



## NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

Angel Drobnica, Chair | David Witherell, Executive Director  
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July 23, 2024

Ms. Dawn DiFiore  
Budget Execution Chief  
NOAA Fisheries  
1315 East-West Highway  
Silver Spring, MD 20910  
Via email: [dawn.difiore@noaa.gov](mailto:dawn.difiore@noaa.gov)

Dear Ms. DiFiore,

I am writing to seek your office's assistance regarding the timeliness of the release of fishing industry funds to support the Alaska Groundfish and Halibut Observer Program. The Alaska Observer Program is critical to the continued stewardship of our Nation's largest and most valuable fisheries, as it allows the conservation and management objectives of both the Council and the National Marine Fisheries Service (NMFS) to be supported by reliable and scientifically valid observer and electronic monitoring (EM) information. The North Pacific Fishery Management Council continues to be concerned with the delays in the transfer of sequestered observer fee revenues to the Fisheries Monitoring and Analysis (FMA) Division at the Alaska Fisheries Science Center (AFSC).

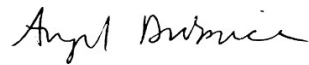
While the majority of harvest in the North Pacific is fully observed for all trips and paid for by industry, vessels not required to have full coverage pay for observers through a fee authorized under the Magnuson Stevens Act. The partial coverage portion of the Observer Program was restructured in 2013 and revised in 2021 to assess a 1.65% fee on the fishing industry's landings, to provide NMFS with program funding and to increase the statistical reliability of data collected by the program, address cost inequality among fishery participants, and to expand coverage to previously unobserved fisheries. The funds are administered by the Department of the Treasury and the Office of Management and Budget, however they have been set up in a special account that was intended to be flexible and protected, as this is industry money that is directly paying for monitoring coverage, and not government funds.

The Council has sent letters in prior years regarding the uncertainty and difficulty of having the funds accessible to NMFS in a timely manner in order to annually deploy observers. Once again, the burden of chasing down the requisite permissions to release the funds has fallen on NMFS personnel, and funds have not been available for months or in the most recent case, years. The timeliness of the funding is critical to maintaining continuous observer and EM coverage in the Alaska groundfish and halibut fleets throughout the year to meet fishery conservation and management objectives. While NMFS has informed the Council that the sequestered funds are expected to be released the following year, as of the June 2024 Council meeting, NMFS had yet to receive the reimbursement of sequestered 2022 or 2023 Observer Fee funds. Such a delay in the availability of funds may negatively impact the level of monitoring coverage for the year, and result in coverage rates that are lower than could otherwise be afforded or a break in observer or EM coverage in the Alaska fisheries.

We understand that the transfers of Observer Fee funds, in addition to cost recovery funds and start-up funds for the Pelagic Trawl Electronic Monitoring Program, were delayed this year in part due to the new Commerce Department financial system and are pleased to hear that these funds have either just recently come through or are being presently awarded. However, the frequent delays in the transfer of sequestered observer fee revenues suggests an ongoing, systemic issue.

We are uncertain whom to contact about this matter within the Department of the Treasury; therefore, the Council requests your assistance in forwarding this correspondence to the appropriate person(s) at Treasury, or directing us to that contact, as well as any other assistance you can provide in resolving the difficulties with releasing the collected monies from the industry fee assessment in a timely manner, so as to avoid reduced coverage rates or a break in observer or EM coverage in the Alaska fisheries. Please let us know what can be done to make the Observer Fee funds available earlier in the fiscal year. On behalf of the North Pacific Council, thank you for considering this request.

Sincerely,



Angel Drobnica  
Chair, NPFMC

cc: Mr. Jon Kurland  
Dr. Robert Foy