

Mike Mastry
ATTORNEY & COUNSELOR, P.A.



2101 – 5th Avenue North | St. Petersburg, Florida 33713
TEL: 727-896-5191 | E-MAIL: mmastry@ecoattorneys.com
(877) 326-2889

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Governor Charlie Crist
Office of the Governor
The Capitol
Tallahassee, FL 32399-0001

RE: Florida commercial shark fishing industry disaster.

Dear Mr. Governor:

This letter will detail the economic fisheries disaster that has befallen Florida's commercial shark fishing industry as a result of recent federal regulation of the industry. This letter will also ask that you request that United States Secretary of Commerce Carlos Gutierrez declare an economic disaster and provide aid to Florida's commercial shark fishing industry pursuant to section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act.

Florida's commercial shark fishermen make up more than 50% of the nationwide fleet and the majority of the shark fin and meat processors in the United States are also located within our state. Historically, the Florida commercial shark fishing industry has been economically vibrant. The height of the industry's success was reached in the mid 1990's when annual landings exceeded 80 million pounds, which produced revenues of nearly \$22 million annually. In addition, revenue from shark fin and meat processors was in excess of \$5 million per year during that time. The catch and revenue numbers remained strong and fairly stable until 2000 when the federal government, through the National Oceanic and Atmospheric Administration (NOAA) and the National Marine Fisheries Service (NMFS) began a series of burdensome regulations that have culminated in a recent proposed regulatory restriction of the industry that will allow zero landings (and zero revenues) during the first half of 2008.

With the federal regulations that the government began to implement in the late 1990's and early 2000's, the commercial shark fishing industry saw a dramatic decline in landings as well as a corresponding industry wide decline in revenues derived from those landings. In 2001 federal harvest quotas caused annual revenues to drop from nearly 35 million pounds and \$11 million in 2000 to approximately 15 million pounds and \$7 million in 2001 (a 67% drop from 1996 levels). Shark fin and meat dealers and processors saw a corresponding decline in revenues during that same period of time. For the next five (5) years harvesting quotas and, hence, revenues remained fairly stable hovering between approximately 12 – 15 million pounds and \$6 – \$8 million annually.

During this period of time members within Florida's commercial shark fishing industry were struggling to survive, but nevertheless continued to make what living they could by bringing the available quota to market.

Subsequently, in 2007 the federal government sharply decreased the landings quota available to industry participants and the proverbial bottom fell out of Florida's commercial shark fishing industry. This sharp decrease in available quota was caused largely by the government's own mistakes in calculating the amount of sharks that had been harvested in 2006. Because of errors associated with shark data input and management at NMFS, the 2006 fishery was not closed when the quota was reached which resulted in huge quota overages. And because, under the federal regulatory scheme, any overages from one season are then deducted from the available quota for the next season, very little of the 2007 shark quota was available for harvest. For example, during the first four (4) months 2007 in the Gulf of Mexico (which is where the majority of the sharks are harvested and the harvesting is carried out primarily by Florida fishermen) the commercial Large Coastal Shark (LCS) fishing season was open for only the first 15 days of January and the available quota was reduced from 222.8 tons in 2006 to a mere 62.3 tons in 2007. The result of the federal regulation and reduction in available quota has resulted in an economic disaster to Florida's commercial shark fishing industry and the financial ruin of many individuals within that industry.

Furthermore, the prospect for a brighter future for the Sunshine State's commercial shark fishing industry is also in serious doubt. Proposed 2008 regulations will effectively bring an end to Florida's commercial shark fishing industry. Recently NOAA and NMFS published proposed 2008 commercial shark fishing seasonal and quota regulations for the first four months of the year. The proposed regulations for LCS allow for **no open season in the Gulf of Mexico or in the Atlantic** during the first four months of the year, which, of course results in a corresponding quota of **zero**. (The government is proposing these regulations even though it recognizes in the very same proposal that there is an available quota of 78 metric tons that the industry will not be allowed to harvest and process.) It goes without saying that, if there is no open season and no available quota, the industry will not be allowed to generate even a single dollar of income and the level of economic devastation is impossible to overstate. Additionally, due to restrictions on the harvest of other economically viable species and limited entry into other fisheries, members of Florida's commercial shark fishing industry have no other viable economic options available to them. Vessel owners, captains, crew members, and fin and meat processors throughout the state will be left unable to provide for themselves and their families. Individuals simply cannot survive through a four month closure with no income and expect to start working again during the fifth month of the year – assuming, of course, that there will be an open season and quota during the middle of the year, which also seems in doubt. Members of Florida's commercial shark fishing industry are in dire need of economic assistance.

It is important to note the ripple effect that such regulations have on the vitality of the commercial shark fishing community as a whole. Overly burdensome regulations effect more than just the fishers who spend their time on the water bringing vital food

resources to the dock. They also have a corresponding negative ripple effect throughout the entire industry, which includes vessel owners and the meat and fin processors and dealers who insure that the product is eventually successfully brought to market. Governmental regulations are causing a severe economic disaster to all who are involved in Florida's once vibrant commercial shark fishing industry and action must be taken to insure their continued existence.

The level of this disaster has reached unimaginable proportions. An industry that just one decade ago brought to market nearly 80 million pounds of shark per year and generated approximately \$22 million in annual revenues (the majority of which went to the fishers and processors within Florida) will likely be reduced to zero pounds and zero dollars for at least the first one-third of 2008. Florida's commercial shark fishing industry is on the brink of elimination and is in desperate need of state and federal economic assistance to see its way through these troubled waters. Fortunately, the Magnuson-Stevens Fishery Conservation and Management Act as amended by the Reauthorization Act of 2006 (the Magnuson-Stevens Act) provides a mechanism for relief from economic disasters such as the one that currently faces our states commercial shark fishing industry.

Section 312(a) of the Magnuson-Stevens Act is titled Fisheries Disaster Relief and states as follows:

(a) FISHERIES DISASTER RELIEF.

(1) At the discretion of the Secretary or *at the request of the Governor of an affected State* or a fishing community, *the Secretary shall determine whether there is a commercial fishery failure due to a fishery resource disaster as a result of—*

(A) natural causes;

(B) *man-made causes beyond the control of fishery managers to mitigate through conservation and management measures, **including regulatory restrictions** (including those imposed as a result of judicial action) **imposed to protect human health or the marine environment;*** or

(C) undetermined causes.

(2) Upon the determination under paragraph (1) that there is a commercial fishery failure, the Secretary is authorized to make sums available to be used by the affected State, fishing community, or by the Secretary in cooperation with the affected State or fishing community for assessing the economic and social effects of the commercial fishery failure, or any activity that the Secretary determines is appropriate to restore the fishery or prevent a similar failure in the future and to assist a fishing community affected by such failure. Before making funds available for an activity authorized under this section, the Secretary shall make a determination that such activity will not expand the size or scope of the commercial fishery failure in that fishery or into other fisheries or other geographic regions.

(3) The Federal share of the cost of any activity carried out under the authority of this subsection shall not exceed 75 percent of the cost of that activity.

(4) There are authorized to be appropriated to the Secretary such sums as are necessary for each of the fiscal years 2007 through 2013.

It is on the basis of the foregoing provision of the Magnuson-Stevens Act that the members of Florida's commercial shark fishing industry are asking that you, the Governor our affected state, make a formal request of the Secretary of the United States Department of Commerce, Carlos Gutierrez, to make a determination that the commercial shark fishing industry has failed due to a fishery resource disaster. The failure within our state's once thriving commercial shark fishing industry is the direct result of "man-made causes beyond the control of fishery managers to mitigate through conservation and management measures, including regulatory restrictions...imposed to protect...the marine environment" as required within section 312(a)(1)(B) of the Magnuson-Stevens Act.

In an effort to move this process along in a smooth and timely manner, members of Florida's shark fishing industry have already brought this issue to the attention of the staff of the Florida Fish and Wildlife Conservation Commission (FWC), Florida Wildlife Research Institute (FWRI) as well as FWC Commissioner David Meehan. At Mr. Meehan's request, state biologists and economists have studied the issue and have already produced a report concerning the history of the commercial shark fishing industry in Florida which clearly documents the decline that has been explained in this letter. Furthermore, the report has been forwarded from FWRI administrator Luiz Barbieri to Mark Robson and Bill Teehan for evaluation in Tallahassee. All of this has been done in preparation for you to make an inquiry for information concerning this issue prior to making a request of Secretary Gutierrez.

All members that make-up Florida's commercial shark fishing industry, from the vessel's owner, captain, and crew all the way to the meat and fin processors, desperately need the fisheries disaster relief that is available to them under the Magnuson-Stevens Act. We implore you to take swift and decisive action and to formally request relief for the members of the commercial shark fishing industry in your great state from the United States Secretary of Commerce.

Should you require any further information, or if you would like to discuss this matter further, please do not hesitate to contact me.

Sincerely,

Mike Mastry