

exhibit H



JOHN A. KITZHABER, MD
Governor

December 7, 2012

Chair Bobby Levy
Director Roy Elicker
Oregon Department of Fish and Wildlife
3406 Cherry Avenue, NE
Salem, OR 97303

Dear Chair Levy and Director Elicker:

I want to convey my sincere appreciation and support for your efforts in response to my August letter asking the Oregon Fish & Wildlife Commission to undertake action on Lower Columbia River Fisheries Management. I acted then – and I act now – on the belief that we can achieve a better fisheries management policy than either the status quo or one imposed by a ballot measure.

In that spirit, I have reviewed the recommendations of the Columbia River Fisheries Management Workgroup to the Fish & Wildlife Commissions of Oregon and Washington, titled, "*Management Strategies for Columbia River Recreational and Commercial Fisheries: 2013 and Beyond.*" I support and encourage the Commission in moving forward today based on these recommendations and the draft Oregon Administrative Rules (OARs) to implement them – with the suggested modifications and additional actions outlined below.

First, let me reiterate that I am committed to achieving enhanced economic benefits for both commercial and recreational fishing interests. To be more specific, I support the continuation of an economically viable lower Columbia commercial fishing industry as one of the outcomes of this effort. As a consequence, I am committed to supporting full implementation of measures necessary to achieving these outcomes – a commitment that is reflected in my 2013-15 recommended budget which invests \$5.2 million in Lower Columbia Fisheries Management to support several action areas, including enhancement of commercial fishing opportunities in off-channel areas and advancement of alternative gear types and related mainstem commercial fisheries.

In addition to my proposed budget, I will also be working with the legislature on other essential actions necessary to achieve an economic "win-win." These actions include (a) the authorization of the Fish & Wildlife Commission to approve alternative fishing gear and (b) an endorsement fee to be paid by Columbia River recreational fishers to cover costs of actions associated with realizing the above mentioned assumptions around shared economic gain.

I recognize that the pathway to mutual economic gain rests upon important assumptions and on an underlying economic analysis. I also recognize that the commercial fishing industry bears a

disproportionate degree of risk – and thus uncertainty – should either the key assumptions or the underlying economic analysis fail to deliver the anticipated outcomes.

For this reason, I believe the Commission should undertake more vigilant monitoring of both the assumptions and the economic analysis than proposed in the recommendations of the Workgroup. I believe this should begin immediately, with the Commission reviewing the status of the assumptions and accuracy of the economic analysis at the end of one year. If the anticipated outcomes are not being realized for reasons other than annual variations in run sizes or other natural factors – despite good faith efforts by all parties – then the Commission should intervene through adaptive management. This should be true for subsequent years as well. Adaptive management does not mean scrapping the entire framework of the Workgroup's recommendations, but it does mean addressing the reasons behind any failure of the key assumptions in achieving intended outcomes around conservation as well as recreational and commercial fishery economics, including harvest allocations.

In addition, based on assumption-related risks and as part of my budget, I will propose to the legislature the immediate establishment of a Transition Fund to provide direct assistance to commercial fishing interests in transitioning to off-channel locations and/or alternative mainstem gears, as well as support payments in the event the predicted economic gains are not realized due to unforeseen errors in the economic analysis that threaten otherwise viable fishing operations prior to the Commission's ability to react through adaptive management.

Finally, while I am in full support of the Commission moving forward today, I ask you to re-examine three specific Workgroup items in addition to the enhanced monitoring and adaptive management I have outlined above. I believe deviation from the specific Workgroup recommendations on these particular items can be done without undermining the spirit of the overall recommendations and therefore the economic gains across the region, and ideally, consistency with Washington. These items are:

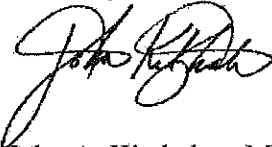
1. Instead of assigning 100% of the summer Chinook main stem harvestable surplus opportunity to recreational interests long-term, I believe the opportunity should exist to develop an alternative gear commercial fishery for this run. Consider revising the proposed OARs to eliminate the proposed long-term allocation and instead commit to revisit this issue with Washington at the end of the transition period and allocate up to 20% of the harvestable surplus to commercial interests if alternative gear opportunities exist.
2. Instead of requiring the use of barbless hooks immediately, consider phasing in this decision after two years in order to minimize near-term impacts on economic interests affected by this change.

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3. Instead of immediately implementing the Youngs Bay Control Zone in the OARs, consider approving a recommendation that this closure be adopted into the OARs in the future if ODFW determines commercial economic objectives are not being met.

Again, I appreciate the tremendous investment of time and energy that you, the Workgroup, its advisors, Oregon and Washington agency staff and commissioners, and the public have made on this difficult and important issue. If adopted and implemented, the proposal before you represents a significant policy shift that, I believe, will meaningfully address a growing but long-standing social dispute, preserve and enhance commercial and recreational fisheries, improve overall economic benefits to Oregon and the region, and support fish conservation and recovery. Thank you for your leadership, and I look forward to working with you toward successful implementation.

Sincerely,



John A. Kitzhaber, M.D.
Governor

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