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# AFSC FY18 Budget Challenges, Status, and Impacts

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Doug DeMaster

Science and Research Director, Alaska Region

NOAA Fisheries

# The Story of Flat Budget Levels

## Costs Escalate over Time- All NMFS Science Centers

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., otolith aging instrumentation)
2. Increased efficiencies and reliance on partnerships

## When Mitigation isn't Enough: Two Interconnected Outcomes

1. Decreased staff levels (at some point mission scope will be impacted)
2. Reduced mission scope

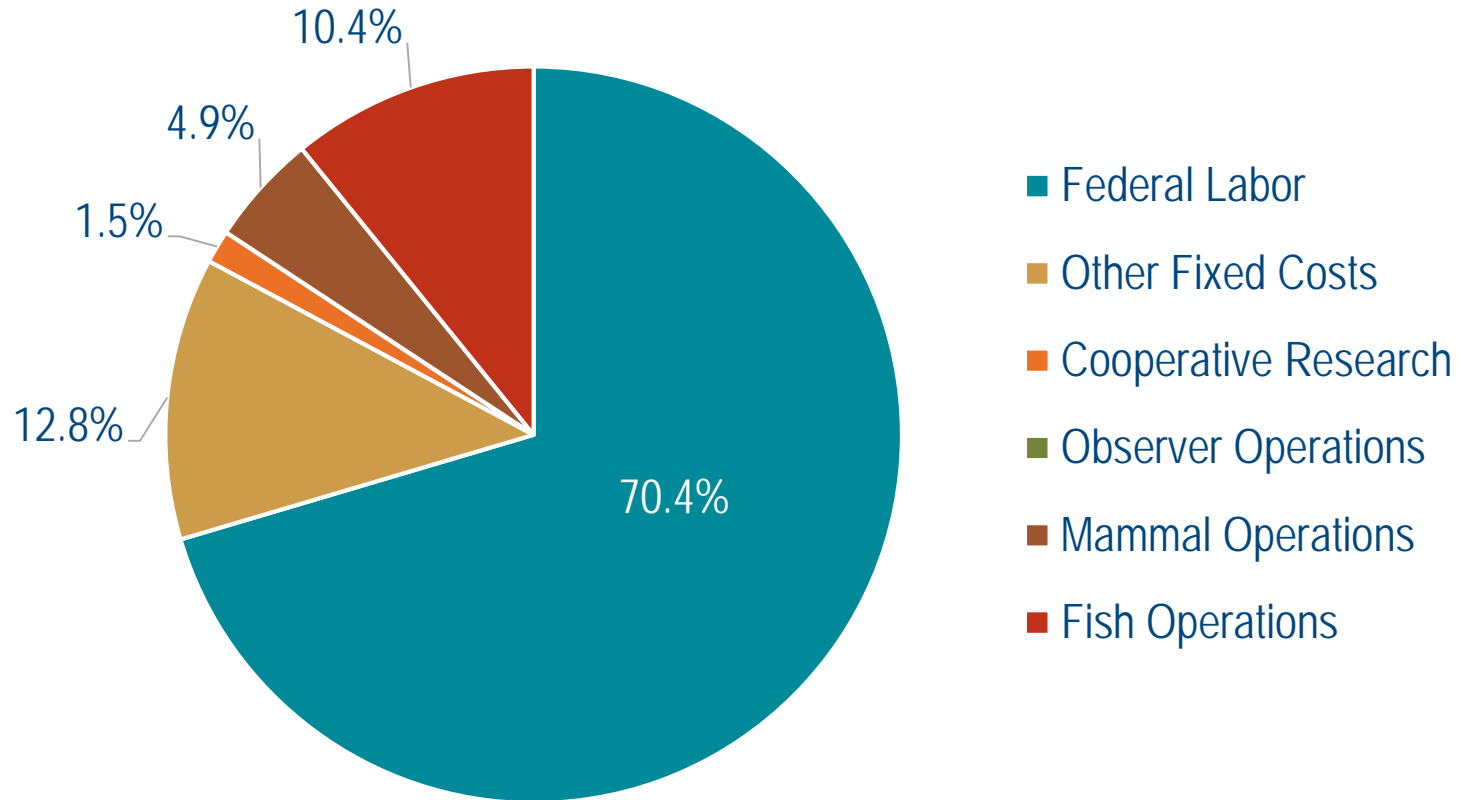
# Under a Flat budget: Shrinking AFSC Labor Force

- AFSC manages to a level federal labor cost ceiling (\$44M)
- In FY18, labor-associated costs projected to increase by an estimated \$1.2M. Therefore, by the end of FY18, reductions in operations equal to that amount are needed.
- There are additional areas of cost escalations in FY18 that have/will require even greater overall reductions in staffing or operations (e.g., \$1.1M in facility costs at the Western Regional Center in Seattle)
- Federal labor cost and facility cost increases = fewer positions
- In the past 7 years, the AFSC has had a net loss of over 65 FTEs from over 380 to the current level of approximately 315
- This is below the minimal staffing level needed to support annual surveys, complete stock assessments, support observer services, and conduct EBFM related research



# Under a Flat Budget:

## AFSC FY18 Budget: Current Projection



- Labor as % of the permanent allocation is fixed to maintain operational funding and flexibility
- All observer program operational funds in FY18 will come from temporary sources (e.g., HQ)

# Under a Flat Budget: AFSC Base Fish Funding Status and Impacts

## Key Takeaways

- Full complement of groundfish surveys (5 boats) is *likely* in FY18 due to priorities paid for with FY17 funds
- Reduced survey capability (4 charter boats vs. 5 boats) may be the new norm in FY19 and beyond
- Funding for ACLIM in FY18 uncertain
- Habitat, Survey and Stock Assessment Improvements, and Ecosystem Studies essentially unfunded

# Under a Flat Budget: Base 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., availability studies)

Habitat



# AFSC Fish Activity Plans: Fully Funded

- Science Leadership, Administration, and Support
- Facilities (e.g., Seattle, Juneau, Kodiak, Newport, Pribilof Islands)
- Eastern Bering Sea Shelf Bottom Trawl Survey
- Survey Support and Research Fishing Gear Construction and Repair
- Most of the Sablefish and Rockfish Stock Assessment and Research
- Winter Gulf and Bering Sea Acoustic Surveys
- BSAI, Arctic and GOA Stock Assessments Research
- Bering Sea Slope Bottom Trawl Survey (with help from NMFS HQ)
- Aleutian Islands Bottom Trawl Survey
- Age Evaluation and Growth Studies

# Under a Flat Budget FY18 Fish Impacts: Research Currently Unfunded with AFSC Base Funding

- 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 (e.g., Rockfish) Stock Assessments
- Age Validation to Improve Age-Structured Stock Assessments
- ADF&G Cooperative Trawl Survey
- Seabird and Fishery Interaction Assessments



# Under a Flat Budget: Mammal Budget Status and Impacts

## Key Takeaways

- Continued abundance surveys for Steller sea lions, northern fur seals, ice-associated seals & harbor seals
- Continued Cook Inlet beluga research (priority for NMFS under Species in the Spotlight program)
- Vital rates research substantially reduced/canceled
- Foraging ecology research greatly reduced/canceled
- AFSC and AKR are still revising spending plans for mammals

# Under a Flat Budget FY18 Funding Status of Mammal Science Needs for the Alaska Stewardship Mission

## Research Activity

Science Administration

Abundance and Trend Surveys

Cook Inlet Beluga Research

Steller Sea Lion and Northern Fur Seal Vital Rates Research

Food Habits Research

Steller Sea Lion Research in Russia

Foraging Ecology Studies

North Pacific Right Whale

Killer Whale Research

Genetics

# AFSC Mammal Activity Plans: Fully Funded

- Science Division Leadership, Administration, and Support
- Abundance and Trend Monitoring of Steller Sea Lions
- Northern Fur Seal Population Assessments
- Cook Inlet Beluga Surveys/Other Research Topics
- Steller Sea Lion Vital Rates in Western Aleutians and Gulf of Alaska
- Ice Seal Assessment and Co-Management
- Alaska Harbor Seal Surveys
- Bowhead Whale Abundance Surveys
- Support for Stock Assessment Reports and AK Scientific Review Group

# Under a Flat Budget FY18 Mammal Impacts: Research Currently Unfunded

- Process studies related to northern fur seal life history
- Phocid food habits and foraging ecology
- Vital rate studies for northern fur seal and SSL in Russia
- Killer whale predation in Aleutian Islands
- Phocid stock structure, pathology, contaminants, and diet studies
- North Pacific right whale assessments
- Cook Inlet Beluga genetic and genomic analysis
- Cook Inlet Beluga aerial photogrammetry and acoustics

# Going Forward: AFSC Strategic Principles

1. Deliberate labor cost control, actively managed
2. Resource allocations based upon full implementation of Priority Based Resourcing (AGM, Activity Plans, and Criteria)
3. Re-engineering AFSC science services based on tradeoffs informed by future budget expectations, technology advances, input from the AKR (pending), and strategic partnerships
4. Similar to all other NMFS Science Centers

# FY18 Annual Guidance Memo: AFSC Funding Priorities

- Continued success of the observer program, including related prohibited species, monitoring and progress with electronic monitoring capabilities
- Sustained stock assessments (abundance and trends) of groundfish, shellfish, and protected species, including maintaining the longline, acoustic and trawl surveys
- Research on Cook Inlet beluga whales
- Research that supports the Region's efforts to manage and reduce bycatch of salmon and halibut in groundfish fisheries in Alaska

# FY18 Annual Guidance Memo: AFSC Funding Priorities (continued)

- Research improving our understanding of sablefish recruitment processes
- Research that provides for the implementation of innovative technologies that maintain information content per unit of cost, while reducing overall costs (e.g., ship time), and
- Fulfilling our commitments to our external partners with whom we have formal agreements (e.g., Arctic IERP)

# Issues to Consider?

NMFS is considering hard choices regarding limited funding to support research related to stock assessment and stewardship for all regions

All of the Science Centers are facing tough decisions regarding how to best protect limited operating budgets

In FY18, assuming level funding, the AFSC should be able to conduct all of its highest priority survey operations and observer operations – but many important projects will be canceled or funded with outside funding

The AFSC will be challenged (and is unlikely to be able) to deliver all of its past research portfolio for science services in FY19 and beyond





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Questions?