

SJR

51

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of _____ 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: *Russ*

**FISCAL NOTE(S) ATTACHED _____ **
IN ACCORDANCE WITH AS 24.08.035
(see below)

1/18/88 DATE TURNED INTO OFFICE _____
Mr. President: _____
Resources _____ Committee considered *Russ* SJR 51

Requesting a support services priority for American carriers and bulk fuel suppliers servicing foreign processing vessels in the exclusive economic zone.

and recommended:

[] replace with CS _____ [] same title
[] new title

may [] attached amendment(s) and
[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted and attached

** Committee [] attached or [] adopted fiscal note(s)
[] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Tommy Harris
John J. ...
Steve ...
Paul ...

John ...
Chairman signature and recommendation

[] Committee Backup Attached

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

P.O. BOX EE
JUNEAU, ALASKA 99811-0800
PHONE: (907) 465-2017

DIVISION OF BUSINESS DEVELOPMENT

JAN 27 1988

BRIEFING MEMO -- HJR45 and SJR51

SUPPORT SERVICES PRIORITY FOR FISHERY OPERATIONS IN THE EEZ

The Southwest Alaska Municipal Conference submitted a proposal in October 1987 to the North Pacific Management Council to "establish a linkage between the issuance of permits to foreign fish processing vessels and their use of U.S. transport and bulk fuel carriers. Permits to foreign processing vessels would be issued only upon the condition of existing contracts for the purchase of specific volumes of the services of U.S. cargo and bulk fuel carriers for their at sea operations. The volume required by the contract would equal U.S. capacity to provide those services."

The Department of Commerce and Economic Development (DCED) supports this proposal and the intent of the resolutions before the Legislature. The idea clearly has merit and support service development has great potential to spur economic growth in Alaska. The proposed support services preference should provide U.S. suppliers of at-sea services with needed market access to the foreign fleets, and is likely to generate spinoff business on-shore. It is unlikely that such access will be achieved through other developments such as market forces or Americanization of the processing and fishing sectors.

The department has not conducted an in-depth legal review of the proposal, however, there are several options for the council to consider for implementation. The resolutions may be overly specific in calling for an amendment to the Fishery Management Plan. As the council and NOAA review the legal framework and ramifications, DCED will elaborate on its position.

COUNCIL ACTIONS TO DATE

At its January meeting, the NPFMC set up a work group to study the proposal. There was general support on the council for the amendment, but there was concern about legal aspects and the staff workload from this and several other major proposals pending in the amendment process. This proposal could have sweeping implications and members felt that adequate staff work at this stage was essential.

To date, NOAA general counsel has not advised the council on the legality of the proposal. The council reserved the right to put the proposal in the amendment cycle following issuance of the legal opinion (due March 1) and work group report. This would likely occur at the April meeting. The amendment could be adopted at the September meeting and be in force by December.

THE LEGAL ASPECTS

The Magnuson Act provisions cited below appear to be specific to U.S. vessels that service the fishing fleet. Under the proposal, these support vessels could obtain a preference over foreign providers. The Act is mute on shore-based service suppliers and there is nothing in the law that would require U.S. fishing and processing vessels to buy domestic services.

A legal opinion prepared for American President Lines found that:

The Magnuson Act can be read to justify an FMP giving preferential treatment for U.S. support services: Under the act, "fishing" includes "any operations at sea in support of, or in preparation for" catching, taking or harvesting or other activities reasonably expected to result in these activities. Similarly, the Act defines "fishing vessel" to include "any vessel . . . which is normally used for . . . aiding or assisting one or more vessels at sea in the performance of any activity relating to fishing, including . . . transportation."

NMFS currently requires foreign-flag transport vessels to obtain activity code 3 (support) permits in recognition of this provision of the FCMA.

MAGNITUDE OF PROPOSAL

In 1985, there were 359 foreign flag vessels operating in the Bering Sea, and 99 of them were freighters and tankers. Almost no goods or services are procured by foreign fleets from U.S. firms or from U.S. coastal communities. The Russian fleet of approximately 40 vessels does buy some fuel and provides shore leave in Dutch Harbor.

Supporters estimate current foreign fleet fuel consumption at 160 million gallons annually. DCED estimated 144 million gallon consumption in 1985. Using an average of 150 million gallons at \$.60/gal yields about \$90 million in potential fuel sales. Dutch Harbor vendors sold approximately 56 million gallons to all customers in 1986.

SWAMC materials state that

"In 1986, more than 5,000 vessel-to-vessel at-sea transshipments were made of frozen fish and meal products by foreign vessels. This amounted to 1,200,000 metric tons . . . in contrast to the total estimated shipment of fish on U.S. bottoms of 50,000 to 75,000 metric tons."

That total of 1.2 million metric tons equals 2.6 billion pounds, and freight related tariffs are estimated to be in the range of \$350 million.

The Jones Act prohibits shipping between American ports on foreign bottoms and the Nicholson Act prohibits landing fish on foreign bottoms. Therefore, U.S. vessels are needed to transport products to U.S. ports and markets. With joint venture operations rapidly dwindling, there will soon (perhaps by 1990) not be enough domestic vessels and cargo handling facilities to move the volume of products required by the growing U.S. market. Without additional capacity, seafood products from the Bering Sea will have to be first shipped overseas on foreign vessels.

TECHNICAL ASPECTS OF NPFMC ACTION ALTERNATIVES

Lawyers for supporters indicate that linking foreign processing allocations to the use of U.S. support services in the Fishery Management Plan (FMP) would be legally permissible, only if the action was not based solely on economic considerations. Biological justifications might include improved enforcement which would follow from more accurate foreign catch reporting through monitoring of shipping records on domestic carriers.

As an alternative to FMP amendments, the council could recommend permit restrictions on foreign processing permits, requesting that NOAA impose conditions linked to the use of U.S. support services. If the council offered the permit restriction as a "recommendation" rather than as a part of a formal FMP, NOAA would have more latitude to impose conditions which reflect commercial considerations, but would also be less compelled to act on the recommendation.

EFFECT ON DOMESTIC SERVICE PROVIDERS

The DCED has been encouraging the development of support services for some time, as roughly two-thirds of the processing capacity for North Pacific groundfish is expected to develop off-shore due to the location of the resource relative to good harbors and the relative economics of at-sea processing. That was the conclusion of the North Pacific Fisheries Delphi study conducted by DCED in 1985.

A Support Services Survey, released last year, was undertaken by DCED to determine the supply patterns of the existing American fleet and to examine the potential for development of support services. The conclusion was that there is significant potential, especially in the Pribilof Islands and for at-sea fuel and supply services. However, lack of adequate infrastructure was identified as a critical bottleneck. Another problem has been the degree of vertical integration in the foreign fishing operations, and the reluctance to break established supply patterns even if the U.S. alternative is less expensive.

Development of harbors in the Pribilofs and transportation infrastructure there and in the regional transshipment centers at Dutch Harbor and Kodiak must go hand-in-hand with initiatives such as this if the state is to realize its full potential for development from the North Pacific fisheries resources.

The DCED has been investigating the possibility of public/private partnerships in infrastructure development for the region with some success. Cargo carriers and fuel suppliers are poised to move, and have been following events in the Bering Sea very closely. Those approached have expressed considerable interest in the public/private infrastructure development concept. Clearly, the financial markets would be much more receptive if there were a federal policy giving domestic carriers priority in the Bering Sea.

The SWAMC proposal was supported in testimony before the NPFMC permit review committee by: Western Pioneer, Crowley Maritime, Sea Land, Total Ocean Trailer Express, American President Line, Foss Maritime, Petro Marine, Coastal Transportation and American Waterway Operators.

For Further Information Contact:
Paul Peyton, Development Officer
Phone: 465-2162



SAINT PAUL
Community
Bicentennial



SAINT PAUL
A Bicentennial
Community

Statement by the City of St. Paul in support of passage
of SJR51
Before the Senate Resources Committee
January 25, 1988

The Bering Sea City of St. Paul enthusiastically supports the initiative of the Senate Special Committee on Local and Regional Economic Opportunity in drafting SJR51 and respectfully urges the Senate Resources Committee to pass this resolution out with a strong do pass recommendation.

The City of St. Paul located on the largest island of the Pribilof Island group, surrounded by the vast and rich fishing grounds of the Bering Sea, is some 300 miles north of the Aleutian Chain and 775 miles west of Anchorage. By the end of this year the City of St. Paul expects to complete phase-two development of the harbor project in time to commence service to the Bering Sea bottom fishery.

This last December President Reagan signed into law an appropriation of \$11.8 million (plus a discretionary 20% contingency of \$2.36 million for available funds of 14.6 million) for this top-rated US Army Corps of Engineers project. Use of these federal monies will be made possible by passage of Governor's FY89 capital budget item for St. Paul. These appropriations will fund extension of the present St. Paul breakwater from 750 feet to 1800 feet as well as completion of all required dredging.

With completion of this second phase of Harbor development, the very support services SRJ51 seeks to have performed by the domestic fishing industry within the 200 mile Exclusive Economic Zone can and will be performed on St. Paul by virtue of the considerable and existing support facilities already in place on the Island.

The airport facilities and runway (5075'1 x 200 w) together with 2.65 mm gallon refueling plant and developed fresh water sources supplied by five deep wells producing over 500,000 gallons per day are an essential part of St. Paul's fishing support services infra-structure. The city uses an average of 60,000 to 80,000 gallons per day leaving more than 400,000 gallons per day available for commercial use.

Saint Paul Island is strategically located within the Bering Sea adjacent to some of the richest fishing grounds in the world. Until the early 1980's, a large American king crab fleet once harvested as much as 100 million pounds annually in the Bering sea. Hundreds of foreign travelers and factory ships caught and processed more than one million tons of cod, Alaska pollock and other groundfish available from the area.

As full Americanization of the groundfish fishery has accelerated over the past five years, there has been an increasing demand for a wide range of services to support the growing American fleet. These requirements include a fisheries service dock with fuel supplies, ship chandlery, provisioning of goods and commodities, expediting, consolidation and transshipment of product, coordinated crew transfer and observer exchange. Demand for these services has led to expansion of the facilities at Dutch Harbor, new or reconstructed processing plants at several locations along the Aleutian chain, and, among other developments, serious consideration of additional shorebased locations that, with major investments in harbor and port facilities and support services, could contribute to more effective and efficient operation of the U.S. fleet.

Completion of the harbor facility at Saint Paul Island is consistent with the National Economic Development objective - - to increase the net value of goods and services provided to the United States economy. The proposed harbor and associated support services are intended to enhance the competitive position of the U.S. fleet operating in the Bering Sea. SJR51 is designed to remind the North Pacific Fisheries Management Council and other federal officials that we need to protect and not fritter away the opportunities the U.S. has with the establishment of the EEZ and with the development of domestic shore based facilities like the St. Paul Harbor project.

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SJR 51
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: January 25, 1988
Title: SJR 51

Agency Affected: Commerce & Econ. Dev.
BRU: Division of Business Development

Sponsor: Sturgulewski
Requester: _____

Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-				

CAPITAL	-0-	-0-				
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REVENUE	-0-	-0-				
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-				

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Paul Peyton *RP*
Division: Business Development

Phone: 465-2162
Date: January 25, 1988

Approved by Commissioner: J. Anthony Smith
Agency: Department of Commerce and Economic Development

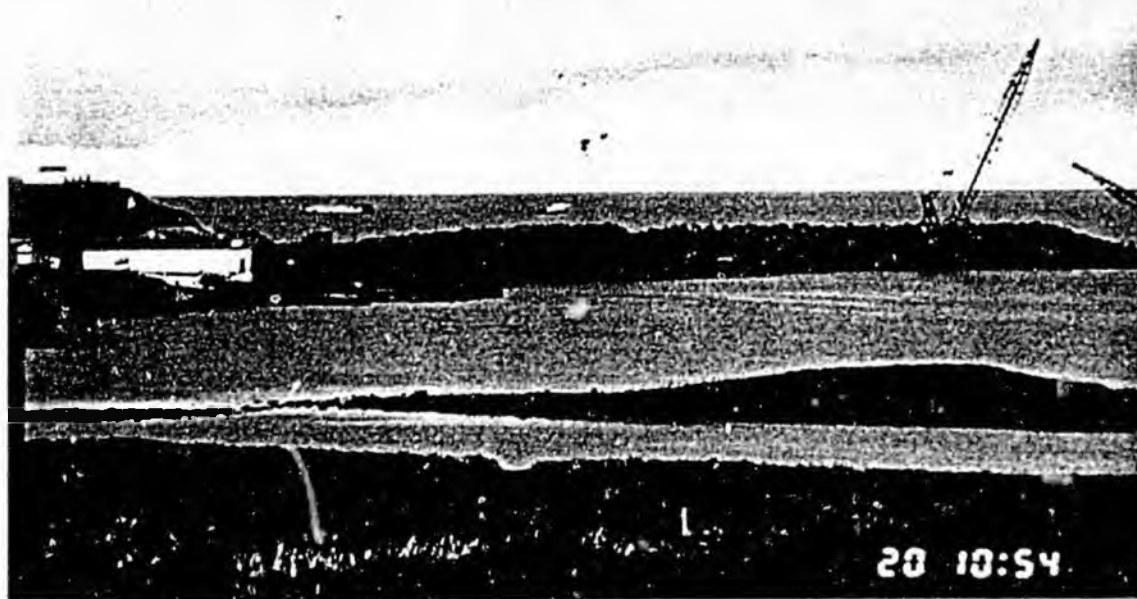
Date: January 25, 1988

Distribution (by preparer):

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- Office of Management and Budget
- Impacted Agency(ies)

page ____ of ____

SCOPE OF PROJECT



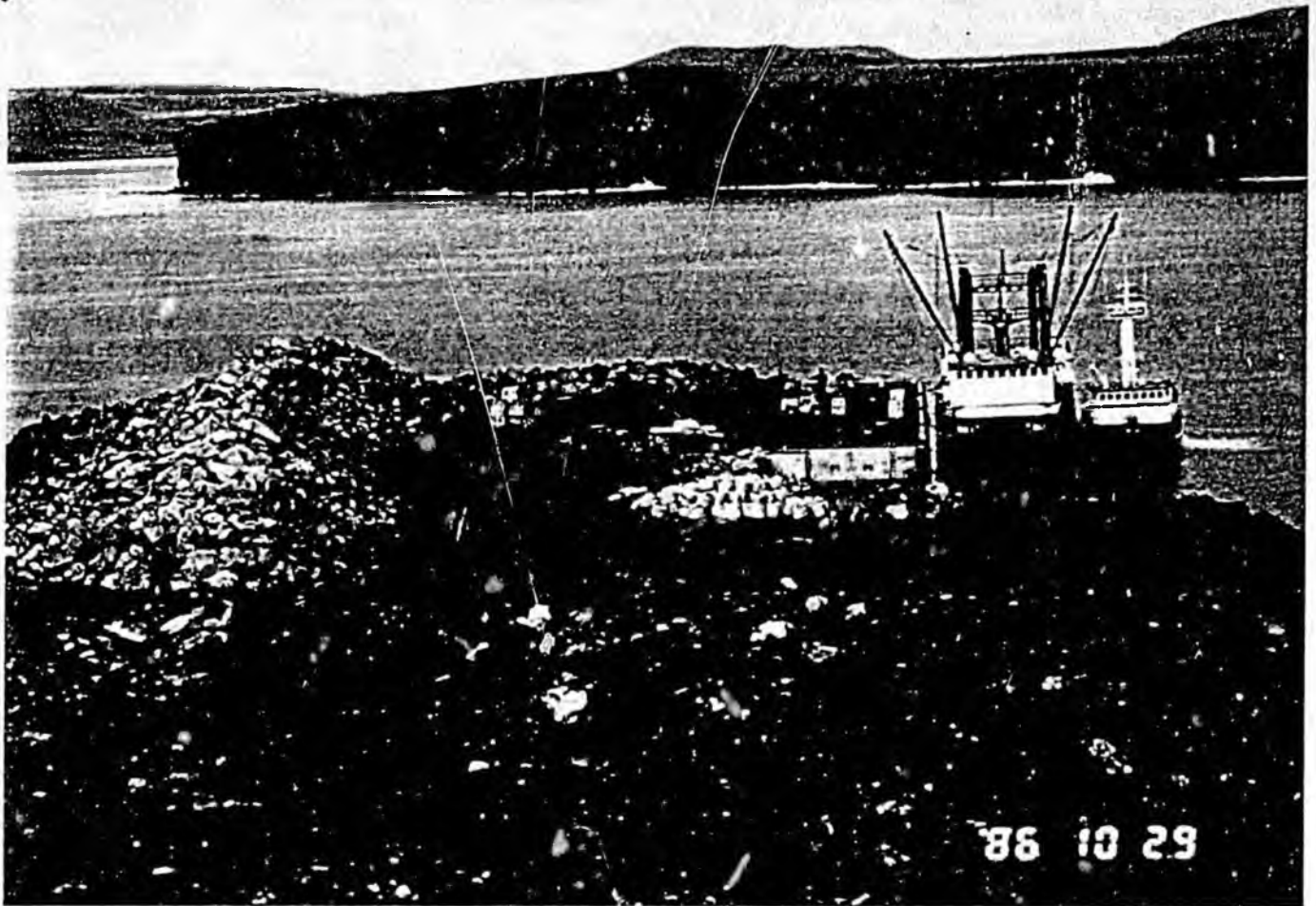
THE INITIAL PHASE OF THE ST. PAUL HARBOR CONSTRUCTION HAS PROVIDED THE CITY WITH A BREAKWATER, 750 FT LONG AT THE CREST ELEVATION OF 37 FT, 930 FT LONG AT THE TOE ON THE SEA FLOOR AND A DOCK 200 FT LONG. FOR COMPARISON, THE BOOM OF THE CRANE IN THIS PICTURE IS 180 FT IN LENGTH. THIS MASSIVE STRUCTURE, 60% BELOW THE WATER SURFACE, IS NECESSARY TO INSURE A SAFE HARBOR PROTECTED FROM THE SEVERE BERING SEA STORMS. NO ROCK DISPLACEMENT HAS OCCURRED IN THE PAST TWO STORM SEASONS.

ROCK SIZE



THE ROCK SIZES USED FOR ARMOR TO PROTECT THE SEAWARD SIDE OF THE BREAKWATER FROM THE CONSTANT BERING SEA WAVE ATTACK VARY FROM AN AVERAGE OF 10 TONS NEAR THE SHORE TO A MAX OF 35 TONS IN THE DEEPER WATER AT THE HEAD. FOR PERSPECTIVE, A 35 TON ROCK WOULD BE A CUBE $7\frac{1}{2}$ FEET PER SIDE OR THE SIZE OF A SMALL CAR. THIS BREAKWATER WHEN EXTENDED WILL PROVIDE ST. PAUL WITH A SAFE HARBOR WITH MINIMAL MAINTENANCE FOR MANY YEARS.

SAINT PAUL HARBOR



ST. PAUL IS THE ONLY HARBOR BETWEEN NOME, 500 MILES TO THE NORTH AND UNALASKA, ALMOST 300 MILES TO THE SOUTH, CAPABLE OF ACCOMMODATING SHIPS OF THE SIZE SHOWN ABOVE. THE FIRST TWO SHIPS TO USE THE NEW FACILITY, THE "SALLY J", A 185 FOOT FREIGHTER AND THE SMALLER "LADY ACE", A FISHING BOAT, WERE ACTUALLY MOORED AS WORKMEN WERE COMPLETING THE FINAL GRADING OF THE MATERIALS HANDLING AREA.

ROADWAY AND MATERIALS HANDLING AREA LIGHTING HAS BEEN INSTALLED SINCE THIS PHOTO AND ELECTRICAL POWER WILL BE AVAILABLE FOR SHIP USE BY THE SPRING OF 1988. THE FUEL AND WATER SUPPLY SYSTEMS FOR THE HARBOR ARE NOW UNDER DESIGN AND CONSTRUCTION WILL BE COMPLETED BY THE FALL OF 1988.

THE HARBOR AS IT EXISTS TODAY CONSISTS OF A BREAKWATER 750 FEET LONG AT THE CREST WHICH IS 37 FEET ABOVE SEA LEVEL AND A 200 FOOT LONG CONCRETE CAISSON, WHICH WAS TOWED TO SAINT PAUL, LOWERED INTO PLACE AND FILLED WITH ROCK. THE CAISSON AND THE SPACE BETWEEN IT AND THE BREAKWATER PROVIDE A MATERIALS HANDLING AREA 145 FEET IN DEPTH.

THE DESIGN IS COMPLETE AND CONSTRUCTION TO EXTEND THE BREAKWATER TO ITS ULTIMATE LENGTH OF 1,800 FEET IS PLANNED FOR THE 1988 CONSTRUCTION SEASON. THE DOCK LENGTH WILL BE EXTENDED AN ADDITIONAL 800 FEET AS FUNDS BECOME AVAILABLE. THE EXTENDED BREAKWATER WILL PROVIDE A HARBOR USABLE 100% OF THE TIME AND THE ADDED DOCK SPACE WILL BE ABLE TO SUPPORT THE BERING SEA BOTTOM FISHERY FLEET.

Alaska State Legislature



SENATOR
ARLISS STURGULEWSKI

Chairman, Senate Community and Regional Affairs Committee
Vice-Chairman, Senate Judiciary Committee
Member, Senate Resources Committee

2957 SHELDON JACKSON STREET
ANCHORAGE, ALASKA 99508

While in Juneau
P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3818

Senate

PRESS RELEASE

SJR 51 "Requesting a support services priority for American carriers and bulk fuel suppliers servicing foreign processing vessels in the exclusive economic zone."

BY: Senator Arliss Sturgulewski
CONTACT: Frank Homan - 465-3818

January 18, 1988

Senator Arliss Sturgulewski, Chairman of the Senate Special Committee on Local and Regional Economic Opportunity, today announced the introduction of Senate Joint Resolution 51 calling for further "Americanization" of the fishery resources within the U.S. 200 mile limit. The resolution calls upon the North Pacific Fisheries Management Council (NPFMC) to include a support services priority in the allocation of the fishery resources of the U.S. Exclusive Economic Zone. Specifically the resolution requests the NPFMC to amend the 1989 Groundfish Fishery Management Plan for the Bering Sea and the Gulf of Alaska to establish a linkage between the issuance of permits to foreign fish processing vessels and their use of U.S. transport and bulk fuel carriers.

Sturgulewski said "This is a logical extension of the Magnuson Act. The act visualized the complete "Americanization" of the 200 mile zone and we have been progressing in that direction. It is now time for another step forward. This resolution has its basis in Section 3.10 and 3.11 of the

Magnuson Act." Section 3.10(d) defines fishing as any operation at sea in support of fish harvesting activities. Section 3.11 defines a fishing vessel as one used for (1) fishing or (2) aiding or assisting one or more vessels at sea in the performance of any activity relating to fishing, including, but not limited to, preparation, supply, storage, refrigeration, transportation or processing.

Senator Sturgulewski continued, "To the extent that American carriers and bulk fuel suppliers can provide services to foreign processing vessels, they should be allowed to do so. The fisheries of the 200 mile zone off of Alaska are a great economic resource and our communities and citizens should benefit from the harvesting of that resource. If we can begin to provide support services to foreign vessels, then our coastal communities should see increased employment, improved infrastructure and additional tax revenues."

The NPFMC will be meeting in Anchorage this week to discuss the support service issue as well as other agenda items.

Senate Joint Resolution 51 was introduced by the Senate Special Committee on Local and Regional Economic Opportunity comprised of Senator Arliss Sturgulewski of Anchorage as Chairman, and Senators Lloyd Jones of Ketchikan and Fred Zharoff of Kodiak. The special committee was formed to encourage economic development in Alaska's local communities in regional areas.



January 21, 1988

Senator Jack Coghill
Chair, Senate Resources Committee
State Capitol
Juneau, Alaska

Dear Senator Coghill:

Enclosed is a copy of Port of Tacoma Resolution Number 88-2 in support of SJR 51. This resolution was passed unanimously by the Port Commission on January 14.

Also enclosed is a letter of support from Tacoma's long-shore union, ILWU Local 23, and a press release that was issued by the Port on January 20.

Please let us know if we can be of any help in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Lynn C. Anderson". The signature is written in dark ink and is positioned above the typed name and title.

LYNN C. ANDERSON
Governmental Affairs Manager

LCA:ram

cc: Shari Gross

PORT OF TACOMA ENDORSES DUTCH HARBOR GROUND FISH PROPOSAL
January 20, 1988 PAGE TWO

According to Port of Tacoma Commission President Robert Earley, "We know that groundfish is a tremendous opportunity for Alaska. The Port of Tacoma will do whatever we can to support this important issue, and to get other Washington State businesses to support it as well."

Tacoma's longshore union, ILWU Local 23, has also officially endorsed the Dutch Harbor proposal, and Tacoma longshore and Port officials will work together to further promote support of the plan.

In recent years, the Port of Tacoma has emerged as the "New Gateway to Alaska", handling over 65% of all waterborne commerce to that state. Both Sea-Land and Totem Ocean Trailer Express call at Tacoma.

Port of Tacoma

P.O. Box 1837
Tacoma, Washington 98401
(206) 383-5841
From Seattle area (206) 838-0142



News Release

CONTACT: ROD KOON, DIRECTOR, PORT RELATIONS
JUDY GISH, COMMUNICATIONS MANAGER
JANUARY 20, 1988

PORT OF TACOMA ENDORSES DUTCH HARBOR GROUND FISH PROPOSAL

The Port of Tacoma Commission unanimously passed a resolution on January 14 in support of Dutch Harbor's Support Services Priority Proposal, which is currently under review by the North Pacific Fishery Management Council.

The resolution officially urges the Management Council to "amend the 1989 groundfish management plan for the Bering Sea and the Gulf of Alaska to include a support services priority for American carriers and bulk fuel suppliers servicing foreign processing vessels in the United States Exclusive Economic Zone."

Port of Tacoma officials have travelled to Dutch Harbor several times to meet with Dutch Harbor Mayor Paul Fuhs and other officials to discuss fishing issues and other matters of mutual importance and interest to Alaska and Tacoma.

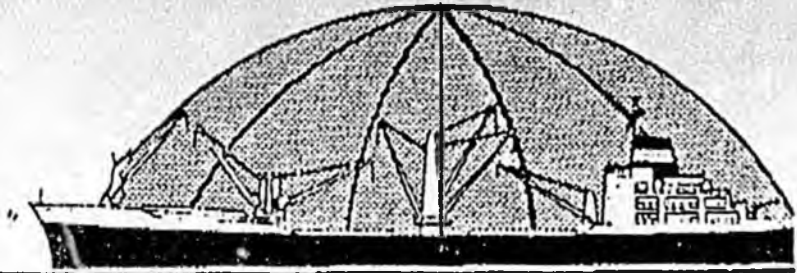
**International
Longshoremen's and
Warehousemen's Union**

LOCAL 23

(206) 383-2468

1710 MARKET STREET

TACOMA, WASHINGTON 98402



January 8, 1988

To Whom It May Concern:

The Tacoma longshoremen endorse the Ground Fish Plan Amendment Proposal. When passed, this plan, made by Paul Fuhs, Mayor of Unalaska/Dutch Harbor to the North Pacific Fishery Management Council, will put Alaska and the State of Washington into a support partnership arrangement. This will help the shipping and fishing industry and affect the balance of trade problems of the United States.

The Tacoma longshoremen's name and efforts will be used to affect the passage of this proposal. Please contact me if you can be of service in securing the passage of this proposal.

Sincerely,

Philip M. Lelli
Vice President

Send correspondence to:
4901 Jenks Pt. Way
Sumner, WA 98390-8906

PORT OF TACOMA

RESOLUTION NO. 88-2

A RESOLUTION of the Port Commission of the Port of Tacoma, Washington, regarding the Groundfish Fishery Management Plan for the Bering Sea and the Gulf of Alaska.

WHEREAS, the 200-mile Exclusive Economic Zone (EEZ) was established to encourage the development of the domestic fishing industry; and

WHEREAS, the Magnuson Fishery Conservation and Management Act is intended to stimulate new jobs and new sales for the domestic fishing industry; and

WHEREAS, regulations adopted under the Magnuson Act define the term "fishing" to include the "transferring or transporting of fish or fish products" and other support activities; and

WHEREAS, more than 500 foreign flag vessels spent 34,000 vessel days operating in the United States EEZ in 1986, but used only marginal amounts of United States shipping capacity and other support services; and

WHEREAS, in 1986, more than 5,000 vessel-to-vessel at-sea transshipments were made involving frozen fish and meal products by foreign vessels, amounting to 1,200,000 metric tons of fish product; and

WHEREAS, value-added activities involving processing, transportation, cold storage, fuel bunkering, provisioning, and ship repair will benefit Alaska communities through increased employment, improved infrastructure, and additional tax revenue; and

WHEREAS, domestic fishery support firms should have the opportunity to service these needs to the greatest extent possible, as intended by this Magnuson Act.

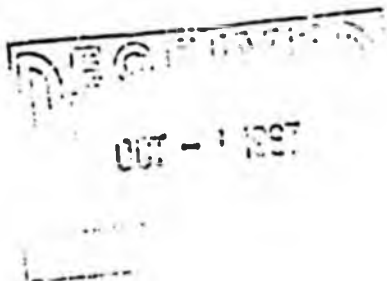
NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF TACOMA that the Port of Tacoma Commissioners strongly urge the North Pacific Fishery Management Council to amend the 1989 groundfish fishery management plan for the

OCT 01 '87 16:07 CITY OF UNALASKA

P.1 #16

CITY OF UNALASKA
P.O. BOX 89
UNALASKA, ALASKA 99685
(907) 581-1251
"Capital of the Aleutians"

COPY



October 1, 1987

Jim Campbell, Chairman
North Pacific Fisheries Management Council
Box 103136
Anchorage, AK 99510

Dear Mr. Campbell:

Attached is our proposal for the 1989 Fisheries Management Plan for the Bering Sea and Gulf of Alaska. As you may know, we only recently were able to receive transshipment data from NMFS so we will be supplying you with additional supportive data in the future.

Sincerely,

Paul Fuhs
Paul Fuhs, Mayor
Unalaska/Dutch Harbor

CITY OF UNALASKA

P.O. BOX 88
UNALASKA, ALASKA 99588
(907) 581-1281

"Capital of the Aleutians"

October 8, 1987



James O. Campbell, Chairman
North Pacific Management Council
P.O. Box 103136
Anchorage AK 99510

Dear Mr. Campbell:

This letter is to outline and clarify our proposal for the 1989 Groundfish FMP.

The proposal calls for a priority system for U.S. shippers and U.S. fuel suppliers in the U.S. EEZ. Foreign fishing and processing vessels would be required to ship their products on U.S. carriers and purchase fuel from U.S. distributors to the extent that the domestic industry has the capacity to supply these services.

These service industries are specifically cited in the Magnuson Act right next to fishing and fish processing. It is clear the intent is to capture maximum return to American companies in an "exclusive economic zone" not just a "fishery zone". The Council is charged in the Magnuson Act with representing the domestic interests of all parties with standing as named in the act.

Since NMFS has released the data, we now have a clear analysis of the volumes of fish cargoes. It is not difficult to assess domestic shipping capacity and require that Foreign Processors fully utilize that capacity before foreign shipping is allowed to carry it.

In many ways, it is easier to assess domestic shipping and fueling capacity than it is to assess domestic processing capacity. In addition cargo shipped data is easier to obtain and verify than fisheries data.

While you have seen mainly fishermen and processors in the past, you will see a much more active presence at the Council meetings by the shipping and fuel supply industry. They are fully aware of and in support of this proposal.

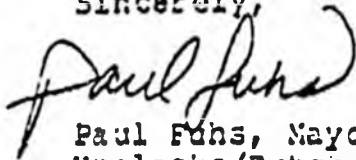
James O. Campbell
October 8, 1987
Page 2 of 2

We are making this proposal because the benefits of this support activity would be great for our town, as well as other west coast parts. Employment for local residents (and American seaman) would be substantial, along with tax revenues we need to provide the infrastructure for the developing domestic bottomfish industry.

Last year when the 100 mile zone was being considered, joint venture interests suggested that we focus on service industries rather than primary processing. While we are still doing what we can to support our shoreplants, we are taking their advice and pursuing the service aspect of the industry by filing this proposal.

Please contact us if you have any further questions concerning our proposal.

Sincerely,



Paul Fuchs, Mayor
Unalaska/Dutch Harbor

I. STATEMENT OF PROPOSAL

This transmittal requests that the Council incorporate this proposal into the 1989 Fishery Management Plan (FMP) for the U.S. support industry specifically marine transportation and bulk fuel.

The Alaskan groundfish industry is developing and becoming progressively more Americanized. A key catalyst for Americanization of harvesting and processing has been the Magnuson Act. Like harvesters and processors, the United States support industry, specifically marine transportation, cold storage, bulk fueling and other support services are also eligible to benefit from the Magnuson Act. These support operations are specifically identified as a form of "fishing" in the Magnuson Act. According to the Magnuson Act, the term "fishing vessels" includes vessels engaged in the transport of fish and/or fish products or any other support activity (Sec. 3.11). The CFR further clarifies that support activity includes "transferring or transporting fish or fish products; or supplying a fishing vessel with water, fuel provisions,
..... " (50 CFR 611.2)

Despite successes in harvesting and more recently in processing, U.S. support services and small Southwest Alaska coastal communities have realized only marginal economic gains. More than 500 foreign flag vessels spent 34,000 vessel days operating in the U.S. EEZ in 1986 but used only marginal amounts of U.S. shipping capacity or other support services. U.S. support services are both cost and quality competitive with foreign support services. However, large foreign flag fleets continue to support their distant water fleets operating in U.S. waters from home ports using little if any U.S. provided support services .

II. OBJECTIVE

A. PROBLEM STATEMENT

Despite recent gains made by U.S. harvesting and processing sectors, the economic value accruing to U.S. interests continue to be a small fractional part of the total economic value of the resource. Some estimates place the U.S. return at about 10 percent of the total. Foreign flag processing fleets, tramps and other support vessels continue to maintain a high level presence in U.S. waters, declining only seven percent in the number of vessel days from 1985 to 1986. The U.S. support industry has not experienced gains comparable to harvest and processing because foreign fishing companies have large vertically integrated operations that provide a strong disincentive to use U.S. support services even when such services are more economical. So long as foreign fishing companies continue to preclude participation by U.S. support firms, an increased amount of economic benefit of the resource will

not flow to Southwestern Alaskan communities or to the U.S. support industry.

B. IMPLICATIONS IF THE PROBLEM IS NOT SOLVED

Because of the market dominance exercised by Japan, Korea, and the state-owned nature of the Polish and USSR fishing companies, free-market economics cannot play its traditional role in establishing a competitive framework within which U.S. support firms can successfully operate and compete on fair terms. It is a well understood fact that both Japan and Korea exercise tight control through tariff and quotas over the importation of U.S. processed fish products. This scheme closely regulates the import of designated fish and shellfish species to protect Japanese and Korean domestic processing industries. Japan controls its domestic market partly to protect its large investment in its distant water fishing fleets. The implications for Japan and Korea's highly restrictive import policies on the development of U.S. processing capacity is ominous in that there will be significant political pressure put on their respective governments to maintain trade protectionist measures especially aimed at U.S. processed product. Therefore, the Japanese and Koreans will move energetically to maintain their current dominance in support services, especially maritime transportation. And, as long as foreign fishing companies refrain from procuring transport, fuel, provisions or repair services, from the U.S. support industry, Southwest Alaskan communities will not derive more than marginal economic benefit from the fisheries.

Following application of the Magnuson Act, investment will begin to flow into new capacity for vessels and support facilities to increase the level of services available to support the fishery. U.S. capacity, especially marine shipping, and bulk fuel sales are now cost competitive with existing foreign supplied transport and fuel. Capital investment in the support industry will accomplish two goals: first, it will increase the overall competitive position of the fishery in relation to other world class fisheries and second, it will improve the economic returns earned by small Southwest Alaska communities and U.S. support service firms.

C. IMPLEMENTATION MEASURES

There are a number of possible methods by which a Fishery Management Plan for the U.S. support industry could be implemented. One possible method is to first make a determination of U.S. support capacity in relation to the total amount of support services now provided by foreign operators. This percent of capacity could then be applied across the board to all foreign countries processing fish in the EEZ. It would therefore be up to each country to be responsible to see that their respective fishing companies in total use the

established percent (expressed in units of capacity, e.g. metric tons of cargo or gallons (tons) of fuel) of U.S. support service.

III. JUSTIFICATION FOR COUNCIL ACTION

The objective of the Fishery Management Plan should be to achieve for the U.S. fishing industry the optimum value of the support fishery. "Optimum value" in this case is defined as that portion of the sustainable support activity which will provide the greatest overall benefit to the United States.

Should the council not apply the Magnuson Act by establishing a Fishery Management Plan for the support industry, foreign fishing companies will continue to use their in-place support service capacity (arising from vertical integration or state-owned enterprise) rather than U.S. support services. Consequently, only marginal value added benefits from the fishery resource will flow to U.S. firms and Alaskan communities. Large foreign fishing companies have vertically integrated operations that encourage them to forego using U.S. support services even when these services are cost competitive.

This request for Council action follows in the track of previous Council actions with respect to providing preference to the resource for U.S. harvest and processing capacity. Creation of a FMP for the U.S. support fishery would mean that foreign processing vessels would receive allocations only to the level of the in-place capacity of the U.S. support industry. Establishment of a FMP for the U.S. support industry would be accomplished under the process outlined in the Magnuson Act and as directed by existing federal codes and regulations.

IV. FORESEEABLE IMPACTS

A FMP for support services would provide a wedge for U.S. companies to offer support services to foreign flag fleets that are competitive in terms of price and quality. A FMP would achieve for the U.S. fishing industry the optimum value of the support fishery. A FMP would facilitate raising capital for investments in expanded and upgraded shipping capacity, docks, storage yards, cargo areas and cold storage facilities thus resulting in greater efficiency for the entire industry. It would have the overall effect of making products produced from U.S. Alaskan groundfish stocks more competitive in world markets. Enhanced economic benefits from increased value added activities could be realized from increases in domestic support activity.

In 1986 more than 5,000 vessel - to - vessel at-sea transshipments were made of frozen fish and meal product by foreign vessels. This amounted to 1,200,000 metric tons of fish product transshipped at-sea by foreign flag vessels within the U.S. EEZ. This is in sharp contrast to the total estimated shipment

of fish on U.S. bottoms of 50,000 - 75,000 metric tons. Currently more than ninety percent of the fishery resource is harvested, processed and transhipped at-sea with only a small amount of activity taking place shoreside. More than 500 foreign flag vessels operate in the area and spent in excess of 34,000 operational days servicing the industry in 1986. Yet, almost no goods or services are procured by foreign fleets from U.S. firms or from U.S. coastal communities.

Following establishment of a FMP for the support industry, U.S. shipping firms would develop a feeder system to consolidate fish cargo at Dutch Harbor and Kodiak for containerized shipment to overseas markets in addition to increased shipments to U.S. west coast ports. Cold storage facilities for temporary holding of frozen product would be constructed to allow for a more even flow of product. Improved docks, cargo staging areas and other support services would be developed to provide economical support services to the industry.

V. POSSIBLE ALTERNATIVE SOLUTION

A vessel permitting system could be established that would link the issuance of a permit to operate with the use of a set amount of U.S. provided support service. Total fish tonnages or the total number of operational days would be set by the amount of U.S. support services utilized by foreign processors.

VI. OTHER DATA - MARITIME TRANSPORTATION AND BULK FUEL

GROUND FISH PLAN AMENDMENT PROPOSAL
North Pacific Fishery Management Council

Name of Proposer: Paul Fuhs, Mayor Unalaska/Dutch Harbor

Address: P.O. Box 89
Unalaska, Alaska 99685

Telephone: (907) 581-1251

Date: October 1, 1987 (amended 12/1/87)

Fishery Management Plan: Fishery Management Plan for the
Groundfish Fishery in the Bering Sea and Aleutian Islands (FMP)

Brief Statement of Proposal: This proposal would establish a linkage between the issuance of permits to foreign fish processing vessels and their use of U.S. transport and bulk fuel carriers. Permits to foreign processing vessels would be issued only upon the condition of existing contracts for the purchase of specific volumes of the services of U.S. cargo and bulk fuel carriers for their at-sea operations. The volume required by the contract would equal U.S. capacity to provide those services. For example, if it were determined that U.S. support service firms could supply 25 percent of the total volume requirements generated by the fishery for cargo shipping and bulk fuel, then foreign processing permits would require that 25 percent of the processed fish and fuel consumed be transported and served by U.S. firms.

A conditional permit could be applied in one of two ways: to an entire country or to individual processing companies. Each country could elect either method. If a country elects to meet the permit conditions as a single entity, the allocation of U.S. support service capacity to individual processing companies would be decided by that country. Compliance would be monitored on a company by company basis. In either case, failure to meet the permit conditions would preclude the issuance of a permit for the following year.

Objectives of Proposal: To increase the economic return to U.S. citizens from the EEZ fishery resource by allowing for fuller participation by U.S. support firms. U.S. support firms cannot now fairly compete because of state-owned foreign fishing enterprises and large vertically integrated foreign fishing firms that exclude the purchase of services that could otherwise be provided by U.S. firms. This proposal will also provide an additional management tool to confirm the quantity of fish being shipped through improved documentation of cargo.

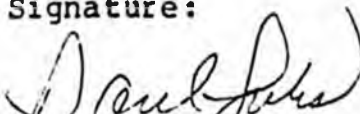
Need and Justification for Council Action: U.S. support service firms are largely excluded from participating in the industry. The total economic return accruing to U.S. citizens from the resource amounts to only a small fractional amount of the resource's total value. More than 500 foreign vessels spent in excess of 34,000 vessel days in the EEZ in 1986 by purchased only small amounts of U.S. support services. Almost all value added activities involving processing, transportation, cold storage, fuel bunkering, provisioning and ship repair continue to be provided by foreign firms. Council action will provide a wedge to open the industry to greater involvement by U.S. cargo and bulk fuel firms.

Foreseeable Impacts of Proposal: The U.S. support service industry would gain a considerable volume of new business. Alaska communities gain through increased employment, improved infrastructure and additional tax revenues. U.S. citizens will earn an improved return on the EEZ fishery resource. The U.S. enforcement agencies gain through improved data collection capabilities and other enforcement measures that will allow confirmation of quantities of fish cargoes shipped.

Are There Alternative Solutions: None. Under the current system, U.S. firms will continue to be largely excluded from participation. Foreign firms will continue to use their in-place support service capacity arising from vertical integration or state-owned enterprises.

Supportive Data: Additional data is being gathered and analyzed. Refer to the text of the Dutch Harbor Groundfish proposal for transshipment data and product volume.

Signature:



Paul Fuhs, Mayor Unalaska

TESTIMONY TO NPFMC PERMIT REVIEW COMMITTEE
By Max Soriano, Vice-President Western Pioneer

My name is Max Soriano. I am Vice President of Western Pioneer and run our subsidiary company, Delta Western--a fuel distribution firm based here in Anchorage. Today, I am testifying on behalf of my own company and the following others:

Crowley Maritime
Sea Land
Totem Ocean Trailer Express
American President Line
Foss Maritime
Petro Marine
Coastal Transportation
American Waterway Operators

Our industry joins the Southwest Alaska Municipal Conference in supporting Dutch Harbor's proposal to impose a condition to the issuance of permits to fish processing vessels operation in the EEZ.

The condition would require contracts for the purchase of specified volumes of the services of U.S. cargo and bulk fuel carriers for their at-sea operations before permits could be issued.

While we are all familiar with application of the Magnuson Act for harvesting and processing, we believe that the language and intent of the Act also clearly addresses the transportation of fish or fish products and other support activities.

The Act requires the Secretary of Commerce to establish certain conditions and restrictions on foreign fishing permits, but only after considering the Council's recommendations. We ask, then, that the Council recommend to the Secretary of Commerce adoption of the Dutch Harbor proposal.

The condition would enable American fishing and support industries, and communities in Alaska, to derive a substantially greater return from the EEZ than today's current 10% estimate. Despite the U.S. maritime industry's greater efficiencies, the large vertically integrated foreign fishing companies continue to transship by an outmoded and cumbersome system. Like harvesters and processors, we need the Magnuson Act's authority to break through the foreign integrated companies' protective barriers.

Besides aiding carriers, the permit condition would facilitate investment in Alaska coastal communities for:

- Expanded and upgraded docks
- Storage yards
- Cargo staging areas
- Cold storage and bulk fuel facilities

U.S. bulk fuel companies, which today supply very little of the 160 million gallons consumed annually by the foreign fleet, could service the fleet more efficiently and from Alaskan bulk transfer shore facilities. All of these increased efficiencies would lead to lower rates and more competitive prices for product in the world marketplace.

Again, like harvesters and processors who just a few short years ago started small in working up to capacity, we are confident that the maritime and fuel industries can build up to provide full support to the offshore fleet when the Act is fully applied. This will:

- Bring greater economic return to Alaska communities
- Create many more jobs
- Provide additional sources of data, and
- Improve current reporting and enforcement systems for offshore activities.

While all of us are excited by the rapid increase in U.S. harvesting and processing capabilities, Americanization of support services has been far less impressive.

By linking foreign fish processing vessel permits to their use of U.S. transport and bulk fuel carriers, the Secretary of Commerce will enable the support industry to move forward quickly, too.

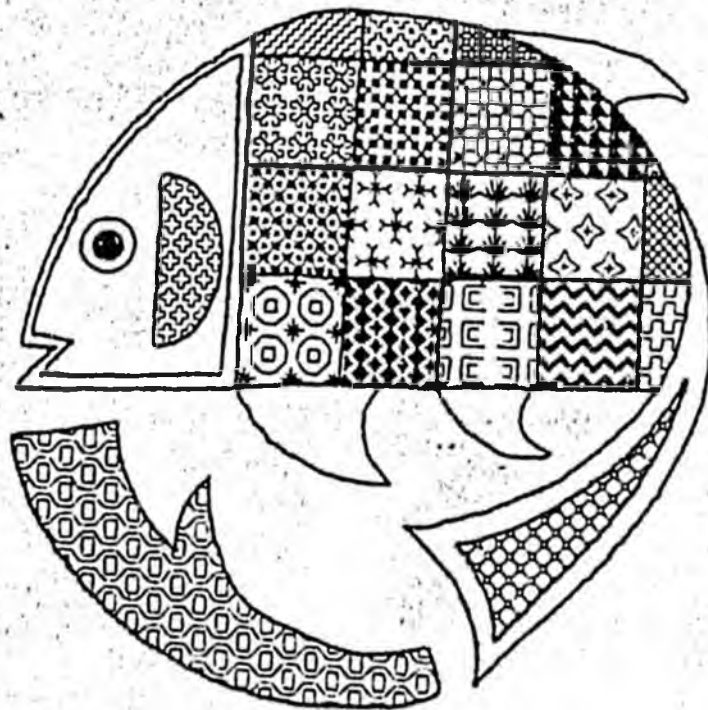
We ask, therefore, that you recommend to the Council that they ask the Secretary of Commerce to impose support service conditions on permits for the foreign processing fleet in 1988.

Thank you for your attention.



Magnuson Fishery Conservation and Management Act

As amended through January 12, 1983



*See
p. 6-7*

U.S. DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
National Marine Fisheries Service

MAGNUSON FISHERY CONSERVATION AND MANAGEMENT ACT

As amended through January 12, 1983

AN ACT

To provide for the conservation and management of the fisheries, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, with the following table of contents, may be cited as the "Magnuson Fishery Conservation and Management Act".

TABLE OF CONTENTS

- Sec. 2. Findings, purposes, and policy.
- Sec. 3. Definitions.

TITLE I -- FISHERY MANAGEMENT AUTHORITY OF THE UNITED STATES

- Sec. 101. Fishery conservation zone.
- Sec. 102. Exclusive fishery management authority.
- Sec. 103. Highly migratory species.
- Sec. 104. Effective date.

TITLE II -- FOREIGN FISHING AND INTERNATIONAL FISHERY AGREEMENTS

- Sec. 201. Foreign fishing.
- Sec. 202. International fishery agreements.
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TITLE III -- NATIONAL FISHERY MANAGEMENT PROGRAM

- Sec. 301. National standards for fishery conservation and management.
- Sec. 302. Regional fishery management councils.
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- Sec. 304. Action by the Secretary.
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- Sec. 308. Civil penalties.
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TITLE IV -- MISCELLANEOUS PROVISIONS

- Sec. 401. Effect of law of the sea treaty.
- Sec. 402. Repeals.
- Sec. 403. Fishermen's Protective Act amendments.
- Sec. 404. Marine Mammal Protection Act amendment.
- Sec. 405. Atlantic Tunas Convention Act amendment.
- Sec. 406. Authorization of appropriations.

SEC. 2. FINDINGS, PURPOSES AND POLICY

(a) FINDINGS.--The Congress finds and declares the following:

16 USC 1801.

(1) The fish off the coasts of the United States, the highly migratory species of the high seas, the species which dwell on or in the Continental Shelf appertaining to the United States, and the anadromous species which spawn in United States rivers or estuaries, constitute valuable and renewable natural resources. These fishery resources contribute to the food supply, economy, and health of the Nation and provide recreational opportunities.

(2) As a consequence of increased fishing pressure and because of the inadequacy of fishery conservation and management practices and controls (A) certain stocks of such fish have been overfished to the point where their survival is threatened, and (B) other such stocks have been so substantially reduced in number that they could become similarly threatened.

(3) Commercial and recreational fishing constitutes a major source of employment and contributes significantly to the economy of the Nation. Many coastal areas are dependent upon fishing and related activities, and their economies have been badly damaged by the overfishing of fishery resources at an ever-increasing rate over the past decade. The activities of massive foreign fishing fleets in waters adjacent to such coastal areas have contributed to such damage, interfered with domestic fishing efforts, and caused destruction of the fishing gear of United States fishermen.

(4) International fishery agreements have not been effective in preventing or terminating the overfishing of these valuable fishery resources. There is danger that irreversible effects from overfishing will take place before an effective international agreement on

fishery management jurisdiction can be negotiated, signed, ratified, and implemented.

(5) Fishery resources are finite but renewable. If placed under sound management before overfishing has caused irreversible effects, the fisheries can be conserved and maintained so as to provide optimum yields on a continuing basis.

(6) A national program for the conservation and management of the fishery resources of the United States is necessary to prevent overfishing, to rebuild overfished stocks, to insure conservation, and to realize the full potential of the Nation's fishery resources.

(7) A national program for the development of fisheries which are underutilized or not utilized by the United States fishing industry, including bottom fish off Alaska, is necessary to assure that our citizens benefit from the employment, food supply, and revenue which could be generated thereby.

Amerded by 95-354.

(b) PURPOSES.--It is therefore declared to be the purposes of the Congress in this Act--

(1) to take immediate action to conserve and manage the fishery resources found off the coasts of the United States, and the anadromous species and Continental Shelf fishery resources of the United States, by establishing (A) a fishery conservation zone within which the United States will assume exclusive fishery management authority over all fish, except highly migratory species, and (B) exclusive fishery management authority beyond such zone over such anadromous species and Continental Shelf fishery resources,

(2) to support and encourage the implementation and enforcement of international fishery agreements for the conservation and management of highly migratory species, and to encourage the negotiation and implementation of additional such agreements as necessary;

(3) to promote domestic commercial and recreational fishing under sound conservation and management principles;

(4) to provide for the preparation and implementation, in accordance with national standards, of fishery management plans which will achieve and maintain, on a continuing basis, the optimum yield from each fishery;

(5) to establish Regional Fishery Management Councils to prepare, monitor, and revise such plans under circumstances (A) which will enable the States, the fishing industry, consumer and environmental organizations, and other interested persons to participate in, and advise on, the establishment and administration of such plans, and (B) which take into account the social and economic needs of the States; and

(6) to encourage the development by the United States fishing industry of fisheries which are currently underutilized or not utilized by United States fishermen, including bottom fish off Alaska, and to that end, to ensure that optimum yield determinations promote such development.

Amended by 95-354.

(c) POLICY.--It is further declared to be the policy of the Congress in this Act--

(1) to maintain without change the existing territorial or other ocean jurisdiction of the United States for all purposes other than the conservation and management of fishery resources, as provided for in this Act;

(2) to authorize no impediment to, or interference with, recognized legitimate uses of the high seas, except as necessary for the conservation and management of fishery resources, as provided for in this Act;

(3) to assure that the national fishery conservation and management program utilizes, and is based upon, the best scientific information available; involves, and is responsive to the needs of, interested and affected States and citizens; promotes efficiency; draws upon Federal, State, and academic capabilities in carrying out research, administration, management, and enforcement; and is workable and effective;

(4) to permit foreign fishing consistent with the provisions of this Act; and

(5) to support and encourage continued active United States efforts to obtain an internationally acceptable treaty, at the Third United Nations Conference on the Law of the Sea, which provides for effective conservation and management of fishery resources.

SEC. 3. DEFINITIONS

16 USC 1802.

As used in this Act, unless the context otherwise requires--

(1) The term "anadromous species" means species of fish which spawn in fresh or estuarine waters of the United States and which migrate to ocean waters.

(2) The term "conservation and management" refers to all of the rules, regulations, conditions, methods, and other measures (A) which are required to rebuild, restore, or maintain, and which are useful in rebuilding, restoring, or maintaining, any fishery resource and the marine environment; and (B) which are designed to assure that--

(1) a supply of food and other products may be taken, and that recreational benefits may be obtained, on a continuing basis;

(ii) irreversible or long-term adverse effects on fishery resources and the marine environment are

avoided; and

(iii) there will be a multiplicity of options available with respect to future uses of these resources.

(3) The term "Continental Shelf" means the seabed and subsoil of the submarine areas adjacent to the coast, but outside the area of the territorial sea, of the United States, to a depth of 200 meters or, beyond that limit, to where the depth of the superjacent waters admits of the exploitation of the natural resources of such areas.'

(4) The term "Continental Shelf fishery resources" means the following:

COLEENTERATA

Bamboo Coral--*Acanella* spp.;
 Black Coral--*Antipathes* spp.;
 Gold Coral--*Callogorgia* spp.;
 Precious Red Coral--*Corallium* spp.;
 Bamboo Coral--*Keratoisis* spp.; and
 Gold Coral--*Parazoanthus* spp.

CRUSTACEA

Tanner Crab--*Chionoecetes tanneri*;
 Tanner Crab--*Chionoecetes opilio*;
 Tanner Crab--*Chionoecetes angulatus*;
 Tanner Crab--*Chionoecetes bairdi*;
 King Crab--*Paralithodes camtschatica*;
 King Crab--*Paralithodes platypus*;
 King Crab--*Paralithodes brevipes*;
 Lobster--*Homarus americanus*;
 Dungeness Crab--*Cancer magister*;
 California King Crab--*Paralithodes californiensis*;
 California King Crab--*Paralithodes rathbuni*;
 Golden King Crab--*Lithodes aequispinus*;
 Northern Stone Crab--*Lithodes maja*;
 Stone Crab--*Menippe mercenaria*; and
 Deep-sea Red Crab--*Geryon quinquedens*.

MOLLUSKS

Red Abalone--*Haliotis rufescens*;
 Pink Abalone--*Haliotis corrugata*;
 Japanese Abalone--*Haliotis kamtschatkana*;
 Queen Conch--*Strombus gigas*;
 Surf Clam--*Spisula solidissima*; and
 Ocean Quahog--*Arctica islandica*.

SPONGES

Glove Sponge--*Hippiospongia canaliculata*;
 Sheepswool Sponge--*Hippiospongia lachne*;
 Grass Sponge--*Spongia graminea*; and
 Yellow Sponge--*Spongia barbera*.

If the Secretary determines, after consultation with the Secretary of State, that living organisms of any other sedentary species are, at the harvestable stage, either--

(A) immobile on or under the seabed, or

(B) unable to move except in constant

physical contact with the seabed or subsoil, of the Continental Shelf which appertains to the United States, and publishes notices of such determination in the Federal Register, such sedentary species shall be considered to be added to the foregoing list and included in such term for purposes of this Act.

(5) The term "Council" means any Regional Fishery Management Council established under section 302.

(6) The term "fish" means finfish, mollusks, crustaceans, and all other forms of marine animal and plant life other than marine mammals, birds, and highly migratory species.

(7) The term "fishery" means--

(A) one or more stocks of fish which can be treated as a unit for purposes of conservation and management and which are identified on the basis of geographical, scientific, technical, recreational, and economic characteristics; and

(B) any fishing for such stocks.

(8) The term "fishery conservation zone" means the fishery conservation zone established by section 101.

(9) The term "fishery resource" means any fishery, any stock of fish, any species of fish, and any habitat of fish.

(10) The term "fishing" means--

(A) the catching, taking, or harvesting of fish;

(B) the attempted catching, taking, or harvesting of fish;

(C) any other activity which can reasonably be expected to result in the catching, taking, or harvesting of fish; or

(D) any operations at sea in support of, or in preparation for, any activity described in subparagraphs (A) through (C).

Such term does not include any scientific research activity which is conducted by a scientific research vessel.

(11) The term "fishing vessel" means any vessel, boat, ship, or other craft which is used for, equipped to be

used for, or of a type which is normally used for--

(A) fishing; or

(B) aiding or assisting one or more vessels at sea in the performance of any activity relating to fishing, including, but not limited to, preparation, supply, storage, refrigeration, transportation, or processing.

(12) The term "foreign fishing" means fishing by a vessel other than a vessel of the United States.

(13) The term "high seas" means all waters beyond the territorial sea of the United States and beyond any foreign nation's territorial sea, to the extent that such sea is recognized by the United States.

(14) The term "highly migratory species" means species of tuna which, in the course of their life cycle, spawn and migrate over great distances in waters of the ocean.

(15) The term "international fishery agreement" means any bilateral or multilateral treaty, convention, or agreement which relates to fishing and to which the United States is a party.

(16) The term "Marine Fisheries Commission" means the Atlantic States Marine Fisheries Commission, the Gulf States Marine Fisheries Commission, or the Pacific Marine Fisheries Commission.

(17) The term "national standards" means the national standards for fishery conservation and management set forth in section 301.

(18) The term "optimum," with respect to the yield from a fishery, means the amount of fish--

(A) which will provide the greatest overall benefit to the Nation, with particular reference to food production and recreational opportunities; and

(B) which is prescribed as such on the basis of the maximum sustainable yield from such fishery, as modified by any relevant economic, social, or ecological factor.

(19) The term "person" means any individual (whether or not a citizen or national of the United States), any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any State), and any Federal, State, local, or foreign government or any entity of any such government.

(20) The term "Secretary" means the Secretary of Commerce or his designee.

(21) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and any other Commonwealth, territory, or possession of the United States.

(22) The term "stock of fish" means a species, subspecies, geographical grouping, or other category of fish capable

of management as a unit.

(23) The term "treaty" means any international fishery agreement which is a treaty within the meaning of section 2 of article II of the Constitution.

(24) The term "United States", when used in a geographical context, means all the States thereof.

(25) The term "United States fish processors" means facilities located within the United States for, and vessels of the United States used or equipped for, the processing of fish for commercial use or consumption.

Amended by 95-354.

(26) The term "United States harvested fish" means fish caught, taken, or harvested by vessels of the United States within any fishery for which a fishery management plan prepared under title III or a preliminary fishery management plan prepared under section 201(h) has been implemented.

(27) The term "vessel of the United States" means--

Amended by 97-453.

(A) any vessel documented under the laws of the United States;

(B) any vessel numbered in accordance with the Federal Boat Safety Act of 1971 (46 U.S.C. 1400 et seq.) and measuring less than 5 net tons; or

(C) any vessel numbered under the Federal Boat Safety Act of 1971 (46 U.S.C. 1400 et seq.) and used exclusively for pleasure.

TITLE I -- FISHERY MANAGEMENT AUTHORITY OF THE UNITED STATES

SEC. 101. FISHERY CONSERVATION ZONE

16 USC 1811.

There is established a zone contiguous to the territorial sea of the United States to be known as the fishery conservation zone. The inner boundary of the fishery conservation zone is a line coterminous with the seaward boundary of each of the coastal States, and the outer boundary of such zone is a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured.

SEC. 102. EXCLUSIVE FISHERY MANAGEMENT AUTHORITY

16 USC 1812.

The United States shall exercise exclusive fishery management authority, in the manner provided for in this Act, over the following:

(1) All fish within the fishery conservation zone.

(2) All anadromous species throughout the migratory range of each such species beyond the fishery conservation zone; except that such management authority shall not extend to such species during the time they are found within any foreign nation's territorial sea or fishery conservation zone (or the equivalent), to the extent that such sea or zone is recognized by the United States.