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AFSC FY17 Budget Challenges, Status, and Impacts

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Doug DeMaster
Research and Science Director, Alaska Region
NOAA Fisheriesw

The Story of Flat Budget Levels

Costs Escalate over Time

- 1) Labor; cost of living increases
- 2) Increasing administrative costs (rectifying historical underfunding of corporate costs)
- 3) Inflationary business costs

We Can Mitigate Some of This Escalation

1. Advanced Technology (e.g., Camtrawl, Otolith Aging Instrumentation)
2. Increased efficiencies and reliance on partnerships

When Mitigation isn't Enough: Two Interconnected Outcomes

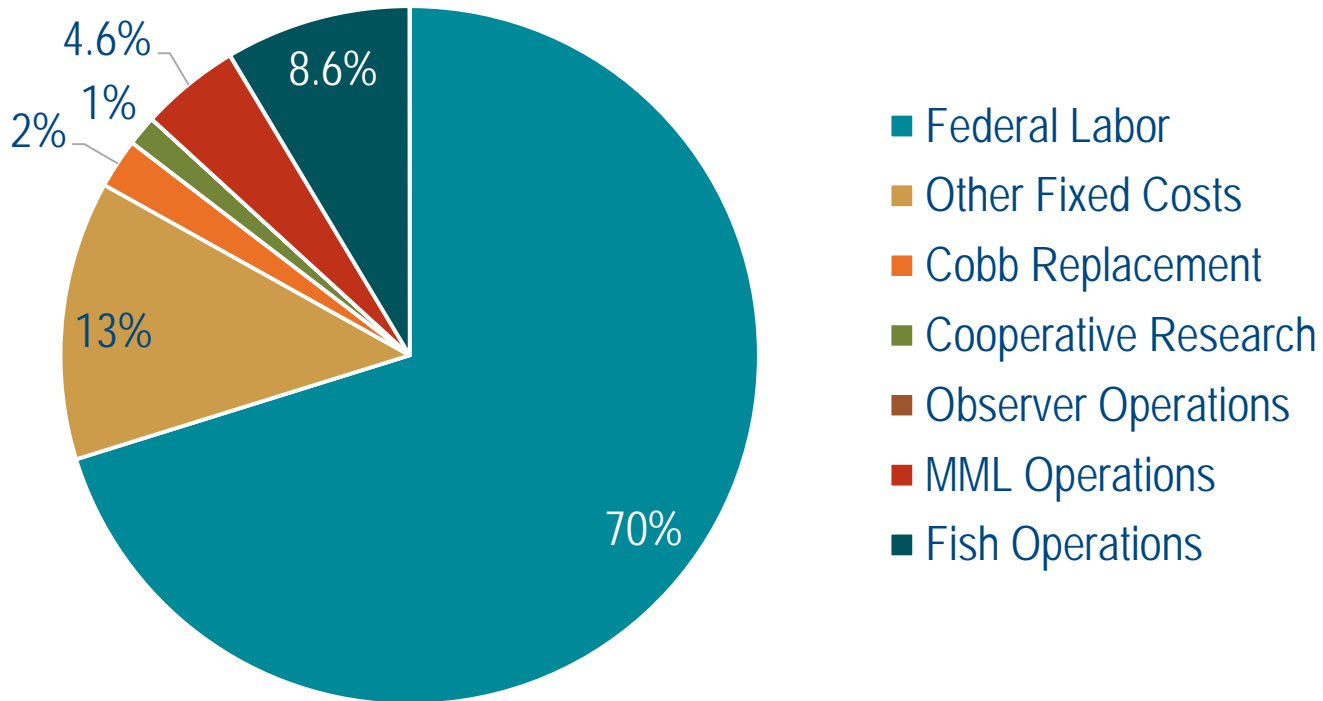
1. Decreased staff levels
2. Reduced mission scope

Under a Flat budget: Shrinking AFSC Labor Force

- AFSC manages to a level labor cost ceiling
- Yearly cost of living increases = fewer positions
- In FY17, labor escalation so far = \$1.25M, requiring the AFSC to shrink by at least 10 more FTEs to sustain a level labor cost. As this shrinkage would be highly improbable through attrition by the end of FY17, reductions in operations were needed.
- There are additional areas of cost escalations in FY17 that have/will require even greater overall reductions in staffing and/or operations.
- In the past 5 years, the AFSC has had a net loss of over 75 positions from over 400 FTEs to the current level of 316

Under a Flat Budget:

AFSC FY17 Budget: Current Projection



- AFSC labor % of the permanent allocation is fixed to maintain operational funding and flexibility.
- All observer program operational funds come from temporary money



Under a Flat Budget: Fish Funding Status and Impacts

Key Takeaways

- Four Boat Survey may be the new Norm (was five)
- Over 50% Reduction of typical EBFM research (Including Process Studies). This % Reduction will likely increase in FY18
- Habitat, Survey and Stock Assessment Improvements, and Ecosystem Studies essentially Unfunded

Under a Flat Budget: Funding Status of Fish Science Needs for the Alaska Stewardship Mission

Research Activity

Science Administration

Core Fish Surveys for Stock Assessments

Stock Assessments

Improvement to Stock Assessments

Process Studies that inform stock assessments

Ecosystem Modeling

Socioeconomics

Arctic fish and ecosystem research

Process Studies informing ecosystem understandings

Survey Improvements (e.g., catchability studies)

Habitat



AFSC Fish Activity Plans: Fully Funded

- ABL, RACE and REFM Division Leadership, Administration and Support
- Facilities – TSMRI, Pribilofs
- Kodiak Laboratory & Facility Management
- Eastern Bering Sea Shelf Bottom Trawl Survey
- RACE Survey Support and Research Fishing Gear Construction and Repair
- Sablefish and Rockfish Stock Assessment and Research
- Bering Sea and GOA Summer Acoustic Surveys
- Annual Longline Survey
- GOA Winter Acoustic Trawl Pollock Surveys
- BSAI, Arctic and GOA Stock Assessments and Population Dynamics Research
- Age Evaluation and Growth Studies

Under a Flat Budget FY17 Fish Impacts: Research Currently Unfunded

- Gulf of Alaska Trawl Survey (using 2 charter vessels instead of 3)
- Sablefish Recruitment Process Research
- Diet/Food Habit Laboratory Needed for Ecosystem Model Data
- Maturation Research to Improve Stock Assessments
- Trawl Catchability/Efficiency Research to Improve Stock Assessments
- Untrawlable Habitat Research to Improve Stock Assessments
- Age Validation to Improve Age-Structured Stock Assessments
- ADF&G Cooperative Trawl Survey
- Seabird and Fishery Interaction Assessments

Under a Flat Budget: MML Budget Status and Impacts

Key Takeaways

- Foraging Ecology Research Unfunded: All Species
- Vital Rate Research Substantially Reduced
- Increases for Cook Inlet Beluga Research (priority for NMFS under Species in the Spotlight program) and the Norton Sound Beluga assessment survey

Under a Flat Budget FY17 Funding Status of PR Science Needs for the Alaska Stewardship Mission

Research Activity

Science Administration

Abundance and Trend Surveys

Cook Inlet Beluga Research and Norton Sound Beluga survey

SSL and NFS Vital Rate Research

Food Habit Research

SSL Research in Russia

Foraging Ecology

North Pacific Right Whale

Genetics

AFSC PR Activity Plans: Fully Funded

- MML Division Leadership, Administration and Support
- Abundance and Trend Monitoring of SSL
- Northern Fur Seal Population Assessments
- CIB survey/research and Norton Sound Beluga Abundance Survey
- Steller Sea Lion Vital Rates: Russian, Aleutians
- Ice Seal Assessment and Co-Management
- Alaska Harbor Seal Surveys
- Northern Fur Seal Vital Rates*
- SEAK Harbor Porpoise Stock ID
- Food habits of SSL and NFS
- Northern Fur Seal Foraging Ecology (SailDrone)

Under a Flat Budget FY17 PR Impacts: Research Currently Unfunded

- North Pacific Right Whale Assessments
- Steller Sea Lion (SSL) Foraging Ecology
- Aleutian Harbor Seal Foraging Ecology
- SSL and Northern Fur Seal (NFS) Disease and Stock Structure
- Cook Inlet Beluga Epigenetic Aging
- Process Studies on Climate and NFS Vital Rates and Foraging
- Substantially Reduced Research Scope in: NFS Vital Rates, SSL Vital Rates in Western Aleutians, SSL Vital Rates in Russia, Abundance and Trend Monitoring of SSL, and Food Habits of SSL and NFS.

Going Forward: AFSC Strategic Principles

1. Bottom Up Review that yields the right balance of research between assessments and EBFM research given yearly budget allocations
2. Deliberate labor cost control, actively managed
3. Resource allocations based upon full implementation of the PBR model (AGM, Activity Plans, and Criteria)
4. Re-engineering AFSC science services based on tradeoffs informed by future budget expectations, technology advances, and strategic partnerships

Priority Based Resourcing (PBR) at the AFSC

1. The Foundation: Right Leadership Environment
2. The Start: A Science Plan
3. A Bit Further: Annual Guidance Memorandum
4. Regional Office Directed Priorities
5. Activity Plans (Deconstruct Mission)
6. Ranking Criteria Informed by RO Priorities
7. Priority and Risk Based Allocations
8. Communicate Results to Staff
9. Performance Plans = Prioritized Activity Plans

Issues to Consider?

NMFS is considering hard choices regarding research for nearly all process, EBFM, and climate activities in FY17 under Flat Budget scenario

This potential loss would impact 5 of the nation's 11 LMEs dealing with half of the US landed catch. Note – FY17 final budget may not be Flat

The potential loss persists even after we have reduced survey effort from 5 to 4 vessels in FY17 and beyond

As a result, the Council should expect 1) increased uncertainty in estimates of ACLs due to losses in survey effort and 2) a slowdown in our production of reports related to future climate and ecosystem impacts

The AFSC will be challenging all aspects of its past delivery schedule for science services this year and beyond. This what we call the “re-engineering” mandate



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Questions?

Alaska Fisheries Science Center Research Activities

B2 AFSC FY17 Budget Revisions
APRIL 2017

- | | |
|--|---|
| ● Fishing Communities Profile Project | ● BOO-RO CI Surveys |
| ✦ Long Line Survey | ■ Right Whale Survey Tracks |
| ✦ Seabird Seas Travel Survey | — Arctic Ocean Serial Surveys |
| ▲ Large Cetacean Acoustic Receivers | — Ice Seal Serial Surveys |
| ⊕ Smaller Sea Lion Rookeries & Haulouts | — Pollock Interaction Study |
| ⊕ Smaller Sea Lion & N. Fur Seal Camps | — Killer Whale Surveys |
| ✕ Seachaine Sites | — Beluga Serial Surveys |
| ▲ Seabird Seas CTD Stations | — Small Cetacean Serial Survey |
| ● Berings Island Salmon International Survey | — Acoustic Survey |
| ● Southeast Alaska Coastal Monitoring | — U.S. Russia Provisional Maritime Boundary |
| ● Aleutian Island Survey | — Harbor Seal Abundance Survey Route |
| ● Eastern Bering Sea and Slope Survey | — GOO Scientific Habitat Multibeam |
| ● GOO Survey | — Aleutian Corals Multibeam |

