

Congress of the United States
Washington, DC 20510

February 13, 2020

Chris Oliver
Assistant Administrator
NOAA Fisheries
1315 East-West Highway
Silver Spring, MD 20910

Dear Assistant Administrator Oliver:

We write to you to urge expedient implementation of language included in the Further Consolidated Appropriations Act, 2020 that pertains to a fishing capacity reduction loan for the West Coast groundfish industry.

In 2000, the Secretary of Commerce declared the West Coast groundfish fishery an economic disaster. In response, Congress authorized a \$46 million buyout to reduce overcapacity. Most of those funds were provided in the form of a loan that the remaining fishing vessels agreed to repay based on a percentage fee on ex-vessel revenue over thirty years.

After the fishing industry approved the buyback through a referendum, the National Marine Fisheries Service (NMFS) expended loan proceeds to retire fishing vessels in late 2003, and interest began accruing on March 1, 2004. However, NMFS failed to implement a repayment system until September of 2005. During this 18-month delay, NMFS prohibited the remaining vessels from making any loan repayments, adding over \$3 million in interest from the outset. That additional interest has compounded over the years, creating a significant undue difference between the amount that should be owed on the loan under the original terms and the amount owed as the result of the delay.

At the end of last year, appropriations legislation signed into law directed the Secretary to correct this undue amount through loan forgiveness. Section 1201, Title XII, Division P. of H.R. 1865, the Further Consolidated Appropriations Act, 2020 states:

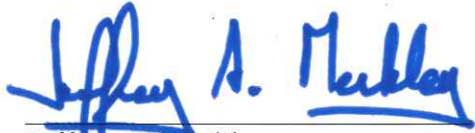
The Secretary of Commerce shall forgive the interest accrued on the Groundfish Trawl fishery sub-loan regarding fishing capacity reduction in the West Coast groundfish fishery authorized by section 212 of division B, title II, of Public Law 108-7 from December 4, 2003, through September 8, 2005, and the portion of additional interest accrued in the Groundfish Trawl fishery sub-loan since September 8, 2005, that is directly attributable to the delay in implementing a repayment system. The Secretary of the Treasury shall make available, out of any funds in the Treasury not otherwise appropriated, such sums necessary for any loan modification under this provision.

Based on calculations by the industry, this language should result in over \$10 million of savings for the trawl fleet that continues to pay off the original loan.

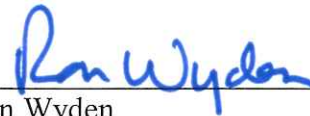
We urge NMFS to engage stakeholders and immediately calculate the new outstanding loan balance. NMFS should also promptly issue a new rule to recalculate the loan repayment fee the West Coast groundfish industry must pay for 2020.

Thank you for your prompt attention to this matter.

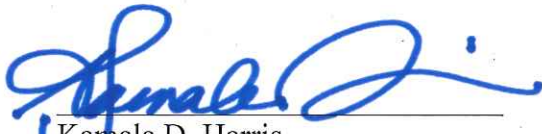
Sincerely,



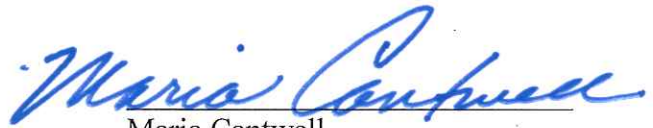
Jeffrey A. Merkley
U.S. Senator



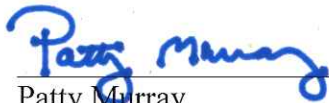
Ron Wyden
U.S. Senator



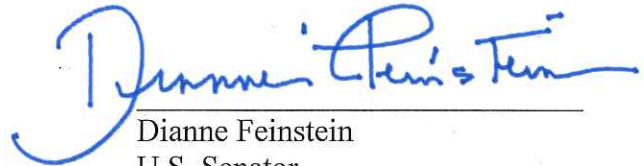
Kamala D. Harris
U.S. Senator



Maria Cantwell
U.S. Senator



Patty Murray
U.S. Senator



Dianne Feinstein
U.S. Senator



Kurt Schrader
Member of Congress



Peter DeFazio
Member of Congress




Suzanne Bonamici
Member of Congress



Jared Huffman
Member of Congress



Jaime Herrera Beutler
Member of Congress



Greg Walden
Member of Congress