

NOAA protected sea turtles in the Gulf of Mexico after opening additional areas to shrimping on July 15, 2011 by helping fishermen comply with Turtle Excluder Device (TED) regulations.

According to NOAA's *Fisheries Of The United States (2010)*, 176 tons of shrimp valued over \$338M making this commercial shrimp fishery one of the most economically important fisheries in the Gulf.

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NATIONAL MARINE FISHERIES SERVICE





NATIONAL MARINE FISHERIES SERVICE

The National Marine Fisheries Service (NMFS) serves the Nation through stewardship of living marine resources. This stewardship is accomplished with a science-based approach to conservation and management and the promotion of healthy coastal and marine ecosystems. NMFS is responsible for the management and conservation of fisheries within the U.S. Exclusive Economic Zone (EEZ), and for marine mammals and endangered and threatened species within NMFS' jurisdiction. NOAA's mandate includes the management of 528 federally-managed fish stocks along with invertebrates, sea turtles, marine mammals, and other marine and coastal species and



Oyster Aquaculture in Tomales Bay, CA

their habitats for commercial, recreational, and subsistence purposes. NMFS also supports international scientific research and policy development.

Upholding NOAA's mission requires strong coordination and integration across all of the agency's research and stewardship programs, especially with the National Ocean Service (NOS), the Office of Oceanic and Atmospheric Research (OAR) and the Office of Marine and Aviation Operations (OMAO). For example, OMAO vessels are used to collect vital data required by fisheries and marine mammal stock assessments. In addition, NMFS partners and collaborates with Federal, State, and tribal institutions, local stakeholders, academic institutions, and non-governmental organizations. Strong partnerships and enhanced coordination and cooperation among NOAA scientists, policymakers, the Regional Fishery Management Councils, the commercial and recreational fishing industries, coastal stewards, and academic centers ensure a transparent and effective approach to stewardship and management.

NOAA's Next Generation Strategic Plan outlines a framework for ensuring that marine fisheries, habitats, and biodiversity are sustained within healthy and productive ecosystems and that coastal and Great Lakes communities are environmentally and economically sustainable. NMFS supports these goals by balancing protection and conservation mandates with management of the multiple uses and interests in living marine resources. This includes commercial, recreational, and subsistence fishing; marine aquaculture; habitat conservation; protected resources management; and ocean and coastal development. NMFS science supports the Nation's understanding of these systems to inform an ecosystem-based approach to resource management



decisions. Long-term sustainability of ecosystems will ensure that seafood harvest and production, recreational fishing opportunities, and non-consumptive uses of living marine resources will continue to support vibrant coastal communities and economies.

FY 2011 ACCOMPLISHMENTS

In this 35th anniversary year of the Magnuson-Stevens Act, significant progress has been made toward ending overfishing and rebuilding overfished stocks. The 14th annual Report to Congress on the Status of the Nation's Fisheries, released in July 2011, showed three additional formerly overfished stocks rebuilt to healthy levels, bringing the total rebuilt since 2000 to 21. As of December 31, 2010, annual catch limits (ACLs) or other management measures were in place for all stocks subject to overfishing as mandated by the Act. During FY 2011, NOAA established required annual catch limits in 20 additional Fishery Management Plans (FMP), including key groundfish fisheries in Alaska, the Mid-Atlantic, and on the Pacific Coast, crab and scallop fisheries in Alaska, and all the FMPs in the Western Pacific. As of December 31, 2011, there were 43 FMPs with required annual catch limits in place. NOAA is on track to have required ACLs in place for all 46 FMPs in time to be effective for their respective 2012 fishing year.



Gulf of Maine Haddock: One of four fish stocks to be removed from the low-population list

In 2011 NMFS saw progress in several catch share programs, which are designed to enhance conservation efforts and provide improved economic viability for fisheries. The Pacific Trawl Rationalization catch share program was launched on January 11, 2011. Preliminary results indicate a strong performance by the fishery this year. After a slow start early in the year, landings have steadily increased to the point that both landings and revenue during June of this year were higher than last year; and even higher than the historical average for June. In addition, revenues per vessel are also up substantially. These positive economic trends for fishermen are even more remarkable because they are accompanied by a vast reduction of discarded catch. On average about 99 percent of what is caught is now being retained, an extremely positive result for fishery management and conservation. Since implementation of the Gulf of Mexico Grouper-Tilefish individual fishing quota (IFQ) program in January 2010, derby fishing and quota closures have been eliminated, safety at sea has improved, and dockside prices have increased. The program was intended to rationalize effort and reduce overcapacity to achieve and maintain optimum yield in this multi-species fishery. Fishermen have stayed within the annual catch limits that have been established, contributing to the rebuilding of the gag stock and improvements in the fishery as a whole.



NOAA-backed catch share programs for the West Coast began January 2011 with the brand-new groundfish rationalization program.

FY 2013 REQUEST

\$880,286,000

NOAA requests a total of \$880,286,000 and 2,836 FTEs to support the continued and enhanced operations of the National Marine Fisheries Service. This total includes the Operations, Research, and Facilities (ORF) and other Mandatory and Discretionary accounts. For the Discretionary accounts this is a decrease of \$11,910,000 and 29 FTEs from the FY 2012 estimate. This reduction includes a net decrease of \$27,704,000 in program changes and 36 FTEs plus an increase of \$12,986,000 and 7 FTEs for Adjustments to Base (ATB).



The FY 2013 President's Budget Request supports the highest priority core requirements for the stewardship of living resources. The FY 2013 budget focuses on core program requirements to meet mandates, program integration, and partnerships. NMFS, in partnership with Regional Fisheries Management Councils, will continue efforts to rebuild American fisheries and maintain them at sustainable levels to optimize fishing opportunities, jobs, and environmental benefits. Our Nation's fisheries are very valuable. For example, they supported 1.5 million full and part-time jobs and contributed \$79 billion to GDP, \$183 billion in sales in 2010. Further, the jobs supported by the commercial fishing industry increased from 2009 to 2010, by 16 percent from 1 million to 1.2 million. Sustaining and improving on these results requires continued assessment of fishing impacts on fish stocks and fishing performance relative to fishery management targets. In FY 2013 NMFS will focus on strengthening current data collection capabilities for fishery stock assessments and surveys, the deployment of advanced fishery sampling technologies such as acoustical and optical remote sensing, and the implementation of critical research to better understand economic impacts. This will allow NMFS to obtain the best available scientific information to implement sound management and conservation actions.

In FY 2013, NMFS' programs will sustain a comprehensive approach to protect and restore healthy ocean ecosystems while supporting economic opportunities. NMFS will continue to conserve, protect, and recover species under the Endangered Species Act, and the Marine Mammal Protection Act (MMPA). NMFS will collaborate with Federal, state, and tribal partners, on ESA activities, such as status reviews to assess threats, development of protective regulations and critical habitat designations for listed species, and conducting research and assessments to achieve species recovery while informing management decisions on proposed actions such as energy development.

NMFS will also continue to improve the management, protection, and restoration of marine, coastal, and riverine habitats that support sustainable fisheries, protected resources, and coastal communities and economies. Through the Habitat Blueprint, a forward looking action framework, NMFS will leverage strategic partnerships to address the growing challenge of habitat loss and degradation. In 2013, habitat initiatives will be implemented regionally with the establishment of geographic priorities to focus habitat science and conservation. This systematic and strategic approach to habitat science will improve efforts to protect and restore habitat. This approach will be utilized in FY 2013, as NMFS supports recovery of the Gulf of Mexico through planning and implementation of early restoration projects associated with the Deepwater Horizon Oil Spill and implementation of the Executive Order 13508 to protect and restore the Chesapeake Bay.

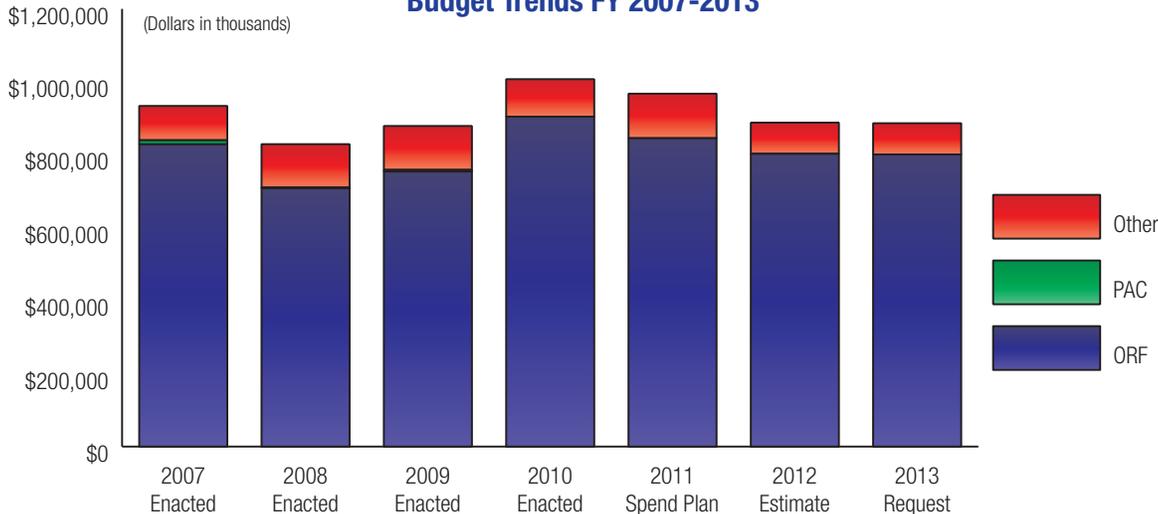
Overall, NOAA's NMFS, through the efforts of the regional offices, science centers, and with the help of the Regional Fisheries Management Councils and a wide array of other partners, will strive to balance the stewardship of living marine resources with the economic needs of the Nation.



NATIONAL MARINE FISHERIES SERVICE

(DOLLARS IN THOUSANDS)	FY 2011 SPEND PLAN	FY 2012 ESTIMATE	FY 2013 REQUEST	INCREASE (DECREASE)
NMFS — ORF				
Protected Species Research and Management	\$188,101	\$174,159	\$170,041	(\$4,118)
Fisheries Research and Management	438,507	426,075	430,077	4,002
Enforcement and Observers	105,747	105,361	110,289	4,928
Habitat Conservation and Restoration	41,789	41,657	35,987	(5,670)
Other Activities Supporting Fisheries	71,093	57,466	61,414	3,948
Total, NMFS - ORF	845,237	804,718	807,808	3,090
Total, NMFS - PAC	0	0	0	0
Total, NMFS - Other	122,260	90,286	72,478	(17,808)
GRAND TOTAL NMFS (Direct Obligations)	\$967,497	\$895,004	\$880,286	(\$14,718)
Total FTE	2,930	2,865	2,836	(29)

NATIONAL MARINE FISHERIES SERVICE Budget Trends FY 2007-2013



ORF: Operations, Research, and Facilities

PAC: Procurement, Acquisition, & Construction

Other: Environmental Improvement and Restoration Fund, Federal Ship Financing Fund, Fisheries Finance Program Account, Limited Access System Administration Fund, Promote and Develop American Fishery Products & Research Pertaining to American Fisheries Fund, Western Pacific Sustainable Fisheries Fund



FY 2013 ORF BUDGET SUMMARY

NOAA requests a total of \$807,808,000 and 2,835 FTEs to support the Operations, Facilities, and Research (ORF) of the National Marine Fisheries Service. This is an increase of \$3,090,000 and a decrease of 29 FTEs from the FY 2012 estimate. This reduction includes a decrease of \$12,704,000 in program changes and a decrease of 36 FTEs plus an increase of \$15,794,000 and 7 FTEs for Adjustments to Base (ATB). Adjustments include the following transfers:

- NOAA requests technical adjustment to move \$4,618,000 and 3 FTEs from NOS to NMFS for the Marine Debris Program and \$498,000 and 1 FTE from NOS to NMFS for the Estuary Restoration Program in order to consolidate restoration programs within NOAA.
- NOAA requests technical adjustments to: 1) change the name of the Sustainable Habitat Management line to Habitat Management and Restoration, and 2) to move \$20,765,000 and 54 FTEs from Fisheries Habitat Restoration to the renamed line: Habitat Management and Restoration.

NMFS – ORF PROGRAM CHANGE HIGHLIGHTS FOR FY 2013:

Select program changes (generally above \$500,000) are highlighted below at the sub-activity level. A summary of funding by Program, Project and Activity (PPA) is located in Chapter 9, *Appendices*. Detailed descriptions of all program changes by PPA are located in the NOAA FY 2013 Congressional Justification.

Multiple Sub-Activities: NOAA requests a decrease of \$5,000,000 and 27 FTEs as part of NOAA's West Coast proposal. NOAA requests this decrease as part of the President's efforts to find efficiencies and savings. These efficiencies will be achieved by reducing program activities and reconfiguring the NMFS' Southwest and Northwest Regional Offices into a single West Coast Regional Office, closing the Pacific Grove Laboratory in California, eliminating support for the Puget Sound ecosystem surveys, as well as the Newport Seawater Research program at the Newport Laboratory in Oregon. The geographic distribution of the staff will be driven by programmatic needs. These changes reflect NOAA's efforts to focus its resources on its highest priority mission functions and reduce administrative costs to the greatest possible extent. The reconfiguration of the West Coast regional offices will result in a leaner management structure and the elimination of other positions, while the proposed facilities changes will reduce NMFS's physical footprint and associated costs over time. See below for reductions associated with this initiative by budget line.

PROTECTED RESOURCES RESEARCH AND MANAGEMENT (\$2,591,000)

Will eliminate duplicative staff functions as part of reconfiguring NMFS' Southwest and Northwest Regional Offices into a single West Coast Regional Office and closure of the Pacific Grove Lab.

MARINE MAMMALS (\$7,000)

Terminate small marine mammal research activity located at the Pacific Grove Laboratory which is proposed for closure.



PACIFIC SALMON (\$484,000)

Eliminates salmon research funding for the Newport Seawater Research program at the Newport Laboratory in Oregon.

FISHERIES RESEARCH AND MANAGEMENT (\$1,460,000)

Will support the reconfiguring NMFS' Southwest and Northwest Regional Offices into a single West Coast Regional Office, and the closure of the Pacific Grove Laboratory in California, eliminating the Puget Sound ecosystem survey; ending the Northwest Region's support for the Newport Seawater Research program at the Newport Laboratory in Oregon.

EXPAND ANNUAL STOCK ASSESSMENTS (\$8,000)

Reflects the administrative savings as a result of the closure of the Pacific Grove Laboratory.

INFORMATION, ANALYSIS, AND DISSEMINATION (\$450,000)

Supports the closure of the Pacific Grove Laboratory.

TOTAL (\$5,000,000)

PROTECTED SPECIES RESEARCH AND MANAGEMENT \$170,041,000

NOAA requests a decrease of \$6,607,000 and 21 FTEs for a total of \$170,041,000 and 791 FTEs under the Protected Species Research and Management sub-activity. This is comprised of four increases, five decreases, and two terminations:

Protected Resources Research and Management Programs: NOAA requests an increase of \$1,603,000 and 0 FTEs for activities that conserve and recover threatened and endangered species. The proposed increase will be distributed among several protected species science and management activities. With these additional resources NOAA will conduct ESA Section 7 consultations and provide authorizations of proposed Federal actions affecting protected species. NOAA will meet emerging requirements for ESA interagency technical assistance and authorizations under the MMPA and ESA for all proposed actions for energy exploration and development, national defense–related activities, and fishery operations. Additionally, NOAA will increase its coordination of stranding network responses to unusual marine mammal mortality events including assessment of causes and risks.

Species Recovery Grants: NOAA requests an increase of \$1,986,000 and 0 FTEs for the Species Recovery Grants Program. NMFS currently has jurisdiction over 87 threatened and endangered species, 7 species that have been proposed for listing, and 94 candidates for listing under the ESA. Recovery and conservation efforts for ESA-listed species under NMFS's jurisdiction are largely implemented through Spe-



A loggerhead turtle escaping through a turtle excluder device (TED).



cies Recovery Grants, which are awarded under the authority of section 6 of the ESA. This increase will provide grants to states to conduct priority recovery actions for listed species. Recovery actions can include restoring habitat necessary for the recovery of listed species, reducing or removing significant sources of mortality and injury such as assessing and monitoring species status and trends, partnering with governments and non-governmental organizations to conduct cross-jurisdictional conservation actions, developing conservation plans to mitigate incidental take of listed species, and educating the public about the conservation of ESA-listed species. NMFS will track ongoing and completed recovery actions by incorporating NMFS information into the U.S. Fish and Wildlife Service's "Recovery Online Activity Reporting System" or an equivalent tracking system.



Breaching Humpback whale

Marine Mammals: NOAA requests a decrease of \$3,779,000 and 2 FTEs to terminate funding for the John H. Prescott Marine Mammal Rescue Assistance Grant program. The Prescott Grant program provides competitively awarded and emergency response grants to eligible marine mammal stranding network participants nationwide. In FY 2013, NMFS will continue to support the rescue of large whales entangled in fishing gear; coordinate the stranding network; provide limited support for unusual mortality event investigations; and administer the National Marine Mammal Tissue Bank, which maintains samples collected from stranded, by-caught, research, and subsistence animals to help with future disease diagnosis and response.

Other Protected Species: NOAA requests an increase of \$500,000 and 0 FTEs for the conservation and recovery of other protected species such as marine fish, plants, and invertebrates. The funds will be used to complete listing determinations for newly petitioned species; conduct post-listing activities (recovery plans, critical habitat designations, 4(d) rules); and monitor ongoing and completed recovery actions to better assess the effectiveness of its recovery program. All these activities will enable the effective conservation and protection of marine fish, plants, and invertebrates by NOAA.

Pacific Salmon: NOAA requests a decrease of \$743,000 and 0 FTEs for Pacific Salmon activities. NOAA will continue to meet existing requirements for ESA interagency technical assistance related to Pacific salmon in the Western United States, including the development of recovery plans and section 7 consultations.

FISHERIES RESEARCH AND MANAGEMENT

\$430,077,000

NOAA requests a decrease of \$1,297,000 and a decrease of 5 FTEs for a total of \$430,077,000 and 1,382 FTEs under the Fisheries Research and Management sub-activity. This is comprised of eleven increases and five decreases:

Fisheries Research and Management Programs: NOAA requests a decrease of \$2,025,000 and 0 FTEs for Fisheries Management activities. NMFS will continue to work with the eight Regional Fishery Management Councils to manage more than 528 stocks, monitor annual catch limits (ACLs) to identify appropriate harvest levels, administer management programs through which ACLs are implemented, and administer fishery management plans. With this reduction, NMFS will continue to conduct mandated



activities and will endeavor to minimize any delay to the development or implementation of regulations needed to keep fisheries within their annual catch limits. This reduction will be spread across all NMFS Regional Offices and Science Centers. However, NMFS staff and Councils will work closely together to minimize the impact of this reduction on timeliness with which adaptive fishery management actions can be put in place and maintain effectiveness of catch monitoring efforts.

Expand Annual Stock Assessments: NOAA requests an increase of \$4,320,000 and 0 FTEs to increase stock assessments. The request will allow for an increase in NMFS's capability to conduct assessments for more stocks. Building on advances in stock assessment prioritization begun in FY 2012, NMFS will conduct improved surveys using advanced technologies to estimate fish abundance in additional habitats. The National Research Council has found that a strong fishery stock assessment report is the foundation of successful management of commercial and recreational fisheries. Incomplete scientific information results in overly conservative Annual Catch Limits, thus limiting fishing opportunity. This increase will support adequate stock assessments to help verify that overfishing is not occurring and safely allow optimum catch levels to support the sustainability and economic viability of the most economically valuable US stocks. Funding will improve fishery-independent surveys using existing advanced technologies and the development and implementation of improved technologies and platforms.

Salmon Management Activities: NOAA requests a decrease of \$6,519,000 and 0 FTEs for Salmon Management Activities. These projects fund activities associated with salmon not listed under ESA. At the requested level, NMFS will continue to meet its obligations under the Mitchell Act through continued support for operations and maintenance of Columbia River hatcheries to mitigate the loss of fish production due to hydroelectric dams. NMFS will also conduct a broad range of salmon stock assessment and fishery monitoring programs in the Snake and Columbia Rivers. NOAA will also terminate funding provided in FY 2012 to implement hatchery reforms recommendations by the Hatchery Scientific Review Group. NMFS does not anticipate additional need to continue funding in FY 2013 for these projects.

Regional Councils and Commissions: NOAA requests a decrease of \$5,139,000 and 0 FTEs for staff of the Regional Councils and Commissions. NOAA proposes to reduce funding to the Regional Fishery Management Councils (Councils) and Atlantic States Fishery Management Commission by 14 percent. Councils will use remaining funds to prioritize the implementation of adaptive measures that ensure the prevention and end of overfishing, but there should be no impact to the establishment of Annual Catch Limits (ACLs) since all Fishery Management Plans (FMPs) will have them in place to be effective for the 2012 fishing season. This Council reduction will be applied using the formula approved by the Councils to appropriately divide their funding. NMFS will also reduce funding for the Atlantic Cooperative Coastal Act by 14 percent.



Working with fertilized eggs in a salmon hatchery.



Survey and Monitoring Projects: NOAA requests an increase of \$2,322,000 and 0 FTEs to support fishery independent surveys. This funding will support fishery independent surveys, which are vital to maintain the scientific integrity of data collections for fishery stock assessments that support management decision making. Funding will be used to support red snapper monitoring, including at sea data collection; Alaska Groundfish monitoring, including snow and tanner crab, rockfish, and walleye Pollock; and at sea data collection for the West Coast Groundfish fishery.

Fisheries Oceanography: NOAA requests an increase of \$4,989,000 and 0 FTEs for Integrated Ecosystem Assessments (IEAs). IEAs will provide a more comprehensive science-based decision-making framework for NOAA's management of coastal and marine ecosystem resources. IEAs incorporate diverse sources of data into ecosystem models, including socioeconomic data, that evaluate trade-offs between ecosystem and societal goals. The funds requested in FY 2013 will allow NOAA to make the California Current IEA fully operational and deliver management strategy evaluations, as well as continue to develop and expand the IEA framework in the Gulf of Mexico and Northeast Shelf Regional Ecosystems. The additional funds will also allow NOAA to accelerate the IEA development recently initiated in the Alaska and Pacific Islands Regional Ecosystems, providing the analytical basis for ecosystem-based decision support in all five of these regions.

American Fisheries Act: NOAA requests an increase of \$1,662,000 and 0 FTEs for research and management in Alaska Bering Sea and Aleutian Islands (BSAI) groundfish fishery. With this funding NMFS will increase the agency's ability to provide real-time in-season management of the largest volume fishery in US waters. These funds provide core support for research and management in Alaska Bering Sea and Aleutian Islands (BSAI) groundfish fishery. NOAA will also increase its ability to maintain and monitor complex IT systems essential for the management of this fishery, to make modifications to the fishery regime, and to monitor and update necessary recordkeeping which supports backbone monitoring and enforcement.

ENFORCEMENT AND OBSERVERS

\$110,289,000

NOAA requests an increase of \$3,499,000 and 0 FTEs for a total of \$110,289,000 and 385 FTEs under the Enforcement and Observers sub-activity. This is comprised of two increases:



NOAA Observer Program in action, collecting data

Observers and Training: NOAA requests an increase of \$2,908,000 and 0 FTEs for National Observer Program. This increase includes a reallocation of \$1,300,000 from the Hawaii Longline Observer Program to support observing and monitoring for fisheries currently under catch share management. In addition, the increase will also support observing and monitoring costs for programs expected to transition to catch share management in FY 2013. NOAA is reallocating funds provided in FY 2012 that supplemented data collection to achieve statistically valid protected species interactions and bycatch estimates for the American Samoa Long Line fishery. Overall, Observer programs will continue to provide coverage in approximately 47 fisheries nationwide, with a goal of expanding observer coverage in existing fisheries and implementing new observer programs in fisheries with bycatch concerns. Observer programs will maintain the number of fisheries with adequate or near adequate observer coverage at 29 and



the number of sea days observed annually at 72,500. The number of fisheries with adequate or near adequate observer coverage, as well as the target observer coverage may vary depending on fishing effort and program priorities. The National Observer Program will also provide updated bycatch estimates for the National Bycatch Report.

Enforcement: NOAA requests an increase of \$591,000 and 0 FTEs for the NMFS Office of Law Enforcement (OLE). The requested increase will provide funding to expand the compliance assistance program. Specialists will work directly with regulated fishermen, businesses, and industry organizations to increase knowledge of and compliance with regulations. Under the compliance assistance program OLE, working through compliance liaisons, will foster better cooperation with the fishing industry.

HABITAT CONSERVATION AND RESTORATION \$35,987,000

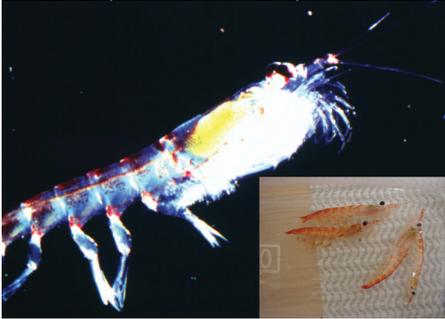
NOAA requests a decrease of \$11,274,000 and 0 FTEs for a total of \$35,987,000 and 153 FTEs under the Habitat Conservation and Restoration sub-activity. This is comprised of one decrease and one reduction:

Habitat Management and Restoration: NOAA requests a decrease of \$10,058,000 and 0 FTEs for community based restoration. NOAA will continue support for mandated restoration activities conducted through the NOAA Restoration Center related to Natural Resource Damage Assessment (NRDA), Oil Pollution Act (OPA), Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and other priority habitat restoration activities. NOAA will focus on projects that enhance stewardship and advance NOAA's priorities for sustainable fisheries, recovering protected resources, and supporting coastal economies. NOAA will continue to provide technical expertise, such as engineering and design, implementation support, and monitoring, and leadership to states, tribes, local communities, and other Federal programs implementing fishery and coastal habitat restoration projects.

Habitat Management and Restoration: NOAA requests a decrease of \$1,216,000 and 0 FTEs for Marine Debris and Estuary Restoration Programs. In the FY 2012 appropriation, Congress provided additional funds to track and mitigate the immense debris field generated by the Japanese earthquake and tsunami that struck in March 2011. It is anticipated that the debris will impact the United States in FY 2012. The FY 2013 President's Budget reduces funding for Marine Debris, and does not request these additional funds. Transferring Marine Debris and Estuary Restoration into Habitat Management and Restoration will allow NMFS to find administrative efficiencies while building upon the knowledge gained and continuing to carry out Marine Debris and Estuary Restoration activities.

OTHER ACTIVITIES SUPPORTING FISHERIES \$61,414,000

NOAA requests an increase of \$2,975,000 and a decrease of 10 FTEs for a total of \$61,414,000 and 124 FTEs under the Other Activities Supporting Fisheries sub-activity. This is comprised of nine increases and two decreases:



*Krill are a key component in the Antarctic food chain.
Photo credit: NOAA/Jessica Lipsky*

Antarctic Research: NOAA requests an increase of \$1,085,000 and 0 FTEs to support activities to meet mandates established by the U.S. Antarctic Marine Living Resources Conservation Act (AMLR). Under the AMLR Convention Act (Public Law 98-623), NOAA must conduct a program of “directed scientific research” to provide the scientific basis for fisheries management in the Southern Ocean. The requested increase will allow NOAA to collect data needed to meet the mandates of the U.S. AMLR and support ecosystem based management of krill and finfish fisheries in the Southern Ocean. Funds will support research cruises and acoustic surveys of Antarctic krill to estimate the biomass of this critical species. Krill is the largest fishery in Antarctica and the main source of food for most of the Southern Ocean’s fishes, birds, and mammals. The increase will also be used to ensure that the research cruises are appropriately staffed to collect data on all aspects of the Antarctic marine ecosystem.

Cooperative Research: NOAA requests an increase of \$868,000 and 0 FTEs for Cooperative Research. NOAA recognizes the value of cooperative research in supplementing its existing mandated and core research programs. NOAA will use this increase to provide contract procurements for unique and cost effective cooperative research projects to complement long-term NOAA-NMFS monitoring programs in the Northeast/Mid-Atlantic by partnering and leveraging the capacity of a widely distributed network of commercial fishermen to collect unique biological and physical observations that would be unavailable through NOAA-NMFS resources (i.e., Industry-Based Surveys).

Information Analysis and Dissemination: NOAA requests an increase of \$2,801,000 and 0 FTEs to support information management systems and information dissemination. Living marine resource managers require accurate and timely information for decision-making. This increase will accelerate improvements in the quality and timeliness of data delivered, allow NMFS to analyze new and existing data sets, and model fisheries oceanography interactions. This will help to improve, streamline and better integrate previously collected data and information as well as future collections.

NMFS Facilities Maintenance: NOAA requests \$0 and 0 FTEs for the closure of the Northeast Fisheries Science Center (NEFSC) James J. Howard Laboratory at Sandy Hook, New Jersey. NOAA proposes to relocate Sandy Hook research programs from the currently leased facility in New Jersey to other facilities in the Northeast Region. This move will be planned to allow as much as possible of the ecosystem-based multidisciplinary research to continue with the least possible disruption. The relocation will take place in the beginning of FY 2014 and the following programs will be impacted: Habitat Program and Ecosystem Research staff will relocate to the Oxford Lab in Oxford, MD; the Ocean Acidification Program will relocate to the NEFSC lab in Milford, CT; a portion of the Library collection will be transferred to the Oxford Lab and the rest will be distributed amongst interested parties; and a 49-foot research vessel, the R/V NAUVOO will also be moved to Oxford, MD.



Regional Studies: NOAA requests a decrease of \$1,730,000 and 7 FTEs for Chesapeake Bay Studies and Restoration. The NOAA Chesapeake Bay Office (NCBO) will continue to maintain an active local staff presence in the Chesapeake Bay to engage with the Chesapeake Bay Program and on the ground partners. NCBO will fulfill its statutory mandate through appropriate leadership roles in the Chesapeake Bay Program, particularly through multi-species fisheries research, habitat characterization and assessment, community engagement and outreach, and coordination of NOAA activities under Executive Order 13508. The requested program decrease will be accounted for through reductions in administrative costs such as, consolidation of office space, reducing travel, vehicles, supplies, and equipment. In addition, funding for environmental education will be eliminated and the Chesapeake Bay Interpretive Buoy System (CBIBS) will be removed from the water and stored or otherwise reprogrammed to another agency or organization.



Scientists at the NOAA Chesapeake Bay Office work to characterize habitat so restoration activities can be targeted and effective.

DISCRETIONARY FUNDS

FISHERMEN'S CONTINGENCY FUND

The Fishermen's Contingency Fund (FCF) program minimizes financial losses of the fishing industry caused by competing uses of the Outer Continental Shelf (OCS) and provides for timely resolution of claims by vessel owners. The FCF is authorized under Section 402 of Title IV of the Outer Continental Shelf Lands Act Amendments of 1978. NOAA compensates U.S. commercial fishermen for damage or loss of fishing gear, vessels, and resulting economic loss caused by obstructions related to oil and gas exploration, development, and production in any area of the Outer Continental Shelf. The funds used to provide this compensation are derived from fees collected by the Secretary of the Interior from the holders of leases, exploration permits, easements, or rights-of-way in areas of the Outer Continental Shelf. The FCF account is funded solely through user fees. Disbursements can be made only to the extent authorized in appropriation acts. In FY 2013 NMFS requests budget authority of \$350,000 for the payment of claims filed by fisherman. These funds should be sufficient to cover the anticipated amount of claims for FY 2013.

FOREIGN FISHING OBSERVER FUND

The Foreign Fishing Observer Fund (FFOF) is financed through fees collected from owners and operators of foreign fishing vessels fishing within the Exclusive Economic Zone (EEZ) of the United States (such fishing requires a permit issued under the MSA). This includes longline vessels fishing in the Atlantic billfish and shark fishery and other foreign vessels fishing in the EEZ. The fund is used by NOAA to pay salaries, administrative costs, data editing and entry costs, and other costs incurred in placing observers aboard foreign fishing vessels. The observer program is conducted primarily through contracts with the private sector. NOAA/NMFS places these observers aboard foreign fishing vessels to monitor compliance with U.S. fishery laws and to collect fishery management data. Amounts available in the fund can be disbursed only to the extent and in amounts provided in appropriation acts. In FY 1985, Congress approved the establishment of a supplemental observer program. The program provided that foreign vessels without federally-funded observers are required to obtain the services of private contractors certified by the Secretary of Commerce. NOAA does not anticipate foreign fishing in the U.S. EEZ requiring funds from this account.



FISHERIES FINANCE PROGRAM ACCOUNT

The Fisheries Finance Program (FFP) Account is a national loan program that makes long-term fixed-rate financing available to U.S. citizens who otherwise qualify for financing or refinancing of the construction, reconstruction, reconditioning, and, in some cases, the purchasing of fishing vessels, shoreside processing, aquaculture, and mariculture facilities, and the purchase of individual fishing quota (IFQ). The FFP operates under the authority of Title XI of the Merchant Marine Act of 1936, as amended (46 USC 53701); Section 303(a) of the Sustainable Fisheries Act amendments to the MSA; and, from time to time FFP-specific legislation. NMFS requests no increase for the FFP because these loans have a negative subsidy rate and no appropriated funds are required. However, specific loan ceilings for each type of loan authority within the FFP must be included in appropriation language or other bill language regardless of the need for cash appropriations. The FY 2013 budget proposal requests loan authority of \$24 million for IFQ loans and \$59 million for FFP traditional loans as authorized by the Merchant Marine Act. Three benefits will result from this action. First, the IFQ loan program is part of the Northwest Halibut and Sablefish and the Bering Sea and Aleutian Islands Crab limited entry fisheries management program that continues to stabilize these fisheries. This will also support the crab IFQ loan required by the management plan approved by the North Pacific Fisheries Management Council. Second, FFP traditional lending is harvesting-capacity-neutral and supports qualified established U.S. seafood companies operating in a sustainable fisheries environment. Last, FFP lending to marine aquaculture facilities contributes to the development of a promising avenue of seafood production and greater economic sustainability from U.S. ocean resources.

PACIFIC COASTAL SALMON RECOVERY FUND

The Pacific Coastal Salmon Recovery Fund (PCSRF) was established by Congress in FY 2000 to address the listings of Pacific salmon and steelhead populations under the ESA and the impacts of the Pacific Salmon Treaty Agreement between the United States and Canada. Under the PCSRF, NMFS manages a program to provide funding to the states (Washington, Oregon, California, Idaho, Nevada, and Alaska) and tribes of the Pacific Coast region (to implement projects that restore and protect salmonid populations and their habitats. Between FY 2000 and FY 2010, over \$880 million has been provided to nearly nine thousand projects throughout the region that have made important contributions to improve that status of ESA-listed salmonids, preventing extinctions and helping to protect currently healthy populations, while contributing to local economies. In addition to the PCSRF federal funds, states provide significant matching funds through their grant allocation processes. Furthermore, the federal and state matching funds are supplemented by private and local contributions at the project level, including additional funding, volunteer time, and other in-kind donations. The FY 2013 President's Request includes \$50,000,000 for this account.

MARINE MAMMAL UNUSUAL MORTALITY EVENT FUND

An unusual mortality event (UME) is defined under the MMPA as "a stranding that is unexpected; involves a significant die-off of any marine mammal population; and demands immediate response." In recent years, increased efforts to examine carcasses and live stranded animals have improved the knowledge of mortality rates and causes, allowing a better understanding of population threats and stressors and the ability to determine when a situation is "unusual." Understanding and investigating marine mammal UMEs is important because they can serve as indicators of ocean health, giving insight into larger environmental issues which may also have implications for human health and welfare. MMPA Section 405 (16 USC 1421d) establishes the Marine Mammal Unusual Mortality Event Fund. The fund: "shall be available only for use by the Secretary of Commerce, in consultation with the Secretary of the Interior to compensate



persons for special costs incurred in acting in accordance with the contingency plan issued under section 1421c(b) of this title or under the direction of an onsite coordinator for an unusual mortality event; for reimbursing any stranding network participant for costs incurred in preparing and transporting tissues collected with respect to an unusual mortality event for the Tissue Bank; and for care and maintenance of marine mammal seized under section 1374(c)(2)(D).” According to the MMPA, deposits can be made into the fund by the following: “amounts appropriated to the fund; other amounts appropriated to the Secretary with respect to unusual mortality events; and amounts received by the United States in the form of gifts, devises, and bequests under subsection (d) of this section.”

FISHERIES ENFORCEMENT ASSET FORFEITURE FUND

Section 311(e)(1) of the MSA authorizes the Secretary of Commerce (Secretary) to pay certain enforcement-related expenses from fines, penalties and forfeiture proceeds received for violations of the MSA, or of any other marine resource law enforced by the Secretary. Pursuant to this authority, the NOAA has established a Civil Monetary Penalty/Asset Forfeiture Fund (AFF). Certain fines, penalties and forfeiture proceeds received by NOAA are deposited into this fund, and subsequently used to pay for certain enforcement-related expenses. When Congress established the AFF it was deemed appropriate to use these proceeds to offset in part the costs of administering the enforcement program. Expenses such as: costs directly related to the storage, maintenance, and care of seized fish, vessels, or other property during a civil or criminal proceeding; reimbursement to other federal or state agencies for enforcement related services provided pursuant to an agreement entered into with the Secretary; and other limited uses as outlined in NOAA’s Asset Forfeiture Fund policy. NMFS Office of Law Enforcement (OLE) manages the AFF, which is used by OLE and NOAA General Counsel Enforcement Section to pay for enforcement activities.

MANDATORY FUNDS

PROMOTE AND DEVELOP AMERICAN FISHERY PRODUCTS & RESEARCH PERTAINING TO AMERICAN FISHERIES FUND

The American Fisheries Promotion Act (AFPA) of 1980 amended the Saltonstall-Kennedy (S-K) Act to authorize a grants program for fisheries research and development projects to be carried out with S-K funds. S-K funds are derived from a mandatory transfer from the Department of Agriculture to NOAA from duties on imported fisheries products. An amount equal to 30% of these duties is made available to NOAA and, subject to appropriation, is available to carry out the purposes of the AFPA. Each year a Federal Register notice is published announcing the program. The annual notice outlines priority areas, such as research on reduction/elimination of bycatch and aquaculture. The remainder of the S-K funds, which are transferred as discretionary funds, are used to offset the appropriation requirements of the Operations, Research, and Facilities account.

FISHERIES FINANCE PROGRAM ACCOUNT

The mandatory component of the Fisheries Finance Program Account (FFP) Account authority is subject to the Federal Credit Reform Act of 1990 (FCRA) (2 U.S.C. 661). The FCRA requires estimated loan costs (FCRA cost) be appropriated in cash at the time Congress authorizes annual credit ceilings. FFP Account loan activity demonstrates that the FCRA subsidy is negative. Statutory authority is found in 46 U.S.C. 1274 and 16 U.S.C. 1801 et seq. FFP Account lending guidelines are found at Title 50, Code of Federal Regulations (CFR), Part 253, subpart B; and tempered by NOAA’s sustainable fisheries policy and by the practical considerations of a program that has been self-sustaining throughout its credit history.



FEDERAL SHIP FINANCING FUND

This account manages the loan guarantee portfolio that existed prior to the enactment of the Federal Credit Reform Act of 1990.

ENVIRONMENTAL IMPROVEMENT & RESTORATION FUND

The Environmental Improvement & Restoration Fund (EIRF) was created by the Department of Interior and Related Agencies Appropriations Act of 1998 for the purpose of carrying out marine research activities in the North Pacific. These funds will provide grants to Federal, State, private or foreign organizations or individuals to conduct research activities on or relating to the fisheries or marine ecosystems in the North Pacific Ocean, Bering Sea, and Arctic Ocean.

LIMITED ACCESS SYSTEM ADMINISTRATION FUND

Under the authority of the MSA Section 304(d)(2)(A), NMFS must collect a fee to recover the incremental costs of management, data collection, and enforcement of Limited Access Privilege (LAP) programs. Funds collected under this authority are deposited into the "Limited Access System Administrative Fund" (LASAF). Fees shall not exceed three percent of the ex-vessel value of fish harvested under any such program, and shall be collected at either the time of the landing, filing of a landing report, or sale of such fish during a fishing season or in the last quarter of the calendar year in which the fish is harvested. The LASAF shall be available, without appropriation or fiscal year limitation, only for the purposes of administering the central registry system; and administering and implementing the MSA in the fishery in which the fees were collected. Sums in the fund that are not currently needed for these purposes shall be kept on deposit or invested in obligations of, or guaranteed by the U.S. Also, in establishing a LAP program, a Regional Council can consider, and may provide, if appropriate, an auction system or other program to collect royalties for the initial or any subsequent distribution of allocations. If an auction system is developed, revenues from these royalties are deposited in the LASAF.

WESTERN PACIFIC SUSTAINABLE FISHERIES FUND

Section 204(e) of the 2006 amendments to the MSA authorizes the establishment of the Western Pacific Sustainable Fisheries Fund. This fund serves as a repository for any permit payments received by the Secretary of Commerce for foreign fishing within the U.S. EEZ around Johnston Atoll, Kingman Reef, Palmyra Atoll, and Jarvis, Howland, Baker and Wake Islands, sometimes known as the Pacific Remote Island Areas (PRIA). Also, in the case of violations by foreign vessels occurring in these areas, amounts received by the Secretary attributable to fines and penalties shall be deposited into the fund. Foreign fishing is only allowed through a Pacific Insular Area Fishery agreement. Before entering into such an Agreement, the Western Pacific Fishery Management Council must develop a marine conservation plan that provides details on uses for any funds collected. Marine Conservation Plans must also be developed by the Governors of the Territories of Guam and American Samoa and of the Commonwealth of the Northern Mariana Islands and approved by the Secretary of Commerce or designee. Additionally, any funds or contributions received in support of conservation and management objectives under a marine conservation plan for any Pacific Insular Area other than American Samoa, Guam, or the Northern Mariana Islands shall be deposited in this fund.

