



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
National Marine Fisheries Service
P.O. Box 21668
Juneau, AK 99802-1668

August 2, 2024

Thank you for your letter to Dawn DiFiore in the National Marine Fisheries Service (NMFS) headquarters Office and Management and Budget dated July 23, 2024, regarding the timely availability of funds for the deployment of observers and the Electronic Monitoring (EM) program.

We understand and appreciate the concerns raised by the Council. Cost recovery fees assessed to the groundfish and halibut industries for this purpose have consistently been collected by February 15th following the fishing season and subsequently transferred to NOAA and then to NMFS to fund monitoring activities.

We acknowledge that there have been delays related to the sequestration applied to these funds. The sequestration percentage is applied to all non-appropriated funds on a fiscal year basis. Congress recognizes that these funds are collected from the industry and returns them in the following year. Since the implementation of the Budget Control Act in 2011, the sequestration percentage has affected the funds, with the first occurrence resulting in a delay in the receipt of funds until the next fiscal year. We are currently in a cycle where the sequestration funds from the previous year are returned, which adds complexity to the collection and transfer process.

The changing sequestration percentages and the varying collection of observer fees have contributed to these complexities. We are actively working with the Department of the Treasury to address these issues and streamline the process to prevent future delays.

We appreciate your understanding and patience as we continue to resolve these matters. We are committed to ensuring continuous observer and EM coverage in the Alaska groundfish and halibut fleets, and we are confident that our efforts will result in a more efficient and timely transfer of funds moving forward.

Sincerely,

Jonathan M. Kurland
Regional Administrator

