

YOUNG FISHERMEN'S DEVELOPMENT ACT

JUNE 4, 2020.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. GRIJALVA, from the Committee on Natural Resources,
submitted the following

R E P O R T

[To accompany H.R. 1240]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 1240) to preserve United States fishing heritage through a national program dedicated to training and assisting the next generation of commercial fishermen, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Young Fishermen’s Development Act”.

SEC. 2. DEFINITIONS.

In this Act:

(1) SEA GRANT INSTITUTION.—The term “Sea Grant Institution” means a sea grant college or sea grant institute, as those terms are defined in section 203 of the National Sea Grant College Program Act (33 U.S.C. 1122).

(2) TRIBAL ORGANIZATION.—The term “Tribal organization” has the meaning given the term “tribal organization” in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

(3) YOUNG FISHERMAN.—The term “young fisherman” means an individual who—

(A) desires to participate in the commercial fisheries of the United States, including the Great Lakes fisheries;

(B) has worked as a captain, crew member, or deckhand on a commercial fishing vessel for not more than 10 years of cumulative service;

(C) is a beginning commercial fisherman; or

(D) is less than 35 years of age.

SEC. 3. ESTABLISHMENT OF PROGRAM.

The Secretary of Commerce, acting through the National Sea Grant Office, shall establish a program to provide training, education, outreach, and technical assist-

ance initiatives for young fishermen, to be known as the “Young Fishermen’s Development Grant Program” (referred to in this section as the “Program”).

SEC. 4. GRANTS.

(a) **IN GENERAL.**—In carrying out the Program, the Secretary shall make competitive grants to support new and established local and regional training, education, outreach, and technical assistance initiatives for young fishermen, including programs, workshops, and services relating to—

- (1) seamanship, navigation, electronics, and safety;
- (2) vessel and engine care, maintenance, and repair;
- (3) innovative conservation fishing gear engineering and technology;
- (4) sustainable fishing practices;
- (5) entrepreneurship and good business practices;
- (6) direct marketing, supply chain, and traceability;
- (7) financial and risk management, including vessel, permit, and quota purchasing;
- (8) State and Federal legal requirements for specific fisheries, including reporting, monitoring, licenses, and regulations;
- (9) State and Federal fisheries policy and management;
- (10) mentoring, apprenticeships, or internships; and
- (11) any other activities, opportunities, or programs, as the Secretary determines appropriate.

(b) **ELIGIBILITY.**—

(1) **APPLICANTS.**—To be eligible to receive a grant under the Program, a recipient shall be a collaborative State, Tribal, local, or regionally based network or partnership of public or private entities, which may include—

- (A) a Sea Grant Institution;
- (B) a Federal or State agency or a Tribal organization;
- (C) a community-based nongovernmental organization;
- (D) fishermen’s cooperatives or associations;
- (E) an institution of higher education (including an institution awarding an associate’s degree), or a foundation maintained by an institution of higher education; or
- (F) any other appropriate entity, as the Secretary determines appropriate.

(2) **PARTICIPANTS.**—All young fishermen seeking to participate in the commercial fisheries of the United States and the Great Lakes are eligible to participate in the activities funded through grants provided for in this section, except that participants in such activities shall be selected by each grant recipient.

(c) **MAXIMUM TERM AND AMOUNT OF GRANT.**—

- (1) **IN GENERAL.**—A grant under this section shall—
 - (A) have a term of no more than 3 fiscal years; and
 - (B) be in an amount that is not more than \$200,000 for each fiscal year.
- (2) **CONSECUTIVE GRANTS.**—An eligible recipient may receive consecutive grants under this section.

(d) **MATCHING REQUIREMENT.**—To be eligible to receive a grant under this section, a recipient shall provide a match in the form of cash or in-kind contributions from the recipient in the amount equal to or greater than 25 percent of the funds provided by the grant.

(e) **REGIONAL BALANCE.**—In making grants under this section, the Secretary shall, to the maximum extent practicable, ensure geographic diversity.

(f) **COOPERATION AND EVALUATION CRITERIA.**—In carrying out this section and in developing criteria for evaluating grant applications, the Secretary shall consult, to the maximum extent practicable, with—

- (1) Sea Grant Institutions and extension agents of such institutions;
- (2) community-based nongovernmental fishing organizations;
- (3) Federal and State agencies, including Regional Fishery Management Councils established under the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1851 et seq.);
- (4) institutions of higher education with fisheries expertise and programs; and
- (5) partners, as the Secretary determines.

(g) **PROHIBITION.**—A grant under this section may not be used to purchase any fishing license, permit, quota, or other harvesting right.

SEC. 5. FUNDING.

Of the amount made available to the Secretary of Commerce under section 311(e) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861(e)) for each of fiscal years 2021 through 2025, the Secretary shall use \$2,000,000 to carry out section 4 of this Act.

PURPOSE OF THE BILL

The purpose of H.R. 1240 is to preserve United States fishing heritage through a national program dedicated to training and assisting the next generation of commercial fishermen.

BACKGROUND AND NEED FOR LEGISLATION

Limited-entry programs to commercial fisheries and individual fishing quotas, which have been beneficial in managing fisheries stocks, have also made permits more expensive. Consolidation and relocation of permit holders, combined with limited access to financing, capital, and credit for young, rural, and indigenous fishers creates an economic barrier to enter the fishing industry, as permits alone can account for 83 percent of the value of a fishing operation.¹ Research funded by Alaska Sea Grant found that the average age of Alaskan fishers was over 50 years old (an increase of 10 years over the past generation) and that rural communities had lost 30 percent of local permit holders.² Similarly, in the Gulf of Mexico, the Mississippi-Alabama Sea Grant Consortium reports that almost 40 percent of Gulf States fishers and owners are 55 years old or older, and that fishers and owners under age 35 comprise only 13.6 percent of the commercial fishing population.³

In addition to social and financial barriers, advances in marine technology, such as electronic navigation systems, vessel propulsion systems, and more sophisticated fishing gear have improved the efficiency of fishing operations, while also steepening the learning curve for new fishers.

This bill creates a Young Fishermen's Development Grant Program to train and assist the next generation of commercial fishers. This proposed program is modeled after the U.S. Department of Agriculture's Beginning Farmer and Rancher Development Program, which provides grants to educate beginning farmers and ranchers.⁴

Funding for the Young Fishermen's Development Grant Program, authorized at \$2 million per year through Fiscal Year 2025, is to be allocated from the Fisheries Asset Forfeiture Fund (Fund), which is managed by the National Oceanic and Atmospheric Administration's (NOAA) Office of Law Enforcement and consists of funding from fines, penalties, and forfeiture proceeds received for violations of the Magnuson-Stevens Fishery Conservation and Management Act. The Fund has held a balance between \$14 and \$17 million per year from 2014 to 2019, with collections exceeding obligations in all but one year during this period. Unless there are significant changes in the amounts collected from noncompliance or amounts needed to administer NOAA's enforcement program, the

¹Rachel Donkersloot & Courtney Carothers, *The Graying of the Alaskan Fishing Fleet*, 58(3) ENV'T. SCI. & POL'Y FOR SUSTAINABLE DEV. 30 (2016), <https://doi.org/10.1080/00139157.2016.1162011>.

²PAULA CULLENBERG, RACHEL DONKERSLOOT, COURTNEY CAROTHERS, JESSE COLEMAN & DANIELLE RINGER, TURNING THE TIDE: HOW CAN ALASKA ADDRESS THE 'GRAYING OF THE FLEET' AND LOSS OF RURAL FISHERIES ACCESS? (2017), available at <https://seagrant.uaf.edu/bookstore/pubs/M-215.html> (last visited May 15, 2020).

³Ben Posadas, Mississippi-Alabama Sea Grant Consortium, *Know More About the Commercial Fishermen in the Gulf of Mexico States* (Jan. 18, 2018), <http://masgc.org/news/article/know-more-about-the-commercial-fishermen-in-the-gulf-of-mexico-states>.

⁴*Beginning Farmer and Rancher Development Program (BFRDP)*, USDA NAT'L INSTITUTE OF FOOD & AGRIC., <https://nifa.usda.gov/program/beginning-farmer-and-rancher-development-program-bfrdp> (last visited May 15, 2020).

Committee does not anticipate that the obligation of an additional \$2 million per year will deplete or diminish the Fund within five years.

COMMITTEE ACTION

H.R. 1240 was introduced on February 14, 2019, by Representative Don Young (R-AK). The bill was referred solely to the Committee on Natural Resources, and within the Committee to the Subcommittee on Water, Oceans, and Wildlife. On May 8, 2019, the Subcommittee held a hearing on the bill. On January 29, 2020, the Natural Resources Committee met to consider the bill. The Subcommittee was discharged by unanimous consent. Chair Raúl M. Grijalva (D-AZ) offered an amendment in the nature of a substitute. The amendment in the nature of a substitute offered by Chair Grijalva was agreed to by unanimous consent. The bill, as amended, was adopted and ordered favorably reported to the House of Representatives by unanimous consent.

HEARINGS

For the purposes of section 103(i) of H. Res. 6 of the 116th Congress—the following hearing was used to develop or consider H.R. 1240: legislative hearing by the Subcommittee on Water, Oceans, and Wildlife held on May 8, 2019.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title

This section provides the short title of the bill, the “Young Fishermen’s Development Act.”

Section 2. Definitions

This section defines relevant terms.

Section 3. Establishment of program

This section directs the Secretary of Commerce, acting through the National Sea Grant Office, to establish the Young Fishermen’s Development Grant Program to provide training, education, outreach, and technical assistance initiatives for young fishers.

Section 4. Grants

This section authorizes the Secretary of Commerce to make competitive grants to provide assistance for programs, workshops, and services relating to topics including the operation and maintenance of fishing vessels; innovative conservation fishing gear; sustainable fishing practices; entrepreneurship; and marketing and seafood traceability. Under this program, grants would be limited to three fiscal years at no more than \$200,000 per fiscal year and require that recipients provide a match in cash or in-kind contributions of at least 25 percent of the amount of the grant. Grants would be prohibited from being used to purchase fishing licenses, permits, quotas, or other harvesting rights.

Section 5. Funding

This section authorizes \$2 million per year for Fiscal Years 2021 through 2025, to be taken from funds collected from fines, pen-

alties, and forfeitures of property for violations of the Magnuson-Stevens Fishery Conservation and Management Act or other marine resource laws enforced by the Secretary of Commerce.⁵

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources' oversight findings and recommendations are reflected in the body of this report.

COMPLIANCE WITH HOUSE RULE XIII AND CONGRESSIONAL BUDGET ACT

1. *Cost of Legislation and the Congressional Budget Act.* With respect to the requirements of clause 3(c)(2) and (3) of rule XIII of the Rules of the House of Representatives and sections 308(a) and 402 of the Congressional Budget Act of 1974, the Committee has received the following estimate for the bill from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE
Washington, DC, February 5, 2020.

Hon. RAÚL M. GRIJALVA,
*Chairman, Committee on Natural Resources,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1240, the Young Fishermen's Development Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Madeleine Fox.

Sincerely,

PHILLIP L. SWAGEL,
Director.

Enclosure.

H.R. 1240, Young Fishermen's Development Act			
As ordered reported by the House Committee on Natural Resources on January 29, 2020			
By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	0	10	10
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	10	10
Spending Subject to Appropriation (Outlays)	0	0	0
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

⁵ See 16 U.S.C. § 1861(e).

H.R. 1240 would require the Secretary of Commerce to establish a program to provide grants for training, education, outreach, and technical assistance to young fishermen. The bill would authorize the expenditure of \$2 million a year over the 2021–2025 period from the Fisheries Enforcement Asset Forfeiture Fund for those purposes. (Grants would be capped at \$200,000 for each recipient and could be renewed for up to three fiscal years.)

Amounts in the fisheries fund are available to be spent on authorized purposes without further appropriation. That fund has a balance of about \$17 million and collects about \$4 million a year in penalties. CBO estimates that authorizing the grant program would increase direct spending by \$10 million from the fund over the 2020–2025 period.

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 1.

TABLE 1.—CBO’S ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS OF H.R. 1240, YOUNG FISHERMEN’S DEVELOPMENT ACT, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON NATURAL RESOURCES ON JANUARY 29, 2020

	By fiscal year, millions of dollars—												
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2020–2025	2020–2030
	Net Increase in the Deficit												
Pay-As-You-Go Effect	0	2	2	2	2	2	0	0	0	0	0	10	10

On October 18, 2019, CBO transmitted a cost estimate for S. 496, the Young Fishermen’s Development Act, as ordered reported by the Senate Committee on Commerce, Science, and Transportation on July 24, 2019. The period over which the funds would be authorized to be expended is different for each bill and CBO’s cost estimates reflect that difference.

The CBO staff contact for this estimate is Madeleine Fox. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

2. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goals and objectives of this bill are to preserve United States fishing heritage through a national program dedicated to training and assisting the next generation of commercial fishermen.

EARMARK STATEMENT

This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

UNFUNDED MANDATES REFORM ACT STATEMENT

This bill contains no unfunded mandates.

EXISTING PROGRAMS

This bill does not establish or reauthorize a program of the federal government known to be duplicative of another program. Such

program was not included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139. The Young Fishermen’s Development Grant Program to be established under this bill is related and complementary to, but not duplicative of, the following programs identified in the most recent Catalog of Federal Domestic Assistance published pursuant to 31 U.S.C. § 6104: Fishermen’s Contingency Fund (CFDA No. 11.408), Fisheries Finance Program (CFDA No. 11.415), Sea Grant Support (CFDA No. 11.417), Regional Fishery Management Councils (CFDA No. 11.441), and U.S. Merchant Marine Academy (CFDA No. 20.807).

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

PREEMPTION OF STATE, LOCAL, OR TRIBAL LAW

Any preemptive effect of this bill over state, local, or tribal law is intended to be consistent with the bill’s purposes and text and the Supremacy Clause of Article VI of the U.S. Constitution.

CHANGES IN EXISTING LAW

If enacted, this bill would make no changes to existing law.

SUPPLEMENTAL, MINORITY, ADDITIONAL, OR DISSENTING VIEWS

None.

