## <u>Testimony before the House Committee on Natural Resources</u> <u>Subcommittee on Insular Affairs, Oceans and Wildlife</u>

## <u>"Our Natural Resources at Risk: The Short and Long Term Impact of the Deepwater Horizon Oil Spill"</u>

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Good morning, Thank You for the opportunity to speak to the Committee today about the impact of the Deepwater Horizon oil spill in the Gulf of Mexico.

The spill is clearly an ecological and human challenge that will surely effect not only the fragile habitats where fisheries, including shrimp and oysters are harvested but the very core of the community that brings these iconic delicacies from the waters of the Gulf to the tables of America. The Gulf community is one built not only on the bounty of pure waters but on the backs of small business men and women whose families, like mine, emigrated to the shores of Louisiana; called by the sea and a culture like no other in this country.

That culture and those Americans need your support during these challenging times. Fishermen, shrimpers and oystermen who harvest safe healthy seafood from the Gulf are being impacted by precautionary closures of State and Federal waters along parts of the coast like no one else in the region. We support the precautionary closures in order to ensure consumers continue to have access to seafood maintained with the level of quality and safety expected from the Gulf but the impact of these needed safety precautions fall disproportionately on the men and women who work the water.

The short and long-term impacts of this spill are being felt and will be felt for a considerable amount of time in Gulf Coast Communities. Short term, besides the environmental and resource challenges there are lost incomes and insecurities about the future ability to earn an honest living. Longer term is difficult to prognosticate at this time since the event continues and the economic and human challenges are not yet close to being complete and understood. I have listed below a number of thoughts relating to both short and long term challenges.

There needs to be a continued long term commitment by the Federal government, the Gulf Coast States and most importantly the responsible party to mitigate the damages and return our communities to what they were prior to these challenging events.

In 2008, our 17,000 commercial fishermen in Louisiana alone harvested 1.27 billion pounds of seafood, creating a total economic impact of over \$2.4 billion. Meanwhile, 3.2 million recreational fishermen along our shores took to the water completing a total of 24 million fishing trips.

The reality of the potential economic impact of the oil spill on species like oysters could be extensive. The Gulf of Mexico States lead the nation in the production of oysters; nearly 70% of all the oysters harvested in this country or some 500 million pounds of inshell oysters are produced annually with an annual total economic impact of over \$600 million. That's more than 250 million pounds of in-shell oysters from Louisiana alone.

My home, Louisiana, is the second largest seafood producing state in the country and the impact of the spill on our fisheries and our business are sure to range from immediate to long term as I have previously discussed. But just how much of an impact it will have can't be determined at this point because there's never been an oil spill of this magnitude in the Gulf and unfortunately, at last check, the oil continues to flow.

We're not just talking about multiple habitats, multiple species—crabs, shrimp, oysters, fin fish—we're talking about multiple communities and multiple livelihoods St. Bernard, Plaquemines, Terrebonne, Jefferson, Vermillion, St. Mary, Iberia and Lafourche Parishes as well as all of the Gulf States .

Thank you for doing your part to focus on the impact this disaster is having on another irreplaceable resource we pride our selves on in the Gulf... the Seafood Community.

I will be glad to answer any questions you may have.

Potential Short and Long Term Impacts;

- The short and long-term impacts of this oil spill on the local community Workers are starting to lose their jobs, they'll stop spending as freely in the community, homes sales are going to suffer (as well as sales tax revenue)... this is going to ripple through the entire community as the fishing community idles, layoffs continue (they're already starting). Government services budgets will tighten, potentially long term, we may be looking at a loss of population as people look for work in other areas or move in with family members in other communities and states
- Short term
  - Extreme stress of the presence of liquid hydro carbons introduced to the fisheries and wild life habitat areas causing potential casualties in some species

- Greater demands placed on community services that include but are not limited to rental assistance, utility assistance, food stamps, and unemployment benefits.
- Loss of wetlands direct damage and further destruction of the wetlands increases flooding risks from hurricanes
- o Loss of Jobs
  - Fisheries not able to fish because of closure of fishing areas, oyster leases and shortened season. Erratic seasonal openings and closings driving up fuel and provision costs. Support business closing because of a lack of inventory (processors), lack of customers (docks and ice houses) and lack of market (concern about contamination). The traditional transition industry that those working in the fisheries depend up to survive difficult time is the oil field service industry
  - Oilfield service Current Moratorium on drilling will force drilling operation to other countries causing significant layoffs starting immediately and lasting for potentially up to 5 years
  - Commercial retail Small grocery stores, marine mechanics and dock service companies in the lower areas of the States that service the fishing community will be hard hit. Local restaurants that depend on an abundance of local, available seafood will be challenged.
  - Recreation and leisure Multiple bookings have been canceled by those seeking recreational fishing among the charter companies. Bird watching, swamp tours and recreational boating will be negatively impacted.
  - Banking Many of the local and regional banks may be at risk because of limited portfolios to the region.
- Loss of cultural livelihoods
  - subsistence fishermen and hunters no longer able to live off of the land – many Native American and/or some Vietnamese
- Long term
  - Review and reevaluation of Census data our census data has been mostly collected but will not reflect the short or long term damages to the community that will include the sudden loss of income and rise of unemployment. Ineligibility relating to federal assistance and support funds will further hamper and impede community outreach, infrastructure rebuilding and economic development programs availability.
  - Loss of large capital equipment to other countries with the oilfield service companies
  - o Loss of tax revenue
  - o Loss of population seeking work
  - o Loss of business infrastructure
  - o Loss of local lending capacity

2) The need for prolonged commitment by the Federal government, the States, and the responsible party to mitigate damages. The Responsible Party needs to be responsive to the individuals, communities and businesses its actions are impacting and in a timely manner. Allowing for an extended reviews process (two to three weeks for some) for claims to be processed is unreasonable when it means the business may close. The States must be nimble in their response and support of business' needs – we cannot wait 18 months (or longer) to implement programs to assist in this disaster. British Petroleum role and responsibility – Fund the cleanup and restoration of our environment. Take the initiative in the areas that their expertise is unique or proprietary.

- Federal role and responsibility Oversee and insure delivery of goods, services, technical assistance, enforcement of law, restitution and replacement to extent the damages warrant. Insure the delivery system for a plan of recovery.
- State role and responsibility Insure continuity and relevance of requests for reimbursement of damages made. Estimate the total potential loss and develop a plan in conjunction with local officials to insure as rapid a recovery as possible
- Local role and responsibility make relevant claims. Work with the States to develop a broader strategy to recovery. Inform the Federal Agencies of issues not being resolved. Make known to all three the impacts of their actions and any unintended consequences thereof.

3) The sufficiency of community outreach to disseminate information to and receive information from the public about the environmental impacts of this oil spill

- Environment impact
  - Assess and monitor fisheries to reassure the safety of domestic product
  - Resonation of the wetlands to insure the stability of the marsh, for all species rebound, protect the citizenry from hurricane
  - o Transparence is critical to regain the trust of the citizenry
- Economic development
  - Local economic development organizations and planning and development districts need to be coordinated
  - Unintended consequences developing because of lack of coordination and inclusion are further damaging the economic environment of the community
- Workforce development
  - Work with local economic development, community colleges and workforce investment boards to develop strategies to bridge the unemployment gaps