN: Thank you John. I know
18 your question is particularly specific, what John
19 has been talking about, marine mammal.

20 SPEAKER: This Marine Mammal Protection
21 Act new rule as being taken, (inaudible), 120 days
22 you're going to reviewing their fishery

1 regulations in regard to marine mammal.

2 MR. HENDERSCHIEDT: So, I mean a lot of
3 people said, five years, that's forever. And I'd
4 say, five years, that's no time. We have had to
5 bring some additional people into the office to
6 manage this. We still don't have a huge team.
7 And when we don't have the people noted, we have
8 the expertise to make all of these scientific
9 evaluations. So at some point we will be relying
10 on the broader NOAA Fisheries community, our
11 science and technology folks, our regional offices
12 and our science centers, to help us do these
13 evaluations. We were through a process like this
14 just a couple of years ago. We certified Mexico
15 with a bycatch of migrate sea turtles in a gulet
16 fishery in the Gulf of (inaudible). And the
17 process is much the same. Mexico put in place a
18 regulatory mechanism that is comparable and
19 effectiveness to those that are in place in the
20 U.S., to protect similar species. And there's no
21 handbook for how to do that. But we basically put
22 together a technical team, looked at Mexico's

1 regulations. Sort of evaluated as closely as we
2 could how those regulations stack up to U.S.
3 policy and regulation. The first time through we
4 didn't think that it met the bar, and that's why
5 we did the negative certification. The second set
6 of regulations were much more robust. They
7 eliminated a lot of the uncertainty that we were
8 concerned about in the first round. And, again,
9 it's a very encouraging success. I mean we went
10 through a challenge and process, but at the end of
11 the day we have much better regulations in place.
12 We have cameras and observers for some of these
13 vessels. And we are seeing much lower mortality
14 in turtles in that fishery. And that's exactly
15 what these regulations are intended to accomplish.

16 SPEAKER: So just a problem. When I
17 first got involved (inaudible) well before it was
18 ever really being contemplated, our question, you
19 know, how are we going to have comparable to fewer
20 mortality (inaudible), the standards,
21 (inaudible). But I'm not opposed
22 to the idea that it will take some

1 time. I do, you know, once again I
2 question that, you know, it has
3 some defects (inaudible). So I
4 would just caution that, you know,
5 there's a lot of money behind
6 imports so there might be a lot of
7 (inaudible). But I would be
8 really happy to see more scientific
9 data from some of these other
10 countries. That could be helpful
11 (inaudible).

12 MR.. HENDERSCHIEDT: I appreciate your
13 comments. I must say that this is a process that
14 points out how far ahead the U.S. is in its
15 scientific and its management capacity. When you
16 look at some of our very significant trading
17 partners, what they have to work with now, that
18 establishes quite a big gap.

19 MS. MORRIS: Are there comments or
20 questions?

21 RAIMUNDO ESPINOZA: Well just sort of
22 I've got a comment there that comment with

1 Mexico, the U.S. programs would help by installing
2 the cameras that you monitor from that effort.
3 And, so, some of the work that came from this
4 really helped advance the monitoring of
5 (inaudible) that they would have never done
6 without (inaudible), management for resources.
7 It's something that, you know, pushing forward
8 (inaudible).

9 MS. MORRIS: Again, I want to thank Your
10 Honor. Thank you John. Thank you Sam, and Cisco,
11 and Susan, for the great presentations today. I
12 thank the members for their good questions and
13 comments. Um, today is the equinox. I'm very
14 balanced today. And next on the agenda is our
15 (inaudible) gathering.

16 SPEAKER: We regret for not being able
17 to get here until now. We've been over at the
18 convention and it kind of (inaudible), what all
19 we're picking up from across the way. But, I'm
20 here for good now, and hopefully to interact with
21 you all.

22 MS. MORRIS: And the meeting is being

1 adjourned. Have a good day.

2 (Whereupon, at 4:53 p.m., the
3 PROCEEDINGS were adjourned.)

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1 CERTIFICATE OF NOTARY PUBLIC

2 COMMONWEALTH OF VIRGINIA

3 I, Carleton J. Anderson, III, notary
4 public in and for the Commonwealth of Virginia, do
5 hereby certify that the forgoing PROCEEDING was
6 duly recorded and thereafter reduced to print under
7 my direction; that the witnesses were sworn to tell
8 the truth under penalty of perjury; that said
9 transcript is a true record of the testimony given
10 by witnesses; that I am neither counsel for,
11 related to, nor employed by any of the parties to
12 the action in which this proceeding was called;
13 and, furthermore, that I am not a relative or
14 employee of any attorney or counsel employed by the
15 parties hereto, nor financially or otherwise
16 interested in the outcome of this action.

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18 (Signature and Seal on File)

19 Notary Public, in and for the Commonwealth of
20 Virginia

21 My Commission Expires: November 30, 2016

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