

CRS Report for Congress

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Hurricane Katrina: Fishing and Aquaculture Industries — Damage and Recovery

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Summary

The Gulf Coast where Hurricane Katrina struck is an especially important center of commercial and recreational fishing, producing 10% of the shrimp and 40% of the oysters consumed in the United States. Many areas have been closed to fishing because of pollution-related contamination concerns. In addition, inland areas account for much of the U.S. farmed catfish production. This report summarizes damage assessments and recovery efforts, with initial reports primarily anecdotal until more accurate assessments become available. This report will be updated as warranted to incorporate new information.

Shrimp. Commercial shrimpers fishing out of or delivering to Alabama, Mississippi, and Louisiana ports account for almost half of all U.S. shrimp production. Katrina has destroyed or severely damaged shrimp boats and shrimp processing and storage facilities throughout this area during this, the peak harvesting season. An uncounted number of shrimpers may have drowned trying to ride out the storm aboard their vessels, but information is not yet available. Unprocessed, rotting shrimp at damaged processing plants must be disposed. Even prior to Katrina, this segment of the U.S. fishing industry had been declining due to competition from less-expensive foreign imports and among domestic harvesters, since domestic capacity is much greater than necessary to efficiently harvest the resource. In addition, since shrimp trawling is very fuel consumptive, increasing fuel costs make shrimp trawling more uneconomical. Additional impediments to shrimping are the underwater obstacles that foul and damage shrimp trawls; hurricane debris will provide many new obstacles (i.e., “hangs”), and Katrina’s storm surges may have moved former obstacles to new, uncharted positions.

Oysters. With the decline of oyster harvest from the Mid-Atlantic region, the Gulf of Mexico has been supplying most of the recent domestic oyster harvest. Oyster beds and oyster vessels along the Gulf Coast were extensively damaged, if not totally destroyed by Katrina. Because of extensive hurricane-related pollution and related contamination concerns, any remaining oysters will not be harvestable for an undetermined period.

Catfish Aquaculture. No reports have been received yet on the status of the farmed catfish industry.

Recreational Fishing. Damage to small boats and charter craft has been extensive; however, information is still sketchy on how this sector may have been affected.

Fishery Management. The National Marine Fisheries Service (NMFS) has many employees and contractors in the area damaged by Katrina. As of September 2, 2005, NMFS had made contact with 112 of 132 employees and contractors in the affected area. The NMFS facility at Pascagoula, MS, sustained significant damage.¹ The Gulf of Mexico Fishery Management Council meeting originally scheduled for September 12-16 in New Orleans has been postponed until October and moved to St. Petersburg, FL.

Seafood Consumers. While certain fish and shellfish from the Gulf may disappear from the market, extensive domestic and imported seafood alternatives remain. There could be some increase in price as retailers adjust to different products and suppliers. The price of oysters may be more affected than some other seafood products, because of less opportunity for substitution of similar items.

Disaster Assistance. Fishery disaster assistance is provided primarily through two authorities — §312(a) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. §1861a(a)) and §308 of the Interjurisdictional Fisheries Act (16 U.S.C. §4107). These NMFS programs are further detailed at [<http://sero.nmfs.noaa.gov/grants/fda.htm>] and [http://www.nmfs.noaa.gov/mb/financial_services/disaster.htm].

Capacity Reduction. Distress in the commercial shrimp industry presents an opportunity for a possible capacity reduction effort to remove vessels and licenses permanently from the fleet. Such efforts could provide both compensation for damages for those who decide to sell their licenses and vessels as well as reduction in competition to those who may decide to resume shrimping. A summary of NMFS capacity reduction programs can be found at [http://www.nmfs.noaa.gov/mb/financial_services/buyback.htm].

¹ Photographs of damage were available at [<http://www.nmfs.noaa.gov/pascagoula.htm>] on Sept. 7, 2005.