

Committee on Resources

Subcommittee on Fisheries Conservation, Wildlife and Oceans

Statement of Dr. James Baker, Undersecretary for Oceans and Atmosphere, Department of Commerce

TESTIMONY OF DR. D. JAMES BAKER
UNDER SECRETARY FOR OCEANS AND ATMOSPHERE
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
BEFORE THE
SUBCOMMITTEE ON FISHERIES CONSERVATION, WILDLIFE AND OCEANS
COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVES
MARCH 18, 1999

Thank you, Mr. Chairman, and members of the Subcommittee, for this opportunity to testify on the President's FY 2000 Budget Request for the National Oceanic and Atmospheric Administration (NOAA). I am accompanied today by Terry Garcia, Assistant Secretary for Oceans and Atmosphere, Scott B. Gudes, Deputy Under Secretary for Oceans and Atmosphere, and Paul F. Roberts, Chief Financial Officer/Chief Administrative Officer. Before I begin, let me state that because of investments championed by this subcommittee, NOAA is a world leader in oceanography, coastal and marine resources management, and sustainable use of the coast. I am especially proud of our partnership role in the historic Headwaters agreement concluded just two weeks ago. The agreement preserves approximately 10,000 acres of giant redwoods in Northern California and protects a salmon habitat on another 210,000 acres. This proposed budget is a good budget for NOAA; this is a good budget for the Department of Commerce; this is a good budget for America. NOAA's FY 2000 request is for \$2.6 billion in total budget authority which includes \$2.5 billion in discretionary budget authority. This request collectively represents a 12.9% increase over the total budget authority appropriated for FY 1999. The request is predicated on the need to ensure the continued delivery of essential science, technology and services to the Nation. The President's Budget Request also allows NOAA to perform an essential role in a number of Departmental, interagency and Presidential initiatives, including the Lands Legacy Initiative and other important components of the Ocean 2000 Initiative, the Natural Disaster Reduction Initiative, the Climate in the 21st Century Initiative, and building the capacity of the Nation's Historically Black Colleges and Universities (HBCUs). Let me take a moment to say a few words about these important activities.

Ocean 2000 Ocean and coastal resources are the foundation of the Nation's coastal and regional economies. One-third of the U.S. GDP and one-half of the Nation's jobs are produced in the coastal zone through industries such as fishing, tourism, and marine transportation. With increasing national attention on the value of the ocean and coastal resources and the important role of ocean navigation and shipping, our coastal and

marine resources are under stress. As increased numbers of people move to coastal areas, coastal resource habitat is disappearing. The \$317.6 million Ocean 2000 initiative will increase the protection, restoration and sustainable use of the Nation's ocean and coastal resources. The Ocean 2000 crosscut integrates the Administration's Lands Legacy programs and initiatives supporting the Year of the Ocean (YOTO), resource protection, South Florida ecosystems restoration and research, and implementation of NOAA's responsibilities under the Clean Water Action Plan.

Lands Legacy Initiative NOAA's FY 2000 budget requests \$105 million of new funding to fulfill the environmental goals outlined in the Administration's Lands Legacy Initiative through expanding partnerships with state and local communities. The economic and environmental well-being we derive from the abundant and essential natural resources and the beauty provided by coastal ecosystems is being undermined by the very critical economic and aesthetic uses that make these diverse areas so valuable to the Nation. Escalating losses and degradation of coastal wetlands, fisheries habitat, and coral reef ecosystems must be reversed. NOAA has the vision, expertise and partnerships to successfully confront this challenge. This request includes the development funding to expand partnerships with states and localities in targeted investment areas. These partnership programs will strengthen and expand protection of the Nation's most significant ocean and coastal areas; restore critical coastal habitat and vibrant coral reef ecosystems; and provide states and coastal communities with the tools and resources for environmentally-sound and economically-sustainable "smart growth." Some examples of our investments include: \$32.0 million for Coastal Zone Management of which:

- \$28.0 million will help states and localities through Section 310 of the Coastal Zone Management Act, to implement community-based solutions to restore or enhance coastal resources and community revitalization.
- \$2.0 million for coastal non-point pollution control program development; and
- \$2.0 million for Section 309 Grants for coastal non-point pollution control program implementation.

NOAA will work with 32 Coastal Zone Management state partners and coastal communities by providing grants and technical assistance to improve land use and address impacts of increased development and urban sprawl on coastal resources. An increase of \$15.0 million will be used to strengthen the Nation's largest system of marine protected areas, the National Marine Sanctuary Program. The Sanctuary System will be enhanced by bolstering operational capabilities at the twelve existing sites, expanding Sanctuary educational and outreach opportunities, and positioning the System for the future by beginning the planning process in consultation with states and communities to identify possible new sites. This represents growth in the Marine Sanctuary Program funding by a factor of four since FY 1993 (a total of \$29.0 million). In addition, an increase of \$14.7 million will be used to enhance the protection of critical estuaries by providing funds to states and communities for the acquisition of lands from willing sellers in and around the existing National Estuarine Research Reserves System (\$19 million total), as well as strengthening existing management and upgrading facilities at these sites.

More than 95 percent of U.S. overseas trade by tonnage (excluding Mexico and Canada) passes through U.S. ports and harbors. It is often necessary for our ports and harbors to dredge deeper channels to accommodate larger and larger cargo ships. Such efforts must be undertaken in a way that protects the environment, including a continued commitment to environmentally sound dredging and safe disposal or

reuse of dredged materials. New funding of \$10.0 million is requested for NOAA to work with the Corps of Engineers, other federal and state agencies, and coastal communities to help them avoid costly delays in the dredging process and to determine ways to use material dredged from ports and shipping channels to restore important coastal habitats. Coral reefs are exquisite yet endangered ecosystems which sustain tourism, recreation and fishing industries worth billions of dollars in economic activity. An increase of \$10.0 million will enable NOAA, by working with states and other agencies, to restore injured reefs in Puerto Rico, Florida, Hawaii, U.S. territories and the commonwealths. Funding will be provided for: development and implementation of emergency restoration activities; restoration of small to moderate-sized injured sites; development of coral nurseries to provide donor material for restoration projects; monitoring to evaluate restoration effectiveness; and the transfer of restoration technologies to other coastal stewards. This request complements and supports the \$2 million Coral Reef Protection increase requested under the Year of the Oceans Initiative. Finally, under this Initiative, NOAA requests \$22.7 million to increase the number and geographical scope of community-based habitat restoration efforts that generate quality habitat essential to commercial and recreational fisheries nation-wide. It is the intention of the Administration that the Lands Legacy Initiative be financed from the Land and Water Conservation Fund. The President's budget recognizes that several existing, authorized programs in the Departments of the Interior, Agriculture and Commerce (NOAA) serve conservation purposes similar in nature to those currently funded out of the Land and Water Conservation Fund, and that it makes sense to fund them out of the OCS receipts. The general purposes of the Land and Water Conservation Act (16 U.S.C. 460l-4) provide that the Fund is to assist in preserving, developing, and assuring accessibility to all U.S. citizens to outdoor recreation resources by (1) providing funds for Federal assistance to the states for planning, acquisition and development of land and water areas and facilities, and (2) providing funds for the Federal acquisition and development of certain lands and other areas. The NOAA programs to be funded by the fund all serve purposes similar in nature to those currently funded out of the Fund. Both the Department of the Interior and case law have broadly defined what constitutes outdoor recreation resources. In addition, sections 460l-5(c)(2) states that moneys from receipts under the Outer Continental Shelf Lands Act shall remain in the fund until appropriated by the Congress to carry out purposes of this Act. Through the appropriation process, NOAA's programs may be funded by the Land and Water Conservation Fund.

Year of the Ocean At the 1998 National Ocean Conference in Monterey, California, the President launched a series of major initiatives to explore, protect and restore America's vital ocean resources. Highlighting the important role the ocean plays in the daily lives of all Americans, the Administration introduced measures to promote new scientific insight into the oceans, sustain use of fisheries and other marine resources, provide new opportunities for economic growth, and protect fragile coastal communities and ecosystems, such as coral reefs, from damage and environmental degradation. NOAA's FY 2000 budget request (\$78.1 million) for the Year of the Ocean (YOTO) Initiative includes:

- \$5.2 million to promote safe and efficient navigation through balanced investment that will improve the competitiveness of U.S. ports and exports while lowering the risk of marine accidents and resulting pollution. Within this amount, an increase of \$2.75 million will enable NOAA to fully develop and implement quality assurance and modernization capabilities required to support the installation of additional Physical Oceanographic Real-Time Systems (PORTS) through cost sharing partnerships.
- \$4.0 million to the National Ocean Partnership Program to better understand the role of oceans in shaping our weather and climate. Finer measurements of ocean data are needed to track climate shifts, understand the interaction of the oceans and atmosphere, and predict severe weather and the regional impacts of global climate change. Funds will be used to construct, deploy and operate an array of

1000 profiling autonomous floats for data collection in the Pacific and Atlantic Oceans.

- \$58.2 million for Fisheries Data Collection Capacity, Stock Assessments and Fisheries Conservation, and Management, including:

\$51.6 million to construct the first of four new state-of-the-art research vessels necessary to conduct essential stock assessment surveys and monitor fish and marine mammal species, assess ecological changes and provide the best available data to rebuild sustainable fisheries. These new ships will be both calibrated and acoustically quiet to mitigate disturbance of sea-life under study. The ships will complement our increasing charters with research partners in industry and academia and will modernize NOAA's aging fleet of research vessels. \$2.6 million for NOAA to carry out requirements of the Magnuson-Stevens Fishery Conservation and Management Act. \$2.0 million for enhanced observer coverage to carry out increased observer workload mandated in the Act. \$2.0 million to support work on fisheries oceanography to improve stock predictions by identifying and assessing critical environmental processes controlling long-term trends in the Nation's fishery production. A network of bio-physical moorings in the North Pacific Ocean will provide data on key oceanographic indicators and give greater insight into environmentally-induced shifts in the productivity of commercially important fish stocks.

- \$4.6 million for NOAA, in cooperation with industry, Federal, and State partners, to develop and promote an environmentally friendly and commercially viable domestic marine aquaculture industry.
- \$2.0 million in order to work with the states, U.S. territories and commonwealths, and local communities, to carry out important research, monitoring, management and mapping of the Nation's coral reef system. These funds will be used to address issues identified by the National Coral Reef Task Force, which is made up of state and federal coral experts.
- \$4.1 million to unravel deep-sea mysteries, discover new opportunities in the ocean, and better understand how to protect marine resources. These funds will launch a program to map and explore U.S. ocean waters with advanced underwater technology, support the Sustainable Seas Expedition and support an economic evaluation of the contribution that the oceans vast resources provide to the Nation's economy and environment.

Resource Protection Development is posing an increasing threat to numerous marine species and their habitat. The number of species either listed by NOAA under the Endangered Species Act(ESA) or under consideration for listing is growing. Stemming this crisis of extinction is one of NOAA's greatest challenges. NOAA is committed to preventing the extinction of at-risk marine species, and restoring their habitat and ecosystems. Our ongoing efforts to protect and conserve our natural resources include establishing greater public involvement in conservation planning, creating incentives for landowners and states to protect species and their habitat in order to prevent the need to list, and entering into long-term conservation plans with landowners. NOAA's FY 2000 budget request includes over \$130 million to support the Resource Protection Initiative, including:

- \$100.0 million to establish a Pacific Coastal Salmon Recovery account for grants that will bolster salmon recovery through a new partnership agreement that will double the federal dollars with matching non-federal contributions. The Presidential initiative focuses on improving federal conservation activities and building crucial federal-state-tribal partnerships to share limited resources while improving scientific information to ensure a lasting recovery of salmon. Many salmon runs are at risk of extinction in California, Oregon, and Washington. Because of the State of Alaska's important role in pacific salmon recovery, it will also receive a portion of this funding.
- \$2.6 million to characterize and map biodiversity and protected species habitat. These efforts will

permit the identification of crucial habitat for the conservation of at-risk species and will identify increased conservation efforts under the ESA.

- \$27.5 million for Endangered Species Act Recovery Planning to stem the decline of highly endangered species including Atlantic and Pacific Salmon, leatherback and loggerhead turtles, Hawaiian monk seals, and North Atlantic right whales through protecting and restoring critical habitat; eliminating incidental take in commercial fisheries and conducting research and monitoring to determine species status and habitat requirements.

South Florida NOAA's FY 2000 budget request includes \$5.1 million to address issues related to the South Florida Everglades Restoration effort - an increase of \$1.6 million over FY 1999 to support an integrated effort among federal, tribal, state and non-governmental partners to halt the degradation and restore the healthy function of the South Florida ecosystem.

NOAA supports the portion of the South Florida Everglades Initiative exclusively devoted to restoring and protecting the coastal and marine portions of the South Florida ecosystem such as fisheries habitat and coral reefs. The Initiative has already produced significant accomplishments in this area. Continued investment is necessary to restore and maintain the marine ecosystem and the associated economies of South Florida Bay, and the Florida Keys.

Clean Water Initiative NOAA's FY 2000 budget request includes a total of \$22.0 million to support the Administration's Clean Water Initiative, an increase of \$5.8 million over FY 1999. This Initiative will help protect coastal communities from toxics and reduce the flow of pollution into coastal waters from nonpoint sources (e.g., runoff from agricultural fields, city streets, and other areas). Polluted runoff is now a major source of coastal water pollution and one of the primary factors associated with outbreaks of harmful algal blooms (e.g., pfiesteria) and the spread of hypoxic zones in U.S. coastal waters. Communities, businesses and human health are increasingly threatened by polluted runoff and the symptoms of polluted coastal waters. For example, every year degraded water quality causes warnings or closures of thousands of beaches resulting in losses to tourism and recreation industries. Degraded water quality continues to close or restrict the use of nearly 30 percent of U.S. shellfish growing areas. This includes 4.5 million acres or 50 percent of the shellfish growing area in the Gulf of Mexico, the Nation's top shellfish-producing region. Over the past 20 years, harmful algal blooms have affected nearly every coastal state and produced an estimated \$1.0 billion in economic losses. The increasing frequency and magnitude of these problems suggests that significant action is required now to reduce the costs and symptoms of non-point source pollution, and improve the quality of U.S. coastal waters. An increase of \$4.0 million under the Clean Water Initiative (also presented under the Lands Legacy Initiative CZM component), will address polluted runoff by providing CZM states with additional resources to develop and implement coastal non-point control programs. An increase of \$1.8 million will enable NOAA to expand its role in national pfiesteria research and monitoring. The increase will also allow NOAA to assist states, universities and communities in the development of detection and assay technologies essential for pfiesteria and other types of harmful algal bloom outbreaks. Each of these components, integrated in the Ocean 2000 Initiative, is essential for ensuring the long-term health of our Nation's oceans and coastal areas. The FY 2000 budget reflects NOAA's commitment to meeting these needs and fulfilling our mission as the Nation's leader in ocean and coastal stewardship.

Natural Disaster Reduction Initiative Under the Department of Commerce's Natural Disaster Reduction Initiative (NDRI), NOAA is seeking an increase of \$1.0 million to expand work with coastal states and communities to develop coastal risk atlases and provide new remote sensing data in a more timely and effective manner. This will enable coastal communities to better prepare for and recover from hurricanes and

other natural disasters. In addition, the NDRI includes an increase of \$1.5 million to improve the accuracy and lead-time for predicting hurricane landfall location. This information is essential to coastal emergency managers, ultimately saving lives and property along our coasts.

Climate in the 21st Century NOAA requests an additional \$19.1 million to meet the Nation's climate information needs. Much of this funding will be spent on oceanography, continuing research into (1) El Niño-La Niña, (2) other circulation patterns such as the North Atlantic Oscillation and the North Pacific Oscillation, and (3) the role of the oceans in long-term climate change. We are finding that changing ocean circulation patterns, in addition to affecting climate, have a profound effect on fisheries resources. For example, changing circulation patterns may affect the salmon and pollock fisheries off Alaska.

Infrastructure This budget demonstrates our commitment to meeting our responsibilities for investing in and maintaining our infrastructure. The challenge of investing strategically in the Nation's future requires continuing investments in NOAA's infrastructure, including investments in our people. The FY 2000 budget request includes essential funding to meet these investment needs. Most notably, the budget request:

- includes funding to address our data acquisition needs by providing for the first of four new Fisheries Research Vessels (FRVs), while at the same time increasing the number of days-at-sea by 245 for University-National Oceanographic Laboratory System (UNOLS) ship time for critical data collection needs for the Global Ocean Ecosystem Dynamics (GLOBEC) and Ecology and Oceanography of Harmful Algal Bloom (ECOHAB) programs;
- provides recurring lease and/or operations costs at a number of NOAA facilities coming on-line in FY 1999 and FY 2000, such as the Santa Cruz and Kodiak Fisheries Laboratories, the Marine Environmental Health Research Laboratory in Charleston, South Carolina and the David Skaggs Federal Building in Boulder, Colorado. At the same time, funds are requested to continue the current scoping work for the eventual formal design and construction of a new state-of-the-art NMFS research facility near Juneau, Alaska;
- provides adjustments-to-base for pay related and inflationary cost increases;
- reflects the Administration's intent to restructure and maintain the NOAA Corps and includes Payments for Retired Pay for Commissioned Officers as mandatory funding;
- as part of a Commerce-wide capacity building effort, includes \$1.0 million to establish educational training relationships through a joint partnership with a consortium of Historically Black Colleges and Universities. These efforts would not only result in the education of new marine, atmospheric and environmental scientists, but would also assist many coastal communities in the development of new business and environmental engineering alternatives to support sustainable economic development; and
- provides funds to accelerate the implementation of the Commerce Administrative Management System (CAMS), which is critical to meeting NOAA's financial management requirements.

We, at NOAA, know that performance is what counts! Therefore, our FY 2000 budget includes measures that track results to the level of investment.

Accomplishments Before I conclude, I would like to provide the Committee with some examples of the enormous strides NOAA made in FY 1998 to promote safe navigation, build sustainable fisheries, recover protected species and sustain healthy coasts. Some of the accomplishments are listed below.

- Increased the production of new nautical chart editions from 338 to 368 and decreased data-to-chart production time from twenty months to eight months;

- Worked with state and local governments to restore over 14,000 acres of coastal wetlands;
- Responded to over 92 spills of hazardous materials in coastal waters;
- Published the National Standard Guidelines for Fishery Conservation and Management;
- Published the NMFS Strategic Research Plan as part of our efforts to implement the Sustainable Fisheries Act;
- Developed a NOAA Aquaculture Policy to develop and promote marine aquaculture;
- Pioneered innovative federal-state partnerships through the Endangered Species Act to recover marine species at risk;
- Led federal efforts to assist state and coastal communities in assessing, monitoring and responding to harmful algal bloom outbreaks, such as pfiesteria;
- Continued innovative partnerships with the states of Washington, Oregon and California to protect and recover Pacific salmon and steelhead species;
- Ensured the long-term protection of habitat essential for rebuilding our Pacific salmon species on 210,000 acres owned by the Pacific Lumber Company, and created a stronghold for these species through the preservation of the Headwaters Forest; and
- Reduced human-induced mortality of North Atlantic right whales through an early warning system that reduced ship strikes and by implementing strategies to reduce incidental mortality from interaction with commercial fishing operations.

Conclusion In conclusion, Mr. Chairman, the FY 2000 request builds on the progress we have made, with your assistance and support over the years. NOAA's environmental stewardship and assessment missions are essential to securing our Nation's success in the 21st Century. In meeting our mission, NOAA continues to focus the efforts of Government on what matters to the American people. Success in this changing world increasingly depends on partnerships with business and industry, universities, state and local governments and international parties. NOAA continues to develop these partnerships to leverage resources and talent, and provide the means for meeting program requirements more effectively. The FY 2000 budget is an investment for the 21st century, a step toward a more viable, economically sound, and ecologically sustainable future where environmental stewardship, assessment and prediction serve as keystones to enhancing economic prosperity and quality of life, better protecting lives and property, and strengthening U.S. trade. Thank you again for the opportunity to appear. I would be pleased to respond to any questions members of the Subcommittee may have.

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