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Testimony of John M. Palatiello Executive Director MAPPS

before the Committee on Resources Subcommittee on Fisheries Conservation, Wildlife and Oceans U.S. House of Representatives

on H.R. 4368 Weather and Oceans Resources Realignment Act

September 30, 2004

Mr. Chairman, members of the Subcommittee, I am John M. Palatiello, Executive Director of the Management Association for Private Photogrammetric Surveyors, MAPPS, the nation's oldest and largest trade association of firms in the geospatial profession. We are honored to have been invited to present our views on the future of NOAA.

The member firms of MAPPS provide a variety of geospatial activities for commercial and government clients. These include mapping, photogrammetry, aerial photography, hydrographic surveying, nautical and aeronautical charting, GPS surveys, LIDAR, airborne and satellite remote sensing, and other geographic and location based services. Additionally, our member firms provide commercial products in mapping, charting and remote sensing.

Our member firms interact with NOAA in a variety of ways. For example, all the prime contractors, and a number of subcontractors, on NOAA's shoreline mapping program, are MAPPS member firms. Virtually every prime contractor, and numerous subcontractors, in NOAA's hydrographic survey program, is a MAPPS member firm. The work done at NOAA's Coastal Services Center in Charleston, SC, and the way it utilizes the private sector for geospatial products and services to provide assistance to states and localities on the nation's coasts, is a "best practices" model that should be more extensively emulated throughout NOAA's National Ocean Service. And our member firms that operate high resolution commercial remote sensing satellites are licensed by NOAA's National Environmental Satellite, Data, and Information Service (NESDIS). Each of these programs is very successful and enjoys the support of our members who are involved.

We understand the intent of H.R. 4368 and agree that a new structure for NOAA is needed. However, we are concerned about the bill's proposal to transfer NOAA, in total, to the Department of the Interior.

Certainly, there are areas in which reform of NOAA is needed. Our member firms encounter an on-going difficulty with many NOAA activities.

For example, NOAA continues to unfairly compete with the private sector in a number of geospatial areas. For example, despite the Inspector General's recommendation that NOAA's aerial photography program be privatized (Light Aircraft Fleet Should Be Privatized, STD-9952-2-0001/August 1998), NOAA not only continues to operate this activity in-house, but it is building its capacity, in competition with the private sector. A case in point was the National Ocean Service's acquisition of a new digital aerial camera or sensor system (DSS) last year. This was done without consideration of the capacity in the private sector to provide digital airborne imagery services. This activity, we believe, is a violation of the Federal Activities Inventory Reform (FAIR) Act, Public Law 105-270, and Office of Management and Budget Circular A-76 (both the old circular and the newest version). As a result of this action, the House Appropriations Committee included language in its FY 2005 committee report (H. Rept. 108-576), providing, "The Committee expects NOAA to work with the private mapping community to develop a strategy for expanding contracting with private entities to minimize duplication and take maximum advantage of private sector

capabilities in fulfillment of NOAA's mapping and charting responsibilities. NOAA shall submit a report on such a strategy to the Committee no later than November 1, 2004. This report shall include a description of activities currently performed by NOAA, and activities performed by contractors, accompanied by cost and percentage information for each." NOAA has not yet communicated with or engaged the private mapping community to develop that strategy.

As you may know, despite the progress that has been made on the hydrographic survey backlog, due in large measure to the leadership exerted by this Subcommittee, the NOAA survey ship operation activities have long been on the General Accountability Office list of high risk programs. As recently as 2001, NOAA's hydrographic program of operating its own ships continued to be a major management challenge and program risk in the Department of Commerce. GAO found, "NOAA continues to rely heavily on its in-house fleet and still plans to replace or upgrade some of these ships. Consequently, continued oversight of NOAA's plans to replace or upgrade ships will be needed to ensure that NOAA is pursuing the most cost-effective alternatives for acquiring marine data." (GAO-01-243, Commerce Challenges, January 2001). NOAA still does not fully utilize the capacity of the private sector, which has been proven by the Inspector General to be more efficient than operation of NOAA's own ships.

NOAA still has not worked with the private sector to fully implement the mandate of Congress under section 104 of the Hydrographic Services Improvement Act to develop a "quality assurance program" which was that, "by not later than 2 years after the date of enactment of the Hydrographic Services Improvement Act Amendments of 2002, shall, subject to the availability of appropriations, develop and implement a quality assurance program that is equally available to all applicants, under which the Administrator may certify hydrographic products that satisfy the standards promulgated by the Administrator under section 303(a)(3) of this Act". This provision became law when signed by the President on December 19, 2002 (Public Law No: 107-372) and the two year deadline is December 19 of this year. It should be noted, Mr. Chairman, that privately produced ENC (Electronic Navigational Charts) data for the entire U.S. exists today. For NOAA to duplicate this effort is a waste of taxpayers' money. The certification and utilization of such data is exactly what Congress envisioned when it passed this provision in HSIA, in order to prevent such waste and duplication.

And NOAA still does not support, nor does it fully embrace, the time-tested and proven qualifications based selection (QBS) process, under the Brooks Act and subpart 36.6 of the Federal Acquisition Regulation (FAR) for the full spectrum of surveying and mapping services. As demonstrated by the GAO protest that was filed in the matter of Terra Surveys, B-294015, August 4, 2004, NOAA avoids QBS when the public interest, and the HSIA, calls for it. Moreover, MAPPS has been deeply disappointed in NOAA's management of its electronic navigational chart (ENC) program. NOAA's lax contract management has permitted firms to circumvent the terms of the small business set aside program and facilitated this work going offshore to non-U.S. firms. We do not believe this is in the public interest, nor is it consistent with our homeland security needs.

Earlier this summer, the Transportation Research Board (TRB) released a report: "Geospatial Information Infrastructure for Transportation Organizations: Toward a Foundation for Improved Decision Making". It can be found at http://trb.org/publications/conf/CP31spatialinfo.pdf.

Among the report's key findings and recommendations -

- * The roles and responsibilities of decision-makers must evolve if we are to leverage geospatial information and tools to our best advantage. This entails building and maintaining different relationships and enabling new and creative ways to do business. To accomplish this:
- * The role of government should shift from implementer to facilitator/enabler and role model, allowing agencies to become more flexible and responsive.
- * Different relationships should be established, both horizontally across functions and vertically across levels of government and the private sector, to ensure that resources are used most effectively.
- * The committee concluded that to respond to a world in which data and technology are evolving more rapidly that the institutions that use them, a new model for development and use of geospatial information by the transportation system is needed...The actions necessary to make widespread use of geospatial data in a systematic way could be achieved through a focused alliance and collaboration among public, private, and academic communities. A key is in recognizing that the role of federal agencies is to enable state and local

agencies and the private sector to carry out their missions. A practical role, rather than to mandate data requirements, would be to solicit data from data owners and providers and to encourage data sharing among agencies, users, and decision makers.

* The past decade has shown that it is impractical for federal and state transportation agencies to collect, maintain, and develop comprehensive geospatial data sets to support broad decision-making activities. A more viable approach appears to be to encourage agencies -- public or private -- that are closest to the source to collect and maintain data necessary for their missions and to facilitate sharing of these data while developing expertise to integrate them into broader decision-support environments."

This describes NOAA as an agency that supports various transportation modes with geospatial activities. The new business model suggested by TRB, with a strong partnership with the private sector, is needed by NOAA, wherever it rests in the Federal Government's organizational chart.

Mr. Chairman, the recent report of the U.S. Commission on Ocean Policy highlighted the urgent need to modernize, improve, expand, and integrate Federal mapping efforts to improve navigation, safety and resource management decision making. While a satisfactory resolution of the areas of concern I just discussed is needed in order for NOAA's mapping-related activities to realize the need identified by the Commission, we believe another set of issues and unintended consequences may be created with specific regard to the transfer of NOAA activities to the Department of the Interior. They are as follows:

- There is already a proliferation of geospatial activities within the Department of Interior. This has been well documented in the recent GAO report on Federal geospatial activities (Geospatial Information: Better Coordination Needed to Identify and Reduce Duplicative Investments, GAO-04-703, June 2004) and the 1998 NAPA study (Geographic Information for the 21st Century, National Academy of Public Administration, January 1998). Section 2(c) of H.R. 4368 calls for NOAA to be a distinct entity with the Department of the Interior. We believe that for the mapping, charting and geodesy activities of NOAA to be successfully integrated into those activities already spread among various agencies (USGS, BLM, NPS, FWS and others) in Interior, a consolidated geospatial bureau in the Department of the Interior is a better approach.
- The largest portion of the NOAA Corps officers is in the mapping, charting and geodesy activities of NOAA. We believe that imposing the NOAA Corps on the Interior Department would be a difficult personnel transition, either by dismantling the Corps and ingesting it into the civilian personnel system, or asking Interior to simply assume responsibility for management of the NOAA Corps.
- We do not believe that National Environmental Satellite, Data, and Information Service (NESDIS) program which licenses high resolution commercial remote sensing satellites systems belongs in Interior. This activity should remain in the Department of Commerce.
- Moreover, our experience with some activities in Interior, including the USGS, is that they too readily accept new responsibilities, but fail to secure sufficient funding along with those new activities. This ends up hurting existing programs. This has been particularly true of the cooperative topographic mapping program in USGS, which is being subject to re-programming to cover the deficit in operational income from LANDSAT.

When legislation to dismantle the Department of Commerce was prominent in Congress in the mid-1990's, Rep. Royce of California introduced a bill that took an approach to the mapping, charting and geodesy activities in NOAA that we believe deserves the attention of the Subcommittee. His bill would have transferred the mapping, charting, and geodesy functions to the U.S. Army Corps of Engineers. The bill also provided that "the Secretary of the Army, acting through the Chief of Engineers of Army Corps of Engineers, shall terminate any functions transferred ... that are performed by the private sector or obtain by contract from the private sector those functions that are commercial in nature and are necessary to carry out inherently governmental functions."

We believe such a transfer has merit and is worthy of consideration by the Subcommittee. There are a number of reasons why such a transfer makes sense.

- There are NOAA and Corps of Engineers programs that are quite similar. NOAA conducts hydrographic surveys and publishes charts on the coasts, shorelines and Great Lakes. The Corps of Engineers conducts hydrographic surveys and publishes charts of the inland waterway system.
- While accurate data is not presently available, at the time of the introduction of Rep. Royce's bill, the

Corps of Engineers had more geodesists on staff than NOAA, even though NOAA operates the National Geodetic Survey.

- The Corps is the most experienced and talented procurer of mapping, charting and geodesy services in the Federal Government. The Corps has literally written the book (actually a manual) on Brooks Act, QBS contracting, and teaches a course for government officials. Several NOAA personnel who award contracts for shoreline mapping, hydrographic surveys and the Coastal Services Center, have taken the Corps' course.
- Finally, integrating the NOAA Corps into the military personnel system already in place in the Army would be significantly easier than integrating or managing the NOAA Corps in the Interior Department.

Mr. Chairman, thank you for the opportunity to comment on these important issues. We look forward to working with you as this legislation moves forward.