

U.S. DEPARTMENT OF COMMERCE
 NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
 MARINE FISHERIES ADVISORY COMMITTEE

+ + + + +

COMMITTEE MEETING

+ + + + +

WEDNESDAY, JUNE 8, 2005

+ + + + +

The meeting came to order at 9:00 a.m. in the Georgian Room of the Phoenix Park Hotel, 520 North Capital Street, NW, Washington, D.C. Alvin Osterbach, Vice Chairman, presiding

PRESENT:

ALVIN OSTERBACK	VICE CHAIR
LAUREL BRYANT	DESIGNATED FEDERAL OFFICIAL
TOM BILLY	MEMBER
JAMES COOK	MEMBER
CAPTAIN ANTHONY DiLERNIA	MEMBER
CHRIS DORSETT	MEMBER
ROBERT FLETCHER	MEMBER
JOHN FORSTER	MEMBER
JIM GILMORE	MEMBER
DONALD KENT	MEMBER
ROB KRAMER	MEMBER
PETER P. LEIPZIG	MEMBER
MELVIN MOON, JR.	MEMBER
RALPH RAYBURN	MEMBER
MAGGIE RAYMOND	MEMBER
DR. KENNETH ROBERTS	MEMBER
ERIC SCHWAAB	MEMBER
KATE WYNNE	MEMBER
RANDY FISHER	CONSULTANT
CAP. JOHN VINCENT O'SHEA	CONSULTANT

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

CONTENTS

Offshore Aquatic Legislation 3
 Stakholder Involvement

Stewardship Awards Discussion 83

Break Out Groups 98

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

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

2 9:10 a.m.

3 DR. RUBINO: Good morning. I had this
4 crazy woodpecker who lives in my neighborhood. It
5 woke me up about five thirty. Somehow it seems to
6 think it can get bugs out of drainpipes. You can
7 imagine what that sounds like.

8 I got my cup of tea, and I turned on the
9 computer, and I started scanning Google to see what
10 some of the press reaction was to yesterday's
11 transmission of this Offshore Aquaculture Bill to
12 Congress.

13 Los Angeles Times, Anchorage Daily News,
14 Boston Globe, AP stories that are placed in various
15 places around the country. The Washington Post didn't
16 have anything. New York Times had something on
17 Monday. They sort of jumped the gun. Wide, wide
18 variety of reactions.

19 How did we do in terms of getting our
20 message across? There were some very good quotes from
21 Admiral Lautenbacher, from Dr. Hogarth, from NGO
22 groups, members of the aquaculture industry. About

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 the need for aquaculture, the fact that aquaculture is
2 here to stay, the challenges of working in a global
3 seafood market, the issues that we face in terms of
4 adopting or including aquaculture in a bigger way in
5 this country as opposed to just continuing to import
6 our seafood products.

7 For the way the debate has been framed in
8 recent years, and for the lack of organization in the
9 aquaculture industry in terms of constituency, I
10 thought we got some messages out. One of those
11 messages is that, which came out in a number of the
12 papers, is that we, NOAA Fisheries, NOAA, Federal
13 Government, need the advice of a wide variety of
14 stakeholder groups such as those represented in this
15 room if we're going to design this program, not just
16 offshore aquaculture but aquaculture in general,
17 alternative ways of producing seafood in a way that's
18 socially acceptable, environmentally responsible, and
19 done in a way that balances multiple uses.

20 So this Offshore Bill provides us an
21 opportunity to open up the debate again, to raise the
22 debate. As Admiral Lautenbacher said, this is not a

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 rush to the offshore for NOAA. Our largest
2 constituency is in terms of marine aquaculture at the
3 moment are shellfish farming and the use of high tech
4 technology for marine stock enhancement.

5 Offshore is something new that a variety
6 of commissions, groups, scientists, and others have
7 asked NOAA to look at because it's Federal waters and
8 because the Federal government is looked to to provide
9 a regulatory framework for aquaculture in Federal
10 waters.

11 It's not a one-size-fit-all kind of
12 solution. We're going to have to think about what
13 this means in a regional context, in a local context,
14 how it plays in local seafood markets, how it plays in
15 the global seafood market.

16 The news reports that you'll see reflect
17 the wide variety of debate, information,
18 misinformation, and challenges that aquaculture
19 represents.

20 What can NOAA do? This is a very modest
21 program. NOAA had a rich tradition in aquaculture
22 going back a hundred years in terms of helping to

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 invent shellfish farming at the Milford lab. Connie
2 Mahnken who is with us today and his colleagues at the
3 Manchester lab in Washington state were inventing fin
4 fish farming at the same time the Norwegians and
5 others were getting into it.

6 MR. MAHNKEN: But he doesn't go back a
7 hundred years, does he?

8 DR. RUBINO: Damn near.

9 (Laughter)

10 DR. RUBINO: The Galveston lab in Texas
11 was doing shrimp farming in the very early days along
12 with the Taiwanese and the Japanese, so we have a very
13 rich tradition in NOAA to draw upon, but in the past
14 ten or 15 years NOAA's attention has been diverted by
15 issues in terms of collapse of fisheries stocks,
16 trying to rebuild fisheries stocks, quota systems for
17 fisheries, and a wide variety of environmental
18 responsibilities that NOAA has been given in terms of
19 endangered species, marine mammals, and the like.

20 NOAA has been asked to take on marine
21 aquaculture again, not just a small amount of money
22 going through a sea grant, but because aquaculture

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 represents half the world's seafood supply and any
2 increase is really going to come from aquaculture, if
3 NOAA is going to be a serious player in seafood, then
4 I would argue a serious player in marine policy, they
5 have to be in marine aquaculture in some way.

6 What does that mean? Where do we go from
7 here? How do we as a country meet this target of
8 *(9:16:22) two million metric tons of seafood in the
9 next 20 years even if per capita consumption stays the
10 same and you've got a modest population increase?

11 At the moment we're only producing 500,000
12 metric tons in the country. It's not very much. It's
13 a drop in the bucket relative to world production. We
14 develop scallop farming here in the U.S. The Chinese
15 are now producing a million metric tons of scallops,
16 so it can be done.

17 Colin Nash who used to be the head of
18 fisheries and aquaculture in FAO who now works for
19 NOAA Fisheries at the Northwest Science Center
20 recently published an article in Fisheries, sorry,
21 Food Science which we don't -- if we don't have copies
22 we should probably get to all the members.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 MS. KATSOROUS: That was what was in their
2 packet.

3 DR. RUBINO: It's in the packet? It's in
4 the packet, great. Thank you.

5 DR. RUBINO: What's in the packet? Oh, we
6 have the bill, the bill, quick fax on aquaculture,
7 section-by-section analysis, one pagers,

8 MS. BRYANT: There it is. There's the
9 current issue, World Review.

10 MS. KATSOROUS: It's on the left side of
11 the last page.

12 DR. RUBINO: You've got it right there.
13 Food policy. It looks like this. One of those dense
14 journal article kind of things.

15 Colin I think did a very useful service to
16 all of us. He sort of put the challenge in terms of
17 practical, actual on the ground, what do we got to do
18 in terms of species, in terms of locations, in terms
19 of technologies. Somebody a number of years ago came
20 up with this figure trying to get us from one billion
21 dollars a year farm gate value, U.S. aquaculture
22 production, to five billion dollars by the year 2025.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

So Colin said, okay, in today's dollars that's about two and a half billion dollars in production. To get there we need, now that there's two million metric tons, we need to satisfy our demand, but a million metric tons represents two and a half billion dollars.

He said, okay, where would that million metric tons likely come from, fresh water, salt water, fin fish, shellfish, on-land closed recirculating to offshore aquaculture, the whole range. He's got it somewhere, he has some nice tables, he looks at what could you get out of catfish and trout. Could we bring back some of our shellfish farming beds that have been closed for the past ten years? What could one reasonably do given the start-ups that have happened over the past ten years in terms of salmon or cod or, what are they called, the bass that are being produced in Europe? How long does it take to get to 500,000 metric tons or a million metric tons if you're building up an industry.

He came up with roughly 40 or 50 percent

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 fresh water, 40 or 50 percent salt water. Of the salt
2 water, sort of a quarter or so is shellfish, and two
3 thirds or so is fin fish. He thought maybe we could
4 reasonably do 690,000 metric tons of fin fish in the
5 cages offshore.

6 What does that represent? One hundred
7 thousand metric tons can be produced in cages that can
8 fit on the size of the Pentagon, so we're talking
9 about six or seven times the size of the Pentagon to
10 get to 690,000 tons.

11 What's the total salmon production in the
12 North Atlantic at the moment? Maybe one million
13 metric tons, a little less.

14 MR. FORSTER: 4.4 million worldwide.

15 DR. RUBINO: Four million worldwide?

16 MR. FORSTER: 4.4 metric tons.

17 DR. RUBINO: So it may -- it's a lot, but
18 Colin thought it was achievable. John Forster and I
19 were at sort of a little think tank conference a
20 couple of weeks ago up in the mountains of Colorado,
21 mostly U.S. but some European participants. We talked
22 about the constraints facing aquaculture and

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 particularly marine aquaculture and especially
2 offshore aquaculture, and we wavered back and forth
3 between sort of U.S. centric list of constraints and a
4 world list of constraints.

5 U.S. centric constraints all had to do
6 with license to operate and setting up a regulatory
7 framework that allows and enables aquaculture to
8 happen. As we said yesterday within the context of
9 stewardship, safeguarding the environment, balancing
10 multiple uses.

11 The world view of aquaculture in terms of
12 constraints had everything to do with feed costs.
13 There are plenty of places to do aquaculture around
14 the world. The challenge is you're competing with
15 other kinds of protein. You're competing with
16 chicken, pork, grains in terms of center of the plate
17 items. Aquaculture does very, very well in terms of
18 food conversion rates, but feed cost is 40 percent or
19 more of your costs, and how can those costs be
20 reduced, so it presented a very interesting contrast
21 to us, I think. John could say more at some point.

22 Anyway, today I could talk a little bit

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 about these constraints, how the NOAA program might
2 work with all of you to overcome those constraints.

3 I've been asked to sort of ask you what is
4 MAFAC's role in all of this. MAFAC is an advisory
5 group to NOAA Fisheries. Does MAFAC -- do I just come
6 or does a group of us come periodically and report to
7 you? Here's the status of the aquaculture program.
8 What do you think? What is your advice? We plan to
9 do a fair amount of outreach work, continue to do
10 outreach work about this program around the country,
11 to listen, to get advice to make sure that we get this
12 program right in a way that works and it is socially
13 acceptable.

14 Can MAFAC play a role in terms of helping
15 us with that outreach? What format would that take?
16 Could MAFAC members come with us to outreach meetings
17 or would you do this amongst yourselves or can you
18 advise and suggest avenues, or do we actually use
19 MAFAC as a vehicle for having outreach and stakeholder
20 meetings and review some of the options.

21 I wanted to recognize a couple of people
22 who are here with me who have been critical and

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 instrumental over the past several months in helping
2 us to think about rejuvenating, restarting this
3 aquaculture program.

4 Two in particular have spent an enormous
5 amount of time and energy and thought over the years
6 to get us to where we are today. One is Conrad
7 Mahnken who is sitting behind me who is one of my
8 predecessors in this job. The other is Linda Chaves.

9 Where's Linda? In the other corner, also one of my
10 predecessors in this job who is also the Director of
11 Constituent Services and is very aware of the outreach
12 challenges and issues. She's going to talk about
13 seafood and health on the agenda today which is a
14 closely related topic, one that challenges how we
15 increase seafood consumption in the United States.

16 If you ask the National Fisheries
17 Institute when they do their soundings and surveys,
18 they say the biggest thing holding back seafood
19 consumption is perceptions of poor quality and
20 contaminants. In other words, is this safe to eat?

21 The second thing closely aligned to that
22 is aquaculture and sort of misunderstanding about

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 aquaculture. NFI is no longer going to be agnostic
2 about aquaculture. They realize most of their members
3 are processing huge amounts of aquaculture product, so
4 they're grappling a little bit with what's the message
5 and let me come back to that again for a second.

6 The other people are Susan Bunsick,
7 where's Susan, who has been instrumental over the
8 years in terms of thinking about what this regulatory
9 framework would be for offshore aquaculture from being
10 the lead author on sort of a seminal study at the
11 University of Delaware that laid out all of the
12 various issues involved, actually helping to draft the
13 legislation to go through all the changes of the
14 legislation the past few months. We couldn't have
15 done it without her.

16 Kate Naughten who has joined a team in the
17 past few months as our Outreach Coordinator, and then
18 we also had help from other parts of NOAA who are
19 here. Rachel O'Malley who is our NGO Coordinator.
20 Gina Shamshack who is an economist fellow, is that
21 right, an economist at the University of Rhode Island
22 who has been helping us on thinking about some of the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 numbers and the economic challenges.

2 We also have a number of guests here
3 today. Kevan Maine who will be on the panel this
4 afternoon with me who is at the Moat Marine Lab and
5 used to be at the Oceanic Institute at Harbor Branch
6 and has a wide variety of expertise and experience in
7 aquaculture.

8 Richard Smith is here. Where's Richard?
9 Around the corner? A lawyer in Hartford, Connecticut,
10 I believe, who works with the National Aquaculture
11 Association, has wide experience in permitting
12 aquaculture and fisheries issues around the country.

13 We also have Paula Terell and Dale Kelly
14 from Alaska from the Alaska Marine Conservation
15 Council who were here yesterday.

16 MS. KELLY: I'm not with the Council.

17 DR. RUBINO: You're not with the Council.

18 MS. TERELL: I'm from Alaska Marine
19 Conservation Council.

20 DR. RUBINO: Okay. Dale, who are you with
21 now?

22 MS. KELLY: I am with the National

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 Trollers Association.

2 DR. RUBINO: National Trollers
3 Association.

4 MS. KELLY: Not O, R.

5 DR. RUBINO: Thank you for that
6 correction. Do we have any other guests today? Is
7 Randy here? Okay, sorry, Randy, I didn't see you come
8 in. Randy is the owner and operator of cage fishing
9 operation off of Hawaii, and Spencer Garrett who is the
10 Director of the Seafood Inspection Lab for NOAA
11 Fisheries is also here.

12 So this -- between sort of our NOAA brain
13 trust and out visitors, thank you very much for coming
14 and contributing to our debate today.

15 Before I talk about some of the
16 constraints and challenges, maybe I should stop and
17 see if you have any questions about this offshore
18 legislation first.

19 DR. RUBINO: Okay. Would it be useful if
20 we initially went through the legislation and what it
21 does and doesn't do or do you have a feeling for that
22 already? Susan, do you want help us on that? Put you

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 on the spot. I can do it, but Susan is so much better
2 at it.

3 MS. BUNSICK: Okay. Good morning. Okay,
4 you all have a copy of the bill? Do you want to say a
5 few introductory things about overall?

6 DR. RUBINO: Well, overall there still has
7 been ten years in the making. It fulfills a pledge
8 that the Administration made coming out of the Ocean
9 Commission Recommendations in the President's Ocean
10 Action Plan to deliver a bill to Congress to provide a
11 regulatory framework for offshore aquaculture in
12 Federal waters.

13 It's just a framework. It's a starting
14 point. It doesn't go into great detail about exactly
15 what the permit system would look like, but it starts
16 with some overarching messages or premises, one of
17 which is we need to have a framework that enables
18 aquaculture to happen in terms of license to operate,
19 but it has to be done within the framework of
20 safeguarding wild stock, protecting the environment,
21 balancing multiple uses.

22 It calls for extensive stakeholder, state

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 fisheries management council and other input, both at
2 the design phase in terms of what the regulatory
3 permit will look like and at the permit-issuance
4 phase. The details of exactly what the permit system
5 would look like is left up to a regulatory design
6 process, so the Secretary of Commerce and presumably
7 NOAA would be charged with working with groups like
8 you and others around the country through grass --
9 through a programmatic EIS through Federal Register
10 notices design a program. Susan.

11 MS. BUNSICK: Okay, I will give you a
12 quick overview of what's in the bill and then I'll
13 briefly walk you through the major sections, and I
14 understand there was going to be a breakout on
15 aquaculture later, so if you want to focus in on some
16 of the sections, you can.

17 Basically it authorizes the Secretary of
18 Commerce to issue offshore aquaculture permits and to
19 establish environmental requirements wherever existing
20 requirements under current law are inadequate whether
21 that is a role of the Secretary of Commerce in
22 coordinating the permit process with other Federal

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 agencies because the Act does not supersede existing
2 law, so, for instance, Clean Water Act and Army Corps
3 of Engineers permits, those things would all stay as
4 requirements, but we would try to develop a
5 coordinated process so it goes more smoothly across
6 the different Federal agencies.

7 Another key point is it exempts permitted
8 offshore aquaculture from the definitions of fishing
9 under Magnuson, the provision specifically that
10 restricts size, season, and harvest methods, but it
11 does not restrict the taking of fish from the wild --
12 it does not exempt from the taking, restrictions on
13 taking from the wild, so if you're going to take crude
14 stock, you'll still need whatever permits and all
15 would apply.

16 It authorizes and R and D program to
17 support offshore aquaculture and includes the
18 authorization to work with the permit-holders and some
19 of this research to support our management decision-
20 making.

21 It requires Secretary of Commerce to work
22 with Federal agencies, and Ken already mentioned this

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 to develop and implement a streamline coordinating
2 permitted process.

3 It authorizes appropriations, not any
4 specific amount, such sums as may be necessary, and it
5 provides for enforcement. A quick outline of the
6 Bill, I made myself a cheat sheet here. I don't think
7 it's in your packet, but the first two sections are
8 kind of up front, the short title, the key findings as
9 to why we're doing this, definitions. The one we're
10 pointing out is definition of DEZ. It covers the same
11 geographical area as Magnuson Act covers for purposes
12 of where this law applies.

13 The meter of the permitting provisions is
14 found all in Section 4. There is a general up-front
15 section, conditions that apply -- provision that apply
16 to all types of permits issued under this Act, and
17 then there would be two types of permits that the
18 Secretary of Commerce is authorized to issue. One is
19 a site permit that basically covers an area of the
20 ocean in which an -- in which someone could apply for
21 an operating permit. It basically designates the area
22 that you can have your operation in. You can't do

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 anything without an operating permit, and the
2 operating permit would specify what kind of species
3 you can land, what sort of facility and operation and
4 practices you plan at that site. The key thing is you
5 can't do any aquaculture without both permits. A site
6 permit would be for ten years, renewable in five-year
7 increments, and if you have a site permit and you
8 never get around to getting yourself an operating
9 permit for whatever reason, you didn't have the money,
10 you decided it didn't work, whatever, the site permit
11 would be invalid, and then you run into speculation of
12 site permits.

13 There is a section criteria for issuing
14 permits including consideration of the environmental
15 requirements which are in a separate section. The
16 exclusion from Magnuson, I already mentioned. There's
17 authorization to collect fees for permit applications
18 as well as some sort of annual operating fee. Again,
19 all these specific amounts will be figured out in the
20 regulatory role-making process. It gives the
21 Secretary authority to modify or suspend permits, so
22 if there's a problem whether either the permit-holders

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 violating the terms and conditions or there are some
2 unanticipated consequences that we're not foreseeing
3 here, there may be -- there's a mechanism in place to
4 be flexible and responsive to the signs and to the
5 observed impacts.

6 There's a whole section on actions
7 affecting the outer continental shelf. It became
8 clear to us in the inter-agency review process that
9 the Department of Interior was concerned that if
10 you're going to do aquaculture in association with
11 platform. They had certain responsibilities that
12 needed to be acknowledged in the Act, so they
13 basically if an operation is on or near a facility
14 permitted under the Outer Continental Shelf Lands Act,
15 the Secretary of the Interior would need to concur on
16 those permits, and there is this one section, 4H kind
17 of designate -- details the kinds of things that
18 Interior would cover. Their main concern was safety
19 with their operations. They have serious
20 responsibilities on those facilities.

21 Permits would be transferrable, so that's
22 kind of the outline of the key kind of points in the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 permits.

2 Section 5 specifies that the Secretary
3 will establish environmental requirements to the
4 extent that existing requirements are inadequate, and
5 this acknowledges the fact that EPA already has
6 certain regulations that would apply, but there may be
7 areas of an operation that -- for which you need to
8 consider additional environmental requirements, and
9 the Secretary would be able to do that. It also gives
10 the Secretary authority to monitor and to respond to
11 anything you find out through the monitoring that may
12 be a problem.

13 There's a research and development
14 section, Section 6, that authorize an R and D program
15 which I kind of mentioned already.

16 Section 7 kind of goes through how this
17 would be administered in terms of interactions with
18 other agencies and stakeholders. Specifically Section
19 7F is what we call the Savings Clause which comes out
20 directly to say this does not supersede any other
21 existing acts, and then appropriation authorization is
22 Section 8, and then 9 through 13 we have a pretty

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 strong enforcement section when specifying when what
2 you're not allowed to do and what are the penalties
3 and the mechanisms to enforce any violations.

4 That's kind of a big overview.

5 DR. RUBINO: What's the matter with him?

6 MR. LEIPZIG: A question about siting in
7 the permit process. Is there a requirement to consult
8 with the management counselors? There are currently
9 activities occurring which relate to fishing and
10 certainly the siting of locations could conflict with
11 that space use concept.

12 DR. RUBINO: As I said though, the bill
13 calls for consultation at the design phase of this
14 whole regulatory process and getting the right
15 regulations in place, and then it calls for
16 consultations again with the permit holder, so exactly
17 how that's done, we have to work out with the design
18 process.

19 MS. BUNSICK: But in Section 4E(3) it
20 actually says the Secretary shall consult with the
21 appropriate Regional Fishery Management Councilor
22 before issuing a permit, so --

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 MR. LEIPZIG: But there is no priorities
2 in terms of who has first come to the areas or is that
3 laid out generally.

4 DR. RUBINO: That is something that still
5 has to be worked out. I can anticipate having to do a
6 host of mapping exercises in places where we think
7 this is likely to occur. The way it's been done is to
8 go from Maine or New Brunswick and that's where we
9 look at the groundfish, lobster traps, shipping, whale
10 migration patterns, and the whole thing and sport
11 fishing, and we try to figure out what's left. Where
12 the best place -- and then you look at it from the
13 prospective of aquaculture, whether it's cage culture
14 or mussels or something, and you say, what are the
15 best sites for those, and you try to work something
16 out.

17 DR. RUBINO: That's right.

18 MR. LEIPZIG: In the process you work out
19 those deficiencies so you don't have that conflict.
20 It's very important.

21 DR. RUBINO: Right, Rich Lankin who is not
22 here today but was on our press conference yesterday

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 who runs this New Hampshire project so they're doing
2 open ocean aquaculture both of fin fish and shellfish
3 work very closely with the fishing communities in New
4 England that work that area in terms of both the
5 fishing and the lobstermen, and many of them are
6 involved in the design of the project.

7 CAPT. DiLERNIA: My question also goes to
8 the permitting process, two permits, site permit and
9 operating permit. I'm curious, I have a couple of
10 follow-up questions also.

11 My first question is how many separate
12 agencies have to sign off in order to get those two
13 permits?

14 DR. RUBINO: You would still have to go
15 get your Corps permit, your EPA permit if you're big
16 enough, any kind of state permits you need if you have
17 offshore facilities.

18 You have consultations with the other
19 parts of NOAA Fisheries in terms of Magnuson-Stevens,
20 endangered species, marine mammals. You have CZMA,
21 Consistency Coastal Zone Management Act, consistency
22 issues. So you'd have to do all of that.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 The idea is that NOAA will try to
2 coordinate that process.

3 CAPT. DiLERNIA: NOAA will be the one-stop
4 shopping for all those permits.

5 DR. RUBINO: That's the idea. You will
6 have to go get all those permits. Once you've got
7 everything in place, then NOAA has 128 days to issue
8 the site and operating permit, or a site permit if --

9 CAPT. DiLERNIA: All those permits, the
10 application for all those permits, would be
11 coordinated through NOAA as a result of this bill?

12 MS. BUNSIG: It would be worked out with
13 the other Federal agency for long-term goal would be a
14 one-stop shopping -- it's going to take some work to -
15 -

16 CAPT. DiLERNIA: I have to get those
17 permits right now anyway.

18 MS. BUNSIG: Right.

19 CAPT. DiLERNIA: So what's the benefit of
20 the bill as far as facilitating that?

21 DR. RUBINO: At the moment you can't get a
22 permit to do offshore aquaculture in Federal waters.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 You can bet an exempted fishing permit under Magnuson-
2 Stevens to do an experiment for a year, renewable up
3 to four years or so, but because NOAA has defined
4 aquaculture as fishing, there is no way to get a
5 permit at the moment to do commercial aquaculture in
6 Federal waters.

7 What are the alternatives? One
8 alternative would be for NOAA to change its
9 definition. Two, the Fisheries Management Council
10 such as the Gulf of Mexico we're looking at amendments
11 to their rules to allow for permitting offshore
12 aquaculture, so if this bill doesn't go any where in
13 Congress that's an option on how to approach this.
14 Those are two possibilities that I know of.

15 MR. KENT: Does this mean that NOAA is the
16 leading agency for certification at NEPA so that with
17 NEPA, National Environmental Protection Act,
18 conditions have to be coordinated amongst all
19 agencies, does NOAA assume that role as the lead
20 Federal agency for permits?

21 MS. BUNSIG: I think that's the intent.
22 We're talking programmatic EIS as part of his permit.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 MR. KENT: So in essence you go to apply
2 for all the permits, but NOAA does all the
3 coordination for reviewing all input from all --
4 relative to all permits. It's supposed to be
5 coordinated and then run through this process.

6 CAPT. DiLERNIA: You're looking at a two
7 to three-year turnaround time from the day you walk in
8 the front door until the day you walk out with a
9 permit.

10 DR. RUBINO: That's possible.

11 MS. BLACKEN: Hopefully not.

12 MR. KENT: There may be ways of short
13 cutting that. For example, we could have "zoning".
14 We could pre-permit areas whereby you wouldn't have to
15 -- it wouldn't take you so long. In other words, the
16 information would already be there. That's something
17 we'll have to work on in the regulatory time process
18 in terms of whether that's something we'd like to do
19 or not.

20 MS. BLACKEN: You've already done a lot of
21 the ground work for particular areas, and you kind of
22 know what your starting positions are. You've

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 assessed what potential impacts are, and you've
2 already done an EIS on the aquaculture in that
3 section, from the ocean, for certain kinds of
4 aquaculture.

5 MR. KENT: But until you guys establish
6 and prioritize the criteria by which you will assess
7 different sites, it's sort of the cart-horse
8 situation. Anybody that's going out would say, oh,
9 that looks like a good place until you tell them what
10 it is you want reviewed.

11 MR. GILMORE: Mike, on the -- go back to
12 the consultation with the councils and the decision,
13 ultimate decision maker would be the Secretary, so do
14 you envision sort of a set of criteria that would have
15 to be built into this that would allow the Secretary
16 to evaluate that consultation?

17 DR. RUBINO: Yes, I think we've got a lot
18 of information from the aquaculture industry for 30
19 years. Risk management factors is what to do, what
20 not to do. We also have models from around the
21 country and other countries like Texas, Florida,
22 Washington, Maine, about what does an aquaculture

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 regulatory process look like.

2 I hope we can crib liberally from those
3 other regimes and learn -- glean the best from those.

4 MR. GILMORE: Well, does that include --
5 does that address the issue of sort of spacial use on
6 flex?

7 DR. RUBINO: Well it would have to, yes.

8 MR. GILMORE: Do you think that stuff sort
9 of exists, the others have sort of sorted that out
10 before, and your intent would be to steal the best of
11 that for our practices.

12 DR. RUBINO: That's right. A question
13 here.

14 MS. RAYMOND: Again on the issue of
15 consultation with the Councils, you mentioned the Rich
16 Lankins project in New England which I'm familiar
17 with, and in that project Rich did work extensively
18 with the fishing community, but there was no
19 consultation with the New England Council about that
20 at all, and it still remains an open question from me
21 what the impact is of that site on essential fish
22 habitat, and so I just want to make sure that that

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 whole issue is addressed in this bill that there would
2 be a process for consultation with the Councils and
3 that essential things like essential fish habitat and
4 --

5 DR. RUBINO: The bill calls for
6 consultations with councils, so we're going to have to
7 come up with what that means and a process to do that.
8 Let's go to --

9 In other words it was mandated by law.

10 DR. RUBINO: That's right.

11 MR. FORSTER: Just to go back to the
12 decision the EIS, do you envision that being on a
13 region-by-region basis or sort of a nationwide thing?

14 If it's region by region, that almost inevitably
15 leads to zoning which does seem to me a solution to a
16 lot of problems, I think. They actually carve out
17 some areas where after a lot of discussion people feel
18 somewhat comfortable this is a place at least to make
19 a start. That seemed to me ultimately streamline the
20 whole thing. Even if it might take quite a long time
21 to get there.

22 DR. RUBINO: What does MEPA say about

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 Federal legislation? Do we have to do it by whole
2 legislation or can we do it by region?

3 MS. BLACKEN: I think we need to look into
4 that, but it seems to make sense to look at it region
5 by region. Probably there are certain kinds of
6 impacts of aquaculture that clearly would apply
7 everywhere when people raise the issue about beads and
8 things that's still a lot of the seriousness or
9 unseriousness of the impacts have to do with where you
10 site it, so I think we need to work through those
11 details as to whether -- I don't know if you have to
12 do in two tiers, a programmatic nationwide and then
13 focus in, Linda?

14 MS. CHAVES: We've had this discussion
15 before, and one of the things that we talked about was
16 doing a programmatic EIS. You start off with, if you
17 will, a national umbrella, and then from that you tier
18 off for the different regions because there are
19 different situations, different regions.

20 Part of programmatic EIS would be national
21 because you're talking about some very, very general
22 things but aquacultural in general, but then you would

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 tier off and then that would need to help you do the
2 zoning as we talked about before. Sorry, I just
3 thought I'd --

4 MR. OSTERBACK: Linda, before you're off,
5 when you talk about regions, are you guys layering the
6 regions and saying those are council jurisdictions?

7 MS. CHAVES: That hasn't been determined.
8 When you take a look at some of the council regions,
9 you have very, very different types of areas with
10 very, very different hydrographic conditions. You may
11 not want to do it that way.

12 MR. OSTERBACK: So you don't know what a
13 region is yet?

14 MS. CHAVES: No.

15 (Laughter)

16 DR. RUBINO: Okay, we have Tony, Chris,
17 and Randy.

18 CAPT. DiLERNIA: Consultation with
19 councils. We know what that means. That means we
20 send them a letter. If this was as far as we're going
21 to go, can they object, can they prohibit or can they
22 just send a letter back saying we don't like this?

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 You say, okay, your comments are duly noted. What
2 does consultation with council mean at this point? Do
3 we know?

4 DR. RUBINO: To be determined.

5 CAPT. DiLERNIA: Okay.

6 MS. BLACKEN: It would probably be spelled
7 out in the rule making it. I guess we can tell the
8 council among others as part of that rolemaking.

9 DR. RUBINO: As I said, we're at the
10 beginning of a process here, okay?

11 CAPT. DiLERNIA: All right. I'm not being
12 critical.

13 MR. BILLY: In a rule-making process the
14 councils would have the opportunity to provide comment
15 like a mini-person.

16 DR. RUBINO: Yes, as we would define --

17 MR. BILLY: No more -- their comments
18 would have no more impact than the prior person.

19 DR. RUBINO: And I -- one of the reasons
20 why we're briefing you today about these is to get you
21 as MAFAC thinking about raising these questions so
22 that all of these questions are considered in the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 design process.

2 CAPT. DiLERNIA: I -- this is supposed to
3 facilitate, and I hope it does, very much so hope it
4 does. I just see from what I've heard so far, and I
5 haven't even read it yet, so it's an uninformed
6 opinion at this point, but what I did at this point is
7 that there are a number of obstacles. The number of
8 hoops an applicant has to jump through is it just
9 seems to be adding up. We seem to be adding more and
10 more hoops for us to get a permit at the other end.
11 That's unfortunate. I wish there was a way we could
12 streamline it even more.

13 Again, that's not having read through the
14 legislation yet.

15 MR. KENT: If I could just address that.
16 Tony, at least the hoops are identified which is a lot
17 better than running around in a dark room wondering
18 where the hoops are, so --

19 DR. RUBINO: Chris is next?

20 MR. DORSETT: The environmental
21 requirements, I want to make sure that I'm saying this
22 correctly, this is another to-be-determined area where

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 you're going to work with other
2 Federal agencies to identify the environmental
3 requirements and they may include these types of
4 things like environmental monitoring, data archiving,
5 etcetera?

6 DR. RUBINO: I think the bill says that
7 the environmental monitoring requirements would
8 include those, and it has a catch-all phrase as well.
9 We could include all kinds of other stuff in that
10 too.

11 MS. BLACKEN: And it specifically says to
12 consider certain kinds of risks and impacts and would
13 you specify if that's on natural fish stocks for
14 marine ecosystems, biological, chemical, and physical
15 features of water quality and habitat, marine mammals,
16 other forms of marine life, birds, endangered species,
17 and other features of the environment.

18 The consultation with the other Federal
19 agencies is mainly to identify what already applies,
20 so if EPA has discharge regs in place that apply, NOAA
21 doesn't need to go out and re-invent the wheel. Now
22 if there's something that's not covered somewhere

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 that's important that could have impacts on areas of
2 concern, then we can move forward to establish
3 additional requirements.

4 MR. DORSETT: Okay, so the plan is you'll
5 identify those already existing environmental
6 requirements, list those out, and then determine what
7 should be put in here above and beyond that. I was
8 just confused because I understand the analysis that
9 goes into the environmental requirements, but there's
10 only an environmental requirements may include as
11 oppose to shall include, so --

12 MR. MAHNKEN: There are sets of
13 environmental requirements by certain states. The
14 State of Washington, and John mentioned the State of
15 Washington, where the farmer is required to have a
16 third-party come in and assess, for example, water
17 quality result, nutrients, a variety of different
18 things that are established through a process in the
19 State of Washington. It's been held legally
20 responsible by several court cases in the State of
21 Washington, and I know of several states that have
22 these types of standards, and I think one of the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 processes here should be that we should look at those
2 very, very carefully, maybe even adding to them
3 certain environmental standards that need to be met by
4 the farmer.

5 I think this has to be very, very specific
6 and prescribed, and I don't think it has to be
7 honored to support the farmer, but it has to be, I
8 think, more fairly exhaustive. Thanks.

9 DR. RUBINO: The State of Florida, for
10 example, takes the best management approach, and they
11 a have a whole document on best management approaches
12 for aquaculture. It's a living document, so they can
13 change it over time. To get your permit you have to
14 be following those best manager practices.

15 MR. DORSETT: Actually that brings up a --

16 DR. RUBINO: That's just another model to
17 look at.

18 MR. DORSETT: This only talks about the
19 Secretary consulting another Federal agency.

20 DR. RUBINO: But in other parts of the
21 bill it talks about consultations with a whole variety
22 of stakeholders. It said the design process, so the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 process that's set up for getting your permit will
2 include consultations.

3 MR. DORSETT: It will be clear that the
4 environmental requirements, the states will have a
5 role --

6 MS. BLACKEN: Actually we do have a
7 sentence about establishing additional requirements in
8 consultation with Federal agencies, coastal states,
9 and the public.

10 DR. RUBINO: Chris.

11 MR. FORSTER: I'm going to section by
12 section or page nine, section 7F talks about that.

13 DR. RUBINO: I think there's plenty in
14 this bill to allow us to do all kinds of
15 consultations. The challenges that are what kind of
16 process we can go through and how are we going to do
17 this to set it up right so that it works. If at the
18 end of the day we have a system that's left up to
19 litigation to answer key questions, I think there'd be
20 no industry.

21 Who's next on the list. Randy Cates is
22 next.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 MR. CATES: I have a few comments. This
2 whole discussion is reminiscent of what I went through
3 about six years ago, and back then some people thought
4 I was completely nuts for having gathered these. One
5 thing I haven't heard in here is did anybody really
6 think a business is going to invest under these rules?
7 I mean you have a ten-year letter and a five-year
8 option. Would anybody in this room invest millions
9 and millions of their dollars into a building that you
10 only had a ten-year lease?

11 CAPT DiLERNIA: Absolutely right.

12 MR. CATES: One thing that I think is
13 missing is when I started my lease through the state
14 process, I had support by not nearly what I see around
15 in the community and the nation level support. It's
16 stronger than what most people would recognize, and I
17 see the hard times that you guys have gone through by
18 essentially adding so many things in there to appease
19 every possible controversial group.

20 One thing we're missing is as a business
21 and I had designed this thing that will encourage
22 people to invest in this and invest in it in the right

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 way, and I don't see that.

2 Who in their right mind would "- to do a
3 business on the ocean is tough enough. To do it in
4 state waters has a certain level of risk when I'm only
5 two miles off shore. Who is going to go out and in
6 the EEZ Zone with added risk, added capital, added
7 investment, with a short-time turned in, and we've got
8 to start to recognize that we're an agriculture
9 business, and we've got to start thinking that way,
10 and we've got to start acting that way, and we're not
11 acting that way. We're still acting like a get-rich-
12 quick scheme, fishing for making profit totally in ten
13 years and get out of the business because that's at
14 least my term lease. It's not going to work that way.

15 This is a long, hard process. If we were
16 to encourage agriculture of any land product, would
17 any agriculture business start up with these kind of
18 rules in a short time. I don't think so.

19 Well I'm only saying is the problems that
20 we have with this is we start within our own
21 industries, we start thinking and behaving in certain
22 ways and explaining to our community and our

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 constituents that we are an agriculture business. We
2 have support, and to make this work it's going to take
3 these certain set of circumstances.

4 I would encourage that this legislation
5 and everybody that looks at it if we really want it as
6 a nation, and I think we do, it won't be hard getting
7 it out. We've got to start planning that we're going
8 to need to look at longer term lease. You're going to
9 need a little bit easier road to it, otherwise
10 nobody's going to want this.

11 DR. RUBINO: Danny, thank you for
12 comments. As I said earlier this bill is a starting
13 point that came
14 through an interagency review process, it's now gone
15 to Congress. It's in the hands of Congress. There's
16 opportunity to influence the Legislative process in
17 terms of shaping this bill.

18 As an agency, NOAA's ready to work with
19 constituents and work with Congress in terms of
20 answering questions to shape the legislation. Who's
21 next? Randy Fisher.

22 MR. FISHER: I was to remember what data

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 facts this bill would put forth? Maybe I can take
2 action, and we were
3 taking an action. I know we had a committee way back
4 when. We could still have one, but was there anything
5 that we ever did on that?

6 MS. BRYANT: You guys did, and I've given
7 Michael and his staff "- the first time I remember was
8 back in 1999 in LaJolla when Jay Johnson came, and
9 there was that legislation which I think was very -" I
10 don't know what the difference is, or to be perfectly
11 honest, what that legislation was.

12 Probably the meeting that you had in San
13 Diego in 2003 and May of 2003 again in December of
14 2003 in New York, those were probably the two most
15 extensive reports.

16 A lot of it you guys did focus in on
17 Michael's stuff. A lot of it is the recommendations
18 were "- look you've really got to get NOAA talking with
19 Ag and start getting the hoops identified and it all
20 checked out. That was pretty much the gist of a lot
21 of the comments and suggestions.

22 DR. RUBINO: I guess Reed will answer

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 questions whether or not Mr. Forster thinks that this
2 bill satisfies some of the concerns that MAFAC has had
3 in the past or whether or not we've got new issues
4 that need to be decided for this.

5 MR. FORSTER: Me? I think I share a lot
6 of concerns being expressed about the potential for
7 protracted permitting or frustration. This is a bill
8 designed to appease the broadest constituency
9 possible, not to try to enable an industry, and I
10 think that's a fundamental question. I was going to
11 actually try to address a comment Randy made and make
12 a suggestion that I made before.

13 The comments on this lease question, the
14 ten-year lease, I can see two sides to that one
15 pertaining to something new. Let's be cautious and
16 not make huge long-term commitments, and the reality
17 is that many of the permits people operate under
18 anyway now, and Richard is here, he can advise on this
19 NPDS permits for example are five-year permits, with
20 presumption of renewal if you're in compliance.

21 That seems to me that they are perfectly
22 reasonably basis if you trust the system. Maybe

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 that's naïve that you do trust the system to renew if
2 you're in compliance. I think that's not an
3 unreasonable basis on which to proceed.

4 The other thing is that I just sense that
5 we're talking about this industry to some extent with
6 one notable exception of Randy, in abstract. We're
7 talking about all these things that might happen, but
8 very few people have really got tangible experience at
9 what this industry is about.

10 What seems to me what we need more than
11 anything else to try and catalyze the thing is
12 demonstration farms. Regrettably, a very good example
13 of a demonstration farm is being frustrated by the
14 process right now, but if we could have operations in
15 the water to show people that these things can be
16 done, and they really aren't quite as awful and
17 fearsome as this view that they get from the media, I
18 think that would be a powerful force to move in to "-
19 in parallel with your efforts at legislation in some
20 way, shape, or form we encourage NOAA, or whoever, to
21 put some money up towards helping demonstration farms
22 would seem to be very useful.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 DR. RUBINO: Tom's next. Okay. Randy,
2 did you have a follow-up?

3 MR. BILLY: Thanks. It's related to what
4 I just said. If I understand this bill correctly or
5 maybe you can clarify it to me, is there a difference
6 between the authority the Secretary of Interior has
7 for permitting under an existing structure? Is that
8 different now? If I read Section 4H here, it talks
9 about Secretary of the Interior given authority to
10 permit under their authority for an existing platform.

11 Now that seems to be a different process than the
12 rest of the bill.

13 DR. RUBINO: You're asking about the
14 special case of aquaculture co-locating with oil and
15 gas facilities?

16 MR. BILLY: Correct.

17 MR. FISHER: Yes.

18 MS. BLACKEN: The Secretary of the
19 Interior would not issue a separate aquaculture permit
20 because there are certain Interior Department rules
21 and regulations and safety requirements and all that
22 apply to facilities that they permit under the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 Intercontinental Shelf Lands Act for the oil and gas
2 mineral development operation.

3 So we actually went through this back and
4 forth with Interior, and they got an earlier iteration
5 act, one that would require the separate permitting
6 authority, but we worked it out so that they would
7 just have to concur on the permit issued by Commerce,
8 so Commerce would just say the site happens to be co-
9 located on another site that falls into Interior, and
10 that's your site permit and your operating permit if
11 the issue by Commerce was confirmed.

12 MR. FISHER: Thank you.

13 DR. RUBINO: To deal with oil and gas
14 platforms under this bill is that it has to be an
15 operating oil and gas platform in terms of its leased
16 permit. If it's decommissioned, it has to be
17 decommissioned. You can't decommission it and then
18 transfer it to aquaculture.

19 MS. KATSOROUS: Why not?

20 DR. RUBINO: Because of the liability
21 question. Commerce isn't willing to take on the
22 liability of a decommissioned oil and gas platform.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 Congress isn't set up for that. This is an Interior
2 issue.

3 MR. KENT: Let me just talk about that.
4 What it amounts to is the Interior for each individual
5 platform has what's called a DPP, a development and
6 production plan for each platform. As long as you
7 don't interfere with that, it's not an onerous
8 operation to work with the Department of Interior. As
9 soon as you want to take oil production, as soon as
10 you want to interfere with the development of oil for
11 which that platform was put there or gas, as soon as
12 you interrupt that, now it becomes a very difficult
13 process, but if you can operate an aquaculture
14 facility within a platform that's not decommissioned,
15 it's still operational. It doesn't interfere with
16 that energy plan. It's basically an acknowledgement
17 of that on the part of the Department of Interior.

18 DR. RUBINO: Thank you. Okay, Tom

19 MR. BILLY: Thanks. First I'd like to
20 acknowledge NOAA for the initiative in developing this
21 bill and getting it introduced. It's been a long time
22 in the making, and I think it's a very positive step

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 forward.

2 DR. RUBINO: It may be introduced today,
3 or it may have been introduced.

4 MR. BILLY: Whatever, it's in the hopper.

5 What I'd like to speak to are two areas relating to a
6 question you posed which was what should be the role
7 of MAFAC. It just seems to me that the discussion
8 we've had and some of the concerns, and attempts to
9 better understand what the intent of the bill is would
10 argue for some ongoing involvement of MAFAC perhaps
11 through whether it's an existing committee or new one
12 providing policy guidance to NOAA during this
13 legislative process.

14 For example, as you get input and whether
15 there's hearings, sooner or later you could provide
16 the committee before the next meeting with
17 information, and we could react to it as you learn
18 more about this. As it starts to shape, take more
19 definitive form in certain areas, we can react to that
20 from the different perspectives that are around this
21 table, and I think that would be very useful to NOAA,
22 and it's an appropriate role for this Advisory

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 Committee.

2 I imagine this is probably going to take
3 two or three years, but the combination of the
4 legislation and then the enabling regulations. I
5 think that MAFAC could be very useful and helpful in
6 that process.

7 Second, I'm very troubled that there is
8 not a complementary program initiative that speaks to
9 aquaculture development. I see the justification for
10 the bill, for the legislation and the permitting
11 process, and the reasons why this may be important
12 nationally, and I accept those, and I think there are
13 others. I think there is some major emerging health
14 benefits that are being better understood about
15 seafood that are going to create even more demand.

16 Given that, I would recommend that MAFAC
17 as we talk about this this afternoon I guess consider
18 asking NOAA or through NOAA, the Department of
19 Commerce, to prepare an aquaculture development
20 initiative that has one or more national goals.

21 If you talked about numbers in terms of a
22 million metric tons more, other roles that this

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 aquaculture could play in terms of mitigating pressure
2 on wild stocks, whatever combination of things are
3 appropriate, but let's spell out in this program plan
4 one or more national goals. It would spell out a
5 strategy how this is going to work. It may not be
6 NOAA. It might be other parts of the Government, but
7 financial support, marketing support, other things
8 that may be appropriate to see a national outcome over
9 a ten to 20-year period.

10 Demonstration farms is an example of what
11 this could include and encouraging that in different
12 parts of the country and learning from it. Research
13 and development, there are many aspects of this that
14 could be logical parts of a national initiative that I
15 think is appropriate in parallel with this
16 legislation.

17 It would also, I think, the consultations
18 that would have to occur with industry and other
19 groups in developing this could be helpful as well in
20 sorting questions like well, what species? What
21 market are you talking about, and start to get our
22 arms around the economic aspects of this as well as

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 the regulatory and scientific aspects.

2 Then a budget "- have a proposed budget,
3 and if MAFAC could ask NOAA to develop such a document
4 and maybe make it available to us at our next meeting,
5 we could react to it, refine it, provide input, and
6 then it could go into the program hopper if you will
7 in terms of something else that could be worked in
8 parallel with this initiative to deal with the
9 regulatory aspects.

10 I think then we can really see something
11 meaningful come out of this, so those are my comments.

12 DR. RUBINO: We're all pausing for deep
13 breath. I'd just say that NOAA's aquaculture program
14 has elements of such a plan already put together.
15 It's not complete, and in essence we're only at the
16 beginning of the consultation process of getting
17 advice on, as you say, species markets, economic
18 advice, but I think in terms of "- and also
19 consultations in terms of actually propose some goals
20 and propose a strategy, I would want that refined
21 through consultation.

22 I could propose goals of strategy,

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 demonstration plans are indeed in a budget tomorrow
2 because we've done it. I couldn't tomorrow propose -"
3 well, maybe tomorrow I could propose the questions to
4 ask about species, markets, and economic impacts, but
5 I wouldn't know the answers.

6 MR. BILLY: Fair enough, I think that's
7 the value of this committee is there's a lot of
8 perspectives "

9 DR. RUBINO: That's a charge you wanted to
10 give to NOAA Fisheries that at least the aquaculture
11 program I think would welcome it.

12 MR. BILLY: I know there are several old
13 plans on the shelf. I've seen some of those. I
14 actually helped write a few, but whether it's old or
15 new, brand new, one, I think this is a good approach
16 that would be helpful to everyone. It would help the
17 councils, the management, we can think about those
18 things. We can --

19 DR. RUBINO: I think what you're also
20 challenging us to do is last night I was at the awards
21 dinner for this Natural Marine Sanctuaries Foundation
22 for Capitol Hill Oceans Week, and Senator Governor

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 Lowell Weiker was given a Lifetime Achievement Award.

2 His parting words were, follow the money. In other
3 words, you haven't made a decision until you've made a
4 budget decision. They were promoting a lack of R & D
5 money going into ocean exploration. You're providing
6 us with a similar challenge here for aquaculture.

7 DR. RUBINO: Ken was on the list here to -
8 -

9 DR. ROBERTS: Okay, I have two pages of
10 question. At any point during deliberations either on
11 the hill with staffers or within NOAA Fisheries was
12 the subject raised of approaching a different
13 direction in terms of the permitting issue? Minerals
14 Management Service operates under this format. They
15 put up tracks, they determine where there is going to
16 be drilling activity subject to a public announcement
17 and to someone successfully bidding on that.

18 The question I've got is during the
19 discussion phase of bringing this bill was there ever
20 a discussion that went parallel to that that what NOAA
21 Fisheries and the Federal Government need to do is go
22 out and identify sites that are eligible based on its

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 own rigorous environmental criteria, its own
2 interaction with commercial fisheries possibilities,
3 interaction with oil and petroleum, interaction with
4 transportation and say that this particular area is
5 going to be put up for bid, and that's where we're
6 going to do our leasing off this "- was that even
7 discussed as an opportunity as opposed to being the
8 laid back respondent to people who want to site in a
9 particular area? Was that discussion had?

10 MS. BLACKEN: I'll make a start and you
11 guys jump in. Yes, the short answer is yes, it's been
12 discussed, and I think the way the bill is written now
13 it doesn't preclude us going ahead to identify areas
14 that might be better for aquaculture than others.

15 Part of the thought process that went into
16 this bill is we didn't want to "- we wanted to leave it
17 open that okay, if you have an area that's already
18 been studied, if you want to apply for a permit there
19 you have a pretty good chance that at least the up-
20 front objections to aquaculture have been dealt with
21 and you're starting a little ahead than if you want to
22 nominate a site that's outside that area.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 We don't want to stop anybody from
2 nominating a site, largely because they'll take awhile
3 before you can study the whole coast, the whole ocean
4 area to figure out appropriate sites.

5 Linda, Connie?

6 MR. MAHNKEN: Well one of the initial
7 approaches was that National Ocean's interest came to
8 us as part of the team and said, we would like to have
9 as our portion a contribution to the development of
10 aquaculture is the site selection in other words they
11 were going to use satellite imagery and high-graphic
12 buoys to come up with optimum sites for aquaculture
13 farms.

14 The difficulty with that that we saw at
15 the time but we encouraged them nevertheless, the
16 difficulty was that we don't even know if speaking to
17 them would draw them out there at this point, and then
18 the discussion kind of aimed at can we begin to
19 identify sites, maybe a couple in temperate regions
20 and a couple in sub-tropical regions and tropical
21 regions but think we could make the environmental
22 requirements of the individual species that might be

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 candidates begin a site selection process for these.

2 In other words, at least to begin to look
3 at shipping channels or shipping lanes, reefs, fishing
4 areas, etcetera, to eliminate those sites but to still
5 begin to look at sites within that oceanographic
6 regime that might be suitable.

7 That's still in the plan. That's in the
8 plan that was referred to by Michael to Tom Billy's
9 question. So yes, the answer is yes we have started
10 to talk about those kinds of things, but again, we
11 don't have the details of it yet.

12 My own personal opinion is that's a very
13 good idea. We should be doing that.

14 MS. CHAVES: Ultimately we hope to have
15 aquaculture development zones, but we can't turn
16 around tomorrow and say, hey, you've got four square
17 miles here and ten square miles there that are going
18 to fit into that.

19 I can see us working to develop those and
20 identify those over time, and then if somebody wants
21 to site in that area, it will be a lot easier, but
22 that shouldn't preclude somebody from saying, hey,

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 wait a minute. I've got this little area over here
2 that I'd like to look at, and then you've got to go
3 through all of the review process.

4 So yes, we did discuss it at great length.

5 DR. ROBERTS: So the answer is that bill
6 does not preclude an agency from going ahead and
7 taking a middle management service approach, not
8 uniformly over the whole coast if they decide to do it
9 in Alaska, this bill would not preclude an agency from
10 proceeding that way or identifying aquaculture?

11 DR. RUBINO: I think that's something we
12 should look at. The whole difference is that this is
13 a permit approach not a lease.

14 DR. ROBERTS: I understand that, but you
15 can be permitted within an operating zone and make it
16 a lot easier in the permit process.

17 MS. CHAVES: Yes, that's the intent.

18 DR. ROBERTS: I understand.

19 DR. RUBINO: I think, for example, there
20 are a number of pilot demonstration projects that are
21 in a design phase in the Gulf of Mexico and
22 Mississippi, Louisiana. There are some commercial

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 operations in Texas.

2 They have been identified as what they
3 think they are optimal sites for red fish or whatever
4 else they're going to do, and I think that will help
5 the process too.

6 DR. ROBERTS: I have another question.
7 The eligibility criteria section, it's a bit
8 perplexing to me that you have the site permit then
9 you have a reasonable period of time to apply for the
10 operating permit. I don't see enough rigor to add in
11 the eligibility criteria to tell me that there can be
12 any exclusion really from people applying for a site
13 permit unless the site itself is bad.

14 I know we have an economist from the
15 University of Rhode Island. I imagine Jim Anderson
16 has trained her well, but I'm wondering why not get
17 some of the operating permit stuff up front and have
18 some sort of criteria about capitalization so that you
19 don't have sites approved with absolutely no ability
20 to even submit for an operating permit.

21 DR. RUBINO: I think in a lot of cases the
22 site and operational permit can be concurrent.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 DR. ROBERTS: Well, I hope so.

2 DR. RUBINO: I think the idea of the time
3 lag is just in case. There is also a limit on that
4 time because we want people securing site permits just
5 for speculation. If they want to do it, it would have
6 to be to operate something.

7 DR. ROBERTS: That's what I'm saying.
8 Maybe if the eligibility criteria of Congress can put
9 a little bit more up
10 front when they're applying for the site permit to
11 make sure we're avoiding that particular aspect of
12 speculation.

13 DR. RUBINO: Rick.

14 MR. FLETCHER: I haven't looked through
15 this in much detail. I haven't had much time, but one
16 thing that we did in California to help ease some of
17 the concerns was regarding, for example, striped bass.

18 We required an enhancement element to aid blow out, a
19 requirement that at some point size-wise where a
20 majority of the mortality had occurred at the entity,
21 the company, released a certain number of juveniles
22 back into the environment. These were obviously fish

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 that lived in this area.

2 Is there anything in here, a component of
3 that, that helps address restoring or maintaining the
4 health of wild stocks as you're doing this?

5 DR. RUBINO: No, it doesn't preclude it
6 either.

7 MR. FLETCHER: Maybe it's the element that
8 really didn't help us. I just "-

9 DR. RUBINO: I mean I can see in some
10 cases where that would make sense, and other cases
11 where it wouldn't make sense.

12 MR. FLETCHER: Oh, no. I agree, but "-

13 DR. RUBINO: Depending on the species "-

14 MR. FLETCHER: Red snapper in an area
15 where they are found, if you're requiring that so many
16 of the juveniles are released back into the wild as
17 part of your process, it would give you a little bit
18 of a positive perception that you're doing something
19 at the same time you're increasing the fish of the
20 nation and doing something for the wild stock.

21 MS. MAINE: Well, I guess I would say as
22 Mike just mentioned, there would be cases where that

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 would work and cases where it wouldn't because the
2 priorities for production of fish restock enhancement
3 are different than the priorities for production of
4 fish for food production because your genetic goals
5 are different, your management selective breeding if
6 you're raising fish for aquaculture full production as
7 opposed to for stock enhancement. We are trying to
8 maintain essentially wild fish.

9 You want to make sure your genetic pool is
10 very broad, so the goals are not identical.

11 MR. FLETCHER: I just suggested that "-
12 we'll need some positive PR.

13 DR. RUBINO: It's certainly something
14 that's been done and looked at. You can look at the
15 turtle farm at Cooks and Caicos, for example. They
16 are required to release a certain number of turtles as
17 an effective license to operate, and it's been a very
18 positive social driver behind their operation.

19 Okay, we've got Tony and then Don.

20 CAPT. DiLERNIA: Isn't escaping one of the
21 concerns about all this?

22 MR. FLETCHER: Well, it depends on the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 species. If white sea basses can be raised in
2 offshore aquaculture bins, I'd love to see the
3 escapees.

4 DR. RUBINO: Alvin.

5 MR. OSTERBACK: When you're looking at
6 development, nobody knows where -" what the bill is
7 going to look like by the time everybody gets done
8 playing with it of if there's even going to be the
9 bill we're using, but some of the things that can be
10 done in advance that's going to take a lot of time, I
11 think, is identifying areas where farms can't go,
12 basically working with Coast Guard, ports, Coastal
13 Zone Management people, and the fishing industry to
14 identify traffic lanes, areas that are already
15 utilized by the commercial industry, and I know all
16 this will basically be outside three miles, but still,
17 I think working with Coastal Zone people to identify
18 your traffic lanes that you're going into.

19 That way "- if I was a fish farmer I think
20 I'd rather have all that identified and then do
21 whatever I needed to do to figure out if an area would
22 work for what I need because from being a commercial

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 fisherman and working with State and Federal Fisheries
2 type people, they would usually come up with the best
3 idea of where you could actually do something, but I
4 think the fishermen come up with a better idea, but I
5 think they would need "- you would need to identify all
6 the areas you can't go in first.

7 I think that would be something that could
8 be worked from the get-go.

9 DR. RUBINO: I think this is something to
10 be done that works with what John Forster was
11 suggesting in terms of pilot demonstration projects as
12 well. As you do pilot demonstration projects also
13 work through this mapping exercise so the ecosystem
14 management approach to siting and learning from that.

15 Okay, who else do we have on the list? Don.

16 MR.KENT: Yes, just back this as we start
17 thinking about this over time just back to Randy's
18 comment a little while ago, and that this is a
19 business, and when you look at how much tonnage of
20 salmon is brought up from Chile every year you have to
21 appreciate the cost of transporting product from
22 outside the country is not the limiting factor that it

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 used to be in this global economy.

2 When we start adding on all the things the
3 business has to do, the extra monitoring, tracking
4 what happens to the ecosystem, assessing the impacts
5 on wild stocks, contributing product back into the
6 environment to enhance, you've got to look at an
7 investor going, you know, I think I'll go to Mexico,
8 or I think I'll go to South America because down there
9 the labor is cheaper, I don't have all these
10 restrictions. I'm not suggesting we don't have
11 restrictions. I just think the horse that's designed
12 by committee is a camel, and if you're trying to build
13 a horse, and there's no market for the camel, you're
14 out of business before you even start.

15 Demonstration projects are absolutely the
16 first way to go. You've got to get the ground going
17 with people understanding what the real criteria are
18 that need to be evaluated and build a comfort level.

19 When we built our enhancement hatchery we
20 heard all the same arguments about how this was going
21 to destroy the environment. It was going to pollute
22 the water. It was going to have all these problems,

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 and now we find out that the people that objected to
2 it before making it sound like it was their idea, we
3 built the facility, so that's fine.

4 We need to build a comfort level here, and
5 the guys in New Hampshire are doing a great job.
6 Randy's doing "- Randy's the example we ought to be
7 living by. The lack of environmental problems, the
8 real issues that folks take exception to. Randy's
9 pretty much demonstrated on a day-to-day basis those
10 don't really exist, and until we do more of that in
11 different regions so that if the council is going to
12 be involved, the council has something to look at in
13 that region that says, hey, here's the real operating
14 criteria here.

15 Until we get that done, I don't see a lot
16 of people running out and saying, well this law now
17 gives me an opportunity to invest in aquaculture in
18 the offshore environment. It's just -" it's too far
19 away, so this is -" this might be a good first step,
20 but as we start thinking about how to refine this,
21 let's keep in mind that everything we add to this at
22 this point forward may make it far more restrictive

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 and make it less of an issue. Unless there's a need
2 for even doing it because there won't be any business
3 there trying to make it happen.

4 DR. RUBINO: John.

5 MR. FORSTER: Can I just add something to
6 that because I think it's an important point, and this
7 is this misunderstanding sometimes between the burden
8 of regulation and the presumption that the industry
9 might be out somewhere where there's less of a burden
10 of regulation. Looking at it from a purely commercial
11 investment point of view, you do not want to go
12 anywhere in the world and invest in a lawless society.

13 We need strong rules. We need strong regulations.
14 You need regulations you can rely on to develop this
15 business.

16 So it's completely wrong to say to avoid
17 environmental regulations by going somewhere else.
18 The sensible investor won't do that. What you need is
19 regulations you can trust, you can predict, and are
20 reasonably cost effective and fairly cost effective.

21 I think that's a misunderstanding that
22 often is applied in this discussion, and I just wanted

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 to emphasize the point.

2 DR. RUBINO: We've had one suggestion from
3 Tom Billy about NATAC's role moving forward with this.

4 Are there others? Do you like Tom's idea?

5 MS. RAYMOND: I like Tom's idea.

6 DR. HOGARTH: Well, wait a second. We do
7 have "- we've got evidently more problems on the Hill
8 than we thought. It's still up in the air whether or
9 not Senator Stevens' theatre is going to introduce the
10 bill. The last night, I have resolved this last night
11 was he will introduce it, but it will be at the
12 Administration's request. It will be him who starts
13 it, and they have several major issues. One is the
14 fact that it's the "-

15 MS. BRYANT: Jones Act.

16 DR. HOGARTH. The Jones Act, and I don't
17 quite understand but it's something about the Alaska "-

18 DR. RUBINO: It's a definition issue "-

19 DR. HOGARTH: But the latest was he was
20 going to introduce it and say that he had these issues
21 with it, and then we
22 could "- but Senator Murkowski came out with a scathing

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 letter today in opposition to it.

2 Other than that "- so that's probably what
3 his issues are in the procedural change from -"to get
4 us back the request to make change. The problem with
5 us making the changes "- us making changes is we went
6 through an exhaustive review process. When we make
7 changes, I have to go through that, so ultimately we
8 can work with the Senator, and he's willing to make
9 the changes necessary to it.

10 Another thing that may not help the bill is
11 about being exempt from the Jones Act, that does kick
12 it to Congressman Young's committee which it may not
13 ever get out of. That would be a way we can move
14 forward, so we've got some issues. We have to deal
15 with what "- take some talking back to the Hill about
16 it.

17 We still need to put together the plan to
18 move forward and we all can move forward, and get a
19 game plan for getting this implemented. We deal with
20 the others.

21 MS. BRYANT: And Tom also suggested that
22 in addition to kind of looking at those issues that in

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 fact it kind of helped identify some of those hurdles
2 in the legislative process and how to address them and
3 "-

4 DR. HOGARTH: Too much work involved.
5 We're not going -" this is just a little detour. We'll
6 get back on the main road shortly, it's a matter of
7 sitting down to find out what the issues are. I still
8 think it's overall too much support for the long run
9 not to get through the system.

10 May not be as quick as we would like, but
11 I bet we could work -" we'll just keep pushing.

12 DR. RUBINO: Randy -" I think Randy has a couple
13 of questions or a comment.

14 MR. CATES: Yes, I heard John Forster say
15 earlier one thing that we had to do in our state is we
16 had to prove to our community that we're capable of
17 doing this operation. It's not enough about having
18 the money and getting the permits. You really have
19 got to prove to our community that we have the
20 knowledge to continue doing this, and that's one thing
21 I am not hearing as much about is there are very few
22 people that are willing to invest in this, but one of

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 the things that we don't want just to be an easy
2 thing. We want to make sure that people that are
3 coming in behind this know what they're doing and our
4 biggest obstacle is if they do something wrong it's
5 going to hurt our business.

6 We really share our knowledge between
7 Puerto Rico, the other departments, and we talk to
8 each other sometimes on a weekly basis sharing our
9 knowledge, so whatever farm is more near in what
10 region, and he said one thing should be demanded on is
11 do we have the expertise in place to conduct this
12 business, and we've seen examples and rightly so
13 companies that have applied in Hawaii and in the U.S.,
14 and it didn't have that, and it may be depermitted and
15 rightly so, so I think that's a real important key
16 area to think about.

17 DR. RUBINO: Should we get back to the
18 direction of MAFAC roles? Do you want to take a
19 break?

20 DR. HOGARTH: Well "-

21 MS. RAYMOND: I think Tom laid out pretty
22 clearly what the strategy was for MAFAC, and we still

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 have an Aquaculture Committee I believe, and we can
2 just put them right to work on that at eleven o'clock.
3 I'm not on the committee, so it's easy for me to say.

4 DR. HOGARTH: I think, Maggie, what other
5 committee we need is -" we're trying to look at awards
6 for councils and their role to step up. We'd like for
7 that to be admitted "-

8 MS. BRYANT: We'd actually usually like
9 two break-out groups at this meeting.

10 DR. HOGARTH: So that's what I would
11 recommend.

12 MS. BRYANT: You'd have your list about
13 things that you mentioned, and -- I think that this
14 meeting because we've got these two issues feel it's
15 kind of " we'll break the group in half and half deals
16 with aquaculture and the other half would deal with
17 the awards. And we've got two consultants, we could
18 follow that, I could staff the awards development one,
19 so that's kind of a plan. So you're going to have a
20 good pile of people to work on the aquaculture issue.

21 DR. RUBINO: Who wants to work on
22 aquaculture? All right. One of my suggestions would

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 be that if not just the people who are working in
2 aquaculture, this needs to be a broad-based kind of
3 input in terms that we need the input from commercial
4 fishing, from sport fishing, from scientists, from
5 coastal communities, from NGO's, if aquaculture --

6 DR. HOGARTH: Randy, would you "
7 consultant in this group from the state -- to do the
8 awards.

9 MS. RAYMOND: Alvin, put your hands up
10 again for aquaculture, please.

11 MS. BRYANT: Okay, so this is aquaculture
12 "-

13 MS. RAYMOND: Okay, you've got the thing
14 covered. Nobody else. Okay, so we have John, Kate,
15 Tom, Ken, Alvin, and Tony. So you've got two
16 Alaskans, and Don. You've got a commercial fisherman.
17 You've got recreational fishing. You've got food
18 protection. You've got everything, you've got them
19 all. Anybody else? Last call. Okay. There's your
20 committee.

21 DR. RUBINO: Everybody else is going to do
22 the awards?

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 MS. RAYMOND: So that's going to be a
2 short "- we need to talk to Jeff.

3 MS. BRYANT: We haven't done that yet, but
4 Linda has a quick announcement that she wants to make.

5 DR. RUBINO: Thank you very much for
6 allowing us to be on your agenda. We appreciate all
7 your comments. Linda Chaves now has an announcement.
8 Okay, are you ready to do this.

9 MS. CHAVES: This will take just a couple
10 of minutes, and then you can have a break. I know
11 everybody is dying for a break.

12 I'm just passing around some cards,
13 Seafood and Health '05. I am involved in my new
14 position working on a special project which is putting
15 on a conference on seafood and health and the
16 importance and to try to balance the risks and
17 benefits that people hear about.

18 In 1985 we did a similar conference which
19 was funded through the Salt and Salt Candy program and
20 the seafood industry. It was very, very successful,
21 and that was really the beginning of seeing an awful
22 lot of press about the importance of Omega 3 fatty

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 acids in the diet and the E50's from fish.

2 Did you find it, Laurel? Is there a way
3 for me to do these from here? Down the bottom, left-
4 hand side. Further to the left, left, left, left,
5 left, left. Move the projector over to the right a
6 little bit. Which one of these does this?

7 Basically I think you all know this, but
8 consumers really don't know where to go to get
9 information about seafood. You read all kinds of
10 positive things and negative things in the paper, so a
11 lot of them are turning to other protein sources which
12 does not help the seafood industry.

13 What's going on right now is that seafood
14 is under attack. There are an awful lot of mixed
15 messages. You read about PCB's, Methyl-mercury
16 antibiotics, etcetera, etcetera, etcetera, but all you
17 ever see in the headlines is the risks. No one's ever
18 talking about the benefits, so you end up with a very
19 consumer -" confused consumer.

20 There are a lot of questions about safety,
21 and even though we've seen per capita consumption
22 numbers increase, what a lot of people don't realize

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 is that the way we calculated those per capita
2 consumption figures change from one year to the next,
3 so there may be an artifact in that, but at the same
4 time we're probably not attracting new consumers to
5 seafood.

6 Those of us who love seafood may be eating
7 more, but we're not getting new people in as seafood
8 consumers. You've got an awful lot of research going
9 on by the medical community in this country and other
10 countries. The scientists are talking to each other,
11 but that good information is not getting out.

12 We decided to take the lead in organizing
13 this conference which will be occurring later on this
14 year, and we provided the seed funding. We're
15 following the model of the conference that we had in
16 1985. Jeannie McKnight who many of you know from
17 Strategies 360 has been hired to coordinate. We're
18 also working with Tom Billy, and because of a lot of
19 the work he has done and is doing with FDA.

20 We have a number of additional sponsors
21 and supporters, the Governments of Norway, Canada, and
22 Iceland have pledged considerable funding. FAO just

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 let me know this week that we can use their logo and
2 that they will be a sponsor of our conference.

3 Darden Restaurants has committed a
4 significant amount of money, ASME, Sam of the
5 Americas. We're getting money -" we're looking at
6 getting funding from all sources. We're not talking
7 about wild versus farm. We're just talking about
8 seafood.

9 We're also talking to the International
10 Fish Information Council. We're talking to USDA.
11 We're talking to a whole variety of other
12 organizations. NFI is also helping sponsor this
13 conference.

14 We are turning to NIH, FDA, and other
15 academic people to get technical assistance in putting
16 together the program.

17 One thing that's important to know is that
18 the seafood industry does not have a role in
19 determining what the program will be, who the speakers
20 will be, or anything along those lines. This is not
21 about promoting the seafood industry as such. It's
22 not about promoting a company's product over another

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 company's. It's all about getting good information out
2 about seafood.

3 That means talking about the risks as well
4 as the benefits and providing mechanisms for consumers
5 to determine how you balance those.

6 So we'll talk about the role of seafood in
7 human evolution, health effects, you all know about
8 heart attacks. There's a lot of good information
9 about neurological impacts. There's a lot of
10 information about behavior -" on behavioral studies.

11 For instance, they found that if you feed
12 a lot of fish to prisoners that they are less violent.

13 If you feed fish to kids with ADHD problems, they can
14 take them off Ritalin in some instances.

15 There's an awful lot of really fantastic
16 information that's being generated, but people aren't
17 hearing about it.

18 We also need to take a look at the impact
19 of seafood advisories. For instance, with the FDA and
20 EPA advisory last year on methyl-mercury, you ended up
21 having a lot of people turning away from eating
22 swordfish, and there was no need to.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 I had a man ask me if he should continue
2 to eat swordfish, and I asked him if he was going to
3 get pregnant in the next few months. He sort of got
4 this stunned look on his face. He obviously hadn't
5 read the advisory very carefully.

6 Once again, how do we balance the benefits
7 and the risks? Tom can talk about that a little more
8 afterwards.

9 Who is the audience? Medical
10 professionals, wellness centers, retailers,
11 restaurateurs, maybe what we want to get is people who
12 are the opinion leaders. We will be sponsoring food
13 writers because many of these people cannot afford to
14 come to a conference of this nature, but we want to
15 make sure that they're there and so they have the
16 information and also know who to go to for follow-up
17 information as you go forward.

18 Media campaign will be taking place to a
19 certain extent before the conference, during the
20 conference, but we're not looking at a one-shot event
21 conference in December. We hope to be able to provide
22 additional information throughout 2006 for a year

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 after the conference because we know that there's an
2 awful lot of research being funded that will be coming
3 out next year, and it's going to be important to get
4 that information out to, to identify some spokespeople
5 who have the scientific credentials to really be able
6 to talk in a responsible manner about the information
7 that's coming out.

8 Preliminary budget for the conference, we
9 figure it's going to take \$650,000.00 to run it, and
10 that gives us a fair amount of money for media.
11 Ideally we would like to have a million bucks, and so
12 NMFS is putting a certain amount of money, other
13 people have put in for the next probably, the rest of
14 year on fundraising or at least looking for
15 supporters, and we are getting a considerable number
16 of donors.

17 We also will be, of course, charging
18 admission to the conference and will be raising a fair
19 amount of money from that. At one point we were
20 concerned that the hotel wouldn't be able to handle or
21 wouldn't have enough people to come to the conference.

22 Now the concern is that we may have too many people

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 come to the conference. We're looking at how many
2 people the hotel can handle because there's an awful
3 lot of interest from this not just in the United
4 States but in Europe and in the Orient.

5 That was all I was going to say about
6 that, but Tom, you may want to say something else just
7 to kind of run through this very quickly because of
8 your time constraints.

9 MR. BILLY: Good idea and good timing.

10 MS. CHAVES: Any questions.

11 MR. SCHWAAB: You mentioned technical
12 support from FDA and then you mentioned the swordfish
13 issue that also involved EPA and the recreational
14 community, a lot of the confusion that's created in
15 part by discrepancies between the FDA and EPA and a
16 lot of the media coverage comes out on the EPA side,
17 and it struck me that it might be beneficial to
18 include the EPA from a technical support perspective
19 to help kind of merge them, bridge those "-

20 MR. CHAVES: Good point. I hope you all
21 show up. December 5 through 7, Washington, D.C. A
22 great time to go Christmas shopping. We'll try not to

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 have any snow storms or tornadoes or thunder storms or
2 lightning storms.

3 For further information, there is a
4 website which has gone live, and I think that we are
5 beginning to accept registrations for the conference
6 at this point, and you can look at the cards.

7 DR. HOGARTH: I think everybody wants a
8 break.

9 (Whereupon, the above-entitled matter went
10 off the record at 10:47 a.m. and resumed at 11:03
11 a.m.)

12 DR. HOGARTH: The ones working on the
13 awards will follow somewhere. Did you say follow her,
14 so I don't question that when she says follow, I
15 follow.

16 We'll just talk a bit, the Admiral
17 yesterday talked about an awards program. I guess he
18 went to the Gulf and did mineral management there.
19 They had the straight program with a whole bunch of
20 people and everybody seemed to be very enthused, and
21 he came back and said, I want you to do this, so I'm
22 trying to do it, and I do think there's some positive

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 parts of it. They say it's this "- if you look at
2 various segments of Marine Fisheries constituents and
3 everybody sort of has any impact and look at them for
4 their leadership, performance, and look at just what
5 they do to contribute to the long-term sustainability
6 of the fisheries.

7 When we thought about it what we'd like to
8 do, and this may be too soon but I hope not, is that
9 we celebrate our 135th anniversary next year, Fisheries
10 Service does, in February of 2006, and we thought if
11 we could -" we will have some celebration of some sort
12 if we could get this set up in time that could
13 recognize some fishermen, some groups, a couple of the
14 councils, or whatever, one or two awards we would like
15 to see, sort of a series of different categories
16 maybe.

17 So we need to look at, have them set it
18 up. What would be the criteria, what type of criteria
19 we would have? Will we advertise it in the Federal
20 Register or different magazines?

21 MR. OSTERBACK: What did you guys do on
22 the first party?

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 DR. HOGARTH: We haven't done any. This
2 is mineral management.

3 MR. OSTERBACK: All right, the first-time
4 version.

5 DR. HOGARTH: First ever? So, I mean,
6 it's just really needs to be flushed out. I found it
7 in the book that wants a little bit
8 of what mineral management did. I don't have it.

9 MS. BRYANT: Yes, it should be in Tab 9
10 and it's behind there. I don't know why it didn't end
11 up in yours.

12 DR. HOGARTH: Somebody give it to me, but
13 I think we would just like to look at one of the
14 standards, what type of -- what we have, and I think
15 we did you give you also so it's a handout -- have the
16 judging and criteria for the Walter B. Jones Award.
17 Yesterday we talked about the "- the award categories.
18 If you want technology and science, innovative
19 management, leadership, lifetime achievement. What
20 type "-

21 CAPT. DiLERNIA: Look at your run down.
22 Walter B. Jones you give out now?

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 DR. HOGARTH: We don't give out anything.

2 CAPT. DiLERNIA: Would it be NOAA or NMFS?

3 DR. HOGARTH: NMFS.

4 MS. BRYANT: NOAA does too. They give
5 NOAA Excellence, the Walter B. Jones Awards which are
6 the NOAA Excellence Awards. I know that NOS does some
7 things I think through their Oceans Conference.

8 CAPT. DiLERNIA: Who does heroes?

9 MS. BRYANT: Pardon. Environmental
10 Heroes? That was a Presidential initiative years ago
11 I think under Bush, Sr., and that's continued on, but
12 that tends to acknowledge individuals. It tends to be
13 voluntary, grassroots. It's a very different kind of
14 process. You're getting a lot of habitat restoration
15 in schools and some education, but as far as user
16 groups, and best management practices, best
17 sustainable practices, research, there really is
18 nothing that's acknowledging that, and that's, I
19 think, where Bill and the Admiral count "-

20 DR. HOGARTH: Let me just take one that I
21 think is an excellent example. I think is what the
22 fishermen have done in New England to work with the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 science center on developing new gear and gear as a
2 result of the problem we had with the trawlers and the
3 committee and the industry have been right beside, and
4 we've developed new gear that we been putting on the
5 new boat which reflects the latest in technology, but
6 it's a work "- it's a cooperative effort. We've gone
7 sort of beyond what normally would happen. It's just "
8 the Admiral's here this morning as we talked about it
9 a little more and said, no, it's going to backburner
10 soon.

11 MR. FLETCHER: I want to follow up on what
12 you said. There's been in the last few years a huge
13 emphasis on cooperative research. It seems to me that
14 that scenario that would be ripe for some recognition
15 by some of the people in industry around the nation
16 that are trying to participate to better educate
17 scientists as well as better educate fishermen.

18 DR. HOGARTH: Is there another example I
19 think is if you look at what the North Pacific Council
20 Oceana did on deep water carp. That was a
21 collaborative effort of sitting down and working
22 through it, the data base and deciding what could be

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 done, so "-

2 MS. BRYANT: We're going to give awards to
3 people who sue every --

4 DR. HOGARTH: Well, that's something we
5 have to consider. I mean that's part of the duty of
6 an elder.

7 MS. BRYANT: Well, --

8 DR. HOGARTH: In the beginning we probably
9 give you an award to everybody.

10 MS. BRYANT: And part of it too is really
11 promoting good behavior, promoting the preferred
12 behavior that you want and acknowledging that, whether
13 it's pro-actively taking action, whether it's pushing
14 and insisting on long-term sustainable harvesting
15 practices, helping develop. Those kinds of things
16 have not been traditionally acknowledged.

17 DR. HOGARTH: See, this week we have a
18 lawsuit from NGO, a lawsuit from CCA, and a lawsuit
19 from California, so I'm not sure we have anybody left.

20 We need to look at it to decide if its -- I think
21 it's worth discussing. If the group decides that it's
22 too difficult or that there are too many awards, I

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 think that we need to do that, but I think we need to
2 really seriously give it a good hard discussion and
3 see what we come up with because I think Fisheries
4 doesn't.

5 CAPT. DiLERNIA: As I read this here,
6 Walter Jones has these three -- had in the Coastal
7 Zone Program three categories of awards that exist.
8 February 2005 which passed, folks were honored with
9 receiving a Walter B. Jones Memorial Awards.

10 So you want MAFAC to review applicants for
11 those awards or "-

12 DR. HOGARTH: Well, that's one of the
13 things we thought. Should MAFAC get involved in "- we
14 give the list of people and some of them MAFAC would
15 get involved in looking at them, ranking them, and put
16 them into some of the categories and rank them, and
17 then it would be submitted to the Admiral, and that
18 would be the process. That's one thing we thought
19 about is do we "- send out something for a nomination,
20 so we probably use the Federal Register, e-mail, ad
21 this page in magazines and everything.

22 Then once you get all letters and

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 nomination together, we would put them into what we
2 thought is categories and rank them, and send them to
3 MAFAC to go through them and do the final solemn
4 blessing and agree and not agree.

5 MR. COOK: I think most of us are
6 operating in fisheries that have SNPs unless we're
7 getting violations every day. We're operating in an
8 exemplary fashion, I think, and so we're following the
9 rules.

10 So everybody should be rewarded for
11 following the rules, and our reward is that we can
12 stay in business, but there are segments of this
13 business like people who catch wild shrimp, for
14 example, who are having difficulties, and I'm
15 wondering and other people who catch tuna and
16 swordfish who have people screaming in the United
17 Nations about them. I'm wondering if part of this
18 shouldn't be targeted at areas that need enhanced
19 public perception, that there's misconceptions about.

20 I guess it kind of depends on what you try to do.

21 When you say rewarding good behavior, you
22 should be merely rewarded for good behavior, and I

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 follow the rules and then so everybody else does, and
2 if I don't -- rewarding good behavior to me, you've
3 got to get a lot of awards.

4 By using the awards to enhance the overall
5 vision of fisheries in the public eye is another
6 matter.

7 DR. HOGARTH: I think there is a category
8 of education in public "- education of public, this
9 type of topic. I'll tell you this, I hope it doesn't
10 come back to haunt me, but Suzy Earl is an icon,
11 there's no doubt about it, but I listen to her the day
12 before yesterday, and she said all the swordfish in
13 the U.S. "- in the world are overfished and shouldn't
14 be eaten. Well that's not a true statement anymore.
15 Swordfish are rebuilt, really.

16 There is nobody to counteract that. I
17 think what we want to do is get the right education.
18 Yes, do we have problems? Yes, we got problems with
19 red snapper in the Gulf. Do we have problems? Yes,
20 we have problems with bi-catch of the shrimp fleet in
21 the Gulf. We got some problems and I don't want to
22 hide behind that we don't, but I think the things that

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 are right and a success, we need to separate that out.

2 I think there's ways to do it, so. I'd
3 like to see us take a while.

4 MR. CATES: If we had this award system in
5 Hawaii right now. I would think that the people that
6 fish Northwest Hawaiian Island would probably win this
7 award, and so how politically would it be that they
8 would, say, be voted in if they have made their
9 fishing sustainable for a long period of time, they're
10 a good example to look at, and yet they're faced with
11 closures, and so how "- if they got this award, the
12 possibility is that going to look when their
13 legislators are going to shut them down.

14 DR. HOGARTH: Well, I think if you try to
15 separate it out, I think we settled the criteria and
16 go through the process and choose somebody that chose
17 on the merits, and I don't work with that. I think we
18 just said it's based on these criteria through this
19 process, and they should be recognized by "-" so I think
20 "- yes, I think we probably give a little bit of -- so
21 that a real look could be done to develop some
22 categories and criteria, and I like that.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 MR. LEIPZIG: Well, I'm hearing is you're
2 looking for a way to aspect today or tomorrow talking
3 about the criteria, the structures, the categories,
4 NOAA is doing whatever and another aspect could be in
5 the future of actually commenting on selections, not
6 making selections, commenting on selections that the
7 Agency has come up with?

8 DR. HOGARTH: I think you all would be --
9 we would like to know, do you all rank them or do we
10 rank them? I think MAFAC would be the final sort of
11 recommendation to read for all of that. You all would
12 make the final recommendation to me, to them "-

13 MR. LEIPZIG: A topic for the first
14 criteria is the structuring, what should MAFAC "-

15 MS. BRYANT: Would it be annual process.

16 DR. HOGARTH: Should it be an annual,
17 should it be every other year, is it annual thing or "-
18 For another example I heard the other day some of the
19 others asked me, they have decided they made a
20 commitment to go close sites. To me that's a valid
21 decision to make for fisheries and for the ecosystem
22 is a company that's done that to stay in business I

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 think would be considered.

2 So I think they'd like to "- I'd like to
3 like it as a broad-brush sort of speak of what affects
4 fisheries, not just fishing, recreational, commercial,
5 but some type and some, maybe some type of fishing.
6 We need to find some magazine may run a terrific
7 article that really put places on it, very good
8 scientific matter that we all -- that agrees with us
9 on this. They would be recognized for their analysis
10 of "- Tony.

11 CAPT. DiLERNIA: Do we know who in the
12 Agency determined the winners of the 2005 awards?

13 MS. BRYANT: Yes.

14 CAPT. DiLERNIA: Could you tell me?

15 MS. BRYANT: I only put that in there,
16 Tony, just as an example. I was trying to quickly
17 cull some materials together what we currently had.
18 The person that runs that is NOS. It does tend to be
19 very interest-heavy and from their science perspective
20 in their issues.

21 What they do is they rank them from low to
22 high. The person that gets the lowest score is the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 winner, and they put it to a panel of three people
2 within the Agency on generally leadership.

3 Each of them are looking at all the
4 nominations and reading the packages, and then ranking
5 those and then submitting it back to the person that
6 administers the program, and they add up the scores,
7 and whoever gets it, then that's what is submitted
8 then to I believe the Assistant Administrator for NOS
9 and the Admiral, and they go through and make sure "
10 yes, payroll came back, and that's how it's selected.

11 I'm suggesting since that system is
12 already in existence. It works for the program, we
13 might as well not reinvent the wheel. It seems like a
14 good idea. What we would be doing instead of doing
15 that internally completely, we would be turning to
16 MAFAC first to make those rankings, review it, and
17 come up with something that then would be submitted to
18 Bill and the Admiral.

19 CAPT. DiLERNIA: The folks at NOS would
20 still do their review?

21 MS. BRYANT: NOS is -" they got their
22 program. This is "-

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 CAPT. DiLERNIA: You just gave me that so
2 you'd look at it. This is "-

3 MS. BRYANT: That was just an example. We
4 want you guys to come up with a separate awards
5 program. What would it be named? What's the
6 eligibility?

7 CAPT. DiLERNIA: For NOAA Fisheries?

8 MS. BRYANT: For NOAA Fisheries, looking
9 at those groups.

10 DR. HOGARTH: Okay. For example the
11 sanctuary board on Congress Gilchrest and Senator
12 Dunaway for their contributions -- Lowell Weiker?
13 They do that, but there's nothing that's governing
14 fisheries.

15 MS. BRYANT: Not for constituents and
16 stakeholders.

17 DR. HOGARTH: Okay? It is now "-

18 MS. BRYANT: Chris has a question.

19 DR. HOGARTH: Chris.

20 MR. DORSETT: In March we unveiled our
21 attempt to measure council performance in the area
22 where we're fishing using sites and stocks report. I

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 know the Agency said they were looking at similar
2 performance evaluation, and I'm wondering where you
3 are in that process and if that could tie into
4 criteria we might be using to recognize councils for
5 certain issues such as overfishing or improvements
6 over time in ending overfishing and rebuilding fish
7 stocks.

8 DR. HOGARTH: We are still working, I
9 don't know where the real status of it is. It isn't
10 good we determined we're still looking at how we do
11 that because we tried to be honest with you to -"we
12 wrote this report to Congress because we don't think
13 it accomplishes much and what we're doing. Would be a
14 good idea we could "-

15 Okay, it's 11:20. I don't know if you
16 want to start to work, take lunch, and start to work.

17 Whatever you want to do, but are we going to come
18 back at the end of the day?

19 MS. BRYANT: No. For the rest of the day
20 it was going to be the two break-out groups to get
21 their work done on how do they decide and everybody
22 meet up at the fish fry. Your names are on a list

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 with however many tickets you told me you needed, and
2 you pay at the door.

3 What I'm hoping can happen is then
4 tomorrow morning we can -" each of the work groups then
5 we all come together in full committee, and those
6 reports are reported out to full committee for full
7 discussion.

8 Again, this is -" the work groups kind of
9 "-

10 MS. RAYMOND: Where are the work groups
11 meeting?

12 MS. BRYANT: The aquaculture group will be
13 here, and the awards group, we're going to have to go
14 to a break-out room up on "- in my room which is up on
15 the ninth floor, so we'll need to pick a time to
16 rendezvous, like after lunch or something.

17 I need to know who is going to be on the
18 awards.

19 MS. RAYMOND: What is your room number?

20 MS. BRYANT: You're aquaculture, right?
21 Oh, okay. 906. I think when do you all want to meet,
22 like at one o'clock or something? Okay.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 DR. HOGARTH: And I'll be here all day
2 tomorrow except for one hour. I've got to go to
3 Senator Stevens' office at 12:30 for one hour. That's
4 close by here.

5 MS. RAYMOND: Tomorrow we're going to have
6 a joint discussion on what the break-out groups "-

7 MS. BRYANT: Yes, the break-out groups
8 submit their report to full committee for full
9 discussion, and then approve, change, modify,
10 whatever, and accept, and then we'll go into strategic
11 planning.

12 MR. OSTERBACK: Bill

13 MR. FORSTER: Since we have some folks
14 here that are interested probably in aquaculture, I
15 know we usually "- we never have very many guests or
16 whatever, but I said that we should just let them. If
17 they want to stay, let them sit in on a break-out if
18 they want to.

19 MR. OSTERBACK: Looks like tons of timing.
20 I think there's another aquaculture event this
21 afternoon where Randy and Bill are presenting, so
22 maybe we need to press on with some discussion now, at

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

1 least get something started for those who want to
2 participate, and it will give time to feel to go off
3 to that other meeting if they want to.

4 MS. BRYANT: That's up to the aquaculture
5 break-out group. Whatever you guys want to do.

6 MR. OSTERBACK: They're the boss.

7 MR. KENT: Why don't we all get together
8 now and we'll burn some time for a half hour and get
9 some more guys and get a sense of what everybody wants
10 to do, come back, whatever "-

11 MS. BRYANT: And then the awards group
12 will meet at 906, Room 906. It's P in the elevator,
13 at one o'clock.

14 (Whereupon, the above-entitled matter was
15 concluded at 11:23 p.m.)

16

17

18

19

20

21

22

1
2
3
4
5
6
7

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com