

Committee on Resources

Subcommittee on Fisheries Conservation, Wildlife and Oceans

Background

March 20, 2000

MEMORANDUM

TO: Members, Subcommittee on Fisheries Conservation, Wildlife and Oceans

FROM: Subcommittee Majority Staff

SUBJECT: Oversight Hearing on Fiscal Year 2001 Budget Request for the National Oceanic and Atmospheric Administration, Including the National Marine Fisheries Service

At 10:00 a.m. on Tuesday, March 28, 2000, in Room 1334 Longworth House Office Building, the Subcommittee on Fisheries Conservation, Wildlife and Oceans will hold a hearing on the President's Fiscal Year 2001 (FY'01) budget request for the National Oceanic and Atmospheric Administration (NOAA) programs within the jurisdiction of the Subcommittee. The Honorable D. James Baker, Under Secretary for Oceans and Atmosphere, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, has been invited to testify.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION (NOAA)

The National Oceanic and Atmospheric Administration (NOAA) is housed in the Department of Commerce and consists of five line offices: National Ocean Service (NOS), National Marine Fisheries Service (NMFS), Office of Oceanic and Atmospheric Research (OAR), National Weather Service (NWS), and National Environmental Satellite, Data, and Information Service (NESDIS). The Resources Committee has jurisdiction over NOAA's fisheries and wildlife, marine affairs and oceanography programs, including those in NOS, NMFS, and OAR.

NOAA's budget is divided into the Operations, Research and Facilities (ORF) account, Procurement, Acquisition and Construction (PAC) account, and several smaller miscellaneous accounts. Congress provided NOAA with \$2.4 billion in budget authority in FY'00. The Administration requests \$2.9 billion in new budget authority in FY'01. Of that amount, \$1.848 billion is for ORF, \$635 million for PAC, \$42 million for the Pacific Coastal Salmon Fund and \$60 million for the Pacific Salmon Treaty, \$100 million for the Coastal Impact Assistance Fund, \$18.7 million for several smaller miscellaneous funds, and \$14.4 million for NOAA Corps Officer retirement.

These smaller accounts are funded through fees, import duties, loan repayments, and Outer Continental Shelf (OCS) oil leasing revenues. NOAA receives a portion of import duties imposed on seafood (\$68 million is estimated for FY'01); and administers the Coastal Zone Management Fund, which is expected to receive less than \$1 million in loan repayments from States that participated in a Federal loan program in the 1970s. The Coastal Impact Assistance Fund is a new proposal for FY'01.

The Administration budget request includes increases in both NOAA's oceanic (wet) and atmospheric (dry) programs. On the wet side, the Administration is proposing increases to NOS and NMFS and decreases to OAR's wet programs. In ORF, the Administration proposes net increases of \$133 million for NOS and \$38.8 million for NMFS, and an \$18 million decrease in OAR oceanic programs. The proposed increases to NOS and NMFS are due, in large part, to additional grant money proposed under the Coastal Zone Management and National Marine Sanctuary programs, and the Pacific Salmon Conservation Fund. The Administration also proposes \$34 million in new fees for its fishery and navigation programs. Congress rejected similar fee proposals last year and NMFS does not have statutory authority to charge these fees. The Administration requests increases in NOAA dry-side programs (NWS, NESDIS, and

Atmospheric Research) of \$58 million, with no new dry-side fees.

A table showing Fiscal Year 2000 appropriations and Fiscal Year 2001 Administration requests for NOAA is enclosed.

OPERATIONS, RESEARCH AND FACILITIES (ORF) ACCOUNT

NATIONAL OCEAN SERVICE (NOS)

The National Ocean Service includes: the Coast Survey, which produces charts and navigational information crucial to the conduct of safe marine navigation; the National Geodetic Survey, which maintains the Nation's vertical reference system; the Coastal Ocean Program (COP), which conducts research to improve the quality of scientific information available to coastal managers; the Office of Ocean Resources Conservation and Assessment (ORCA), which conducts environmental monitoring and assessment; the Office of Response and Restoration, which conducts hazardous materials planning and environmental restoration; and the Office of Ocean and Coastal Resource Management, which oversees the Coastal Zone Management and Marine Sanctuaries Programs.

Coast Survey, Tide and Current Program and the National Geodetic Survey: Nautical mapping and charting, geodesy, and tide and current observation and prediction were funded at \$86.2 million in FY'00; the Administration requests \$91.8 million in FY'01. Included in this proposal are efforts to produce electronic nautical charts, attack the enormous backlog in hydrographic surveys, and develop and implement real-time tide and current data measurements. At this rate of funding, it will take 25 years to complete nautical charts of those areas NOAA considers of critical commercial importance.

Office of Ocean Resources Conservation and Assessment: In FY'00, \$84.6 million is provided for estuarine, coastal and ocean environmental assessments, hazardous materials planning and response, and environmental restoration. The Administration is requesting an additional \$9.8 million for FY'01, for a total of \$94.4 million. This includes \$6.1 million for the operation of the Great Lakes Environmental Research Lab, which is being transferred from OAR to NOS. The budget includes increases proposed to restore coral reefs, investigate Gulf hypoxia, and study harmful algal blooms. NOAA has created a new Office of Response and Restoration (ORR) from several programs formerly within ORCA. The budget continues to show these activities as part of ORCA. The Administration requests \$20.1 million for ORR, including \$10 million for coral reef restoration. The Coastal Ocean Science Program is funded at \$17.1 million for FY'00, and the Administration is requesting \$18.2 million for FY'01.

Office of Ocean and Coastal Management: Congress enacted \$86.6 million for the Office of Ocean and Coastal Management in FY'00 and the Administration is requesting \$202.5 million for FY'01. Of this total, the Administration is requesting \$147.4 million for Coastal Zone Management grants to States, up from the \$54.7 million enacted for FY'00. Uses of these funds include habitat protection and restoration, public access to the coast, and urban waterfront and coastal community revitalization. Of the CZM grant money, NOAA recommends that \$25 million be used to support State and local efforts to reduce polluted runoff. NOAA also requests that \$30 million of the CZM grant increase be focused on providing Federal and State support for community-based, environmentally protective solutions to the effects and pressures on coastal resources resulting from increased development and sprawl.

In FY'00, \$22.9 million is provided for Marine Sanctuaries, and \$32 million is requested in FY'01, much of it to improve management of the 12 existing sanctuaries, upgrade management capabilities, and to develop and implement a comprehensive education and outreach plan.

Congress appropriated \$6 million for the National Estuarine Research Reserve System (NERRS) for FY'00 and the Administration is requesting that this be doubled for FY'01 for a total of \$12 million. The increase is needed to provide funds for the operational needs of the program, as NOAA estimates that NERRS will grow from 25 to 27 sites by the end of FY'01.

NERRS is a Federal-State research partnership, and NOAA does not manage lands included in the program.

Additionally, for FY'01, NOAA requests a new account, the Coastal Impact Assistance Fund (CIAF) that will provide \$100 million to enable existing oil and gas producing states to better address the impacts of coastal development and

resource use. States eligible to receive grants under the CIAF are Alabama, Alaska, California, Florida, Louisiana, Mississippi, and Texas. Similarly, the Committee on Resources ordered reported H.R. 701, which creates the Outer Continental Shelf Impact Assistance Fund. This fund would provide assistance to coastal states, both those with Outer Continental Shelf activity offshore and those without, to meet outdoor conservation and recreation needs.

In 2000, the Subcommittee will be working on legislation to reauthorize both the National Marine Sanctuaries and Coastal Zone Management Acts. Both Acts expire at the end of the current fiscal year.

NATIONAL MARINE FISHERIES SERVICE (NMFS)

The National Marine Fisheries Service (NMFS) is responsible for the conservation and management of marine and anadromous fisheries in the U.S. Exclusive Economic Zone (EEZ), including implementation of the Magnuson-Stevens Fishery Conservation and Management Act. NMFS is also responsible for the Marine Mammal Protection Act and the implementation of the Endangered Species Act for marine and anadromous fish species and certain marine mammals.

The NMFS base budget was appropriated at \$416.545 million for FY'00. The proposed base funding from the President's FY'01 request for NMFS is \$455.370 million. Included in this amount, is an Administration proposal of approximately \$16.3 million in funding for Fisheries Habitat Restoration and Endangered Species Act recovery planning. The President's budget proposal assumes an increase of 57 FTEs from FY'00 for NMFS. In addition, a number of Congressional initiatives have been zero funded for FY'01 including: Steller sea lion research by the North Pacific Universities Marine Mammal Consortium, bluefish and striped bass research, gear modification research for Right whale avoidance, and North Pacific observer training.

While the NOAA budget for FY'01 includes proposed funding for several major initiatives including \$265.8 million for the Lands Legacy Initiative and \$51.6 million for a new America's Ocean Future Initiative, it is unclear whether these programs will replace existing programs or if the Administration has identified offsets for these initiatives.

For the fourth year, the Administration's budget request includes new fisheries fees. This year's request is for \$20 million in commercial fisheries fees. Statutory authority for assessment and collection of this fee does not exist. In fact, the Magnuson-Stevens Fishery Conservation and Management Act prohibits the Secretary from assessing any fishery fees on domestic fishermen other than to recover administrative costs for the issuance of permits, or up to three percent for the recovery of actual costs directly related to the management and enforcement of those fisheries managed under an individual fishing quota program or a community development quota program.

In 2000, the Subcommittee will be working on legislation to reauthorize the Magnuson-Stevens Fishery Conservation and Management Act and the Marine Mammal Protection Act. Funding authority for the two Acts expired at the end of the 1999 fiscal year.

OFFICE OF OCEANIC AND ATMOSPHERIC RESEARCH (OAR)

The Office of Oceanic and Atmospheric Research (OAR) conducts the scientific research, environmental studies and technology development critical to improve NOAA services. Research is conducted by NOAA and university scientists through a network of 11 Environmental Research Laboratories, 29 Sea Grant programs, 6 Undersea Research Centers, and 8 cooperative laboratories with universities.

For FY'01, the Administration requests \$302.5 million for OAR. This is an increase of \$4.9 million over the FY'00 enacted level of \$297.6 million. Climate research often involves both oceanographic and atmospheric components. The Resources Committee has jurisdiction over the "wet" part of OAR, particularly Ocean and Great Lakes Programs. Funding for Atmospheric Program and Climate and Air Quality Research, which is primarily under the jurisdiction of the Science Committee, is \$179.1 million in FY'00. The Administration is requesting \$202 million for FY'01. Of that amount, the Administration requests \$9 million for Ocean Observations under the Climate Observations and Services line.

In FY'00, \$105.7 million is provided for Ocean and Great Lakes Programs, and \$87.6 million is requested for FY'01.

For the first time in nearly two decades, no reductions are proposed for the National Sea Grant College Program from the prior year appropriated level. A large reduction is proposed for the National Undersea Research Program (NURP). The Administration again proposes the transfer of the Great Lakes Environmental Research Lab (GLERL) to NOS. Appropriations legislation has blocked this transfer for the last two years. Other ocean research programs include tsunami hazard mitigation, VENTS, and Arctic research programs. In FY'00, \$1.65 million and \$2.1 million are enacted for Arctic research and VENTS, respectively. The Administration requests level funding for both programs, but does not request any funds for tsunami hazard mitigation. The Administration again requests \$3.1 million for ocean floor observatories. No appropriations were provided for that request

in FY'00. The Administration also requests \$3.6 million for marine aquaculture.

ACQUISITION OF DATA

NOAA needs a certain number of days at sea on NOAA-owned or contractor vessels in order to acquire the data it needs to carry out its mission. In prior years, ship time was provided from a central Marine Services Account. In FY'97, the central account was replaced by "Acquisition of Data" line items in NOS, NMFS, and OAR. This change was made to provide line offices with the maximum amount of flexibility in determining the most cost-effective manner in which to acquire ship-based data. Congress enacted \$57 million in FY'00, and the Administration requests \$56.1 million for FY'01 -- \$17.3 million for NOS, \$12.9 million for OAR, and \$26 million for NMFS.

NATIONAL WEATHER SERVICE

In FY'00, \$601.4 million is provided for the National Weather Service (NWS), and \$634.9 million is requested for FY'01. NWS is under the jurisdiction of the Science Committee.

NATIONAL ENVIRONMENTAL SATELLITE, DATA AND INFORMATION SERVICE

In FY'00, \$109.3 million is provided to the National Environmental Satellite, Data and Information Service (NESDIS) and \$108.2 million is requested in FY'01. NESDIS is primarily under the jurisdiction of the Science Committee, though NOAA satellites do provide some environmental and oceanographic data.

PROGRAM SUPPORT

NOAA Program Support activities provide the programs with the administrative support and infrastructure necessary for the programs to meet their missions. This item funds NOAA's executive administration, administrative support, Commissioned Officer Corps retired pay, and aircraft services. In FY'00, \$62.3 million is provided for Program Support. In FY'01, \$81.7 million is requested.

The Administration will provide \$14.4 million for NOAA Corps retirement pay in FY'01. The mandatory payment is not reflected in the ORF total.

FACILITIES

Congress provided \$11 million in FY'00 to plan, acquire, maintain and support NOAA facilities. The Administration requests \$11.5 million for FY'01.

FLEET MAINTENANCE AND PLANNING

In FY'00, Congress provided \$12.9 million for Fleet Maintenance and Planning. The Administration requests \$9.3 million for FY'01.

PROCUREMENT, ACQUISITION AND CONSTRUCTION (PAC) ACCOUNT

Systems Acquisition

In FY'00, Congress provided \$506.9 million to acquire major satellite, radar and computer systems. The

Administration requests \$597.1 million. Of these funds, \$11 million are requested for OAR, \$65.8 million for NWS, \$504.4 million for NESDIS, and \$15.8 million for Program Support.

Construction

Congress provided \$42 million in FY'00 for construction of NOAA facilities. The Administration requests \$29.3 million in FY'01. Of this amount, \$11 million is requested for National Marine Sanctuaries and National Estuarine Reserves, \$5.6 million for NMFS, and \$12.5 million for NWS.

Fleet Replacement

Congress provided \$51.4 million in FY'00 in the Fleet Replacement Account to acquire a new fishery research vessel. The Administration requests \$16.3 million in FY'01, \$8.3 million to equip the new fishery research vessel, and \$8 million to convert a former Navy vessel to use as a fishery research vessel. Despite the President's July 1998 promise to seek funds for one new fishery research vessel in each Fiscal Year 2000, 2001, 2002 and 2003, no funds are requested for such a vessel in FY'01.

Enclosure

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