H.R. 4368, A BILL TO TRANSFER THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION TO THE DEPARTMENT OF THE INTERIOR.

LEGISLATIVE HEARING

BEFORE THE

SUBCOMMITTEE ON FISHERIES CONSERVATION, WILDLIFE AND OCEANS

OF THE

COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTH CONGRESS

SECOND SESSION

Thursday, September 30, 2004

Serial No. 108-108

Printed for the use of the Committee on Resources

Available via the World Wide Web: http://www.access.gpo.gov/congress/house
or
Committee address: http://resourcescommittee.house.gov

U.S. GOVERNMENT PRINTING OFFICE

96-207 PS WASHINGTON : 2005

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2250 Mail: Stop SSOP, Washington, DC 20402–0001

COMMITTEE ON RESOURCES

RICHARD W. POMBO, California, *Chairman*
NICK J. RAHALL II, West Virginia, *Ranking Democrat Member*

Don Young, Alaska
W.J. "Billy" Tauzin, Louisiana
Jim Saxton, New Jersey
Elton Gallegly, California
John J. Duncan, Jr., Tennessee
Wayne T. Gilchrest, Maryland
Ken Calvert, California
Scott McInnis, Colorado
Barbara Cubin, Wyoming
George Radanovich, California
Walter B. Jones, Jr., North Carolina
Chris Cannon, Utah
John E. Peterson, Pennsylvania
Jim Gibbons, Nevada,
Vice Chairman
Mark E. Souder, Indiana
Greg Walden, Oregon
Thomas G. Tancredo, Colorado
J.D. Hayworth, Arizona
Tom Osborne, Nebraska
Jeff Flake, Arizona
Dennis R. Rehberg, Montana
Rick Renzi, Arizona
Tom Cole, Oklahoma
Stevan Pearce, New Mexico
Rob Bishop, Utah
Devin Nunes, California
Randy Neugebauer, Texas

Dale E. Kildee, Michigan
Eni F.H. Faleomavaega, American Samoa
Neil Abercrombie, Hawaii
Solomon P. Ortiz, Texas
Frank Pallone, Jr., New Jersey
Calvin M. Dooley, California
Donna M. Christensen, Virgin Islands
Ron Kind, Wisconsin
Jay Inslee, Washington
Grace F. Napolitano, California
Tom Udall, New Mexico
Mark Udall, Colorado
Aníbal Acevedo-Vilá, Puerto Rico
Brad Carson, Oklahoma
Raúl M. Grijalva, Arizona
Dennis A. Cardoza, California
Madeleine Z. Bordallo, Guam
Stephanie Herseth, South Dakota
George Miller, California
Edward J. Markey, Massachusetts
Rubén Hinojosa, Texas
Ciro D. Rodriguez, Texas
Joe Baca, California

Steven J. Ding, *Chief of Staff*
Lisa Pittman, *Chief Counsel*
James H. Zoia, *Democrat Staff Director*
Jeffrey P. Petrich, *Democrat Chief Counsel*

SUBCOMMITTEE ON FISHERIES CONSERVATION, WILDLIFE AND OCEANS

WAYNE T. GILCHREST, Maryland, *Chairman*
FRANK PALLONE, JR., New Jersey, *Ranking Democrat Member*

Don Young, Alaska
W.J. "Billy" Tauzin, Louisiana
Jim Saxton, New Jersey
Mark E. Souder, Indiana
Walter B. Jones, Jr., North Carolina
Randy Neugebauer, Texas
Richard W. Pombo, California, *ex officio*

Eni F.H. Faleomavaega, American Samoa
Neil Abercrombie, Hawaii
Solomon P. Ortiz, Texas
Ron Kind, Wisconsin
Madeleine Z. Bordallo, Guam
Nick J. Rahall II, West Virginia, *ex officio*

C O N T E N T S

	Page
Hearing held on Thursday, September 30, 2004	1
Statement of Members:	
Faleomavaega, Hon. Eni F.H., a Delegate in Congress from American Samoa	8
Farr, Hon. Sam, a Representative in Congress from the State of California	10
Prepared statement of	10
Gilchrest, Hon. Wayne T., a Representative in Congress from the State of Maryland	1
Prepared statement of	2
Pallone, Hon. Frank, Jr., a Representative in Congress from the State of New Jersey	3
Prepared statement of	4
Pombo, Hon. Richard W., a Representative in Congress from the State of California	8
Prepared statement of	9
Saxton, Hon. Jim, a Representative in Congress from the State of New Jersey	5
Prepared statement of	7
Statement of Witnesses:	
Hayes, Robert G., General Counsel, Coastal Conservation Association	47
Prepared statement of	49
Keeney, Timothy R.E., Deputy Assistant Secretary for Oceans and Atmosphere, National Oceanic and Atmospheric Administration (NOAA), U.S. Department of Commerce	13
Prepared statement of	14
Mann, Christopher G., Policy Director, Center for SeaChange	53
Prepared statement of	55
Moore, Rod, Executive Director, West Coast Seafood Processors Association	57
Prepared statement of	58
Palatiello, John M., Executive Director, Management Association for Private Photogrammetric Surveyors (MAPPS)	36
Prepared statement of	38
Rosenberg, Andrew A., Ph.D., Member, U.S. Commission on Ocean Policy, and Professor, University of New Hampshire	41
Prepared statement of	43

LEGISLATIVE HEARING ON H.R. 4368, A BILL TO TRANSFER THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION TO THE DEPARTMENT OF THE INTERIOR.

Thursday, September 30, 2004
U.S. House of Representatives
Subcommittee on Fisheries Conservation, Wildlife and Oceans
Committee on Resources
Washington, D.C.

The Subcommittee met, pursuant to call, at 10:05 a.m., in Room 1324, Longworth House Office Building, Hon. Wayne T. Gilchrest [Chairman of the Subcommittee] presiding.

Present: Representatives Gilchrest, Saxton, Pombo, Pallone and Faleomavaega.

Also Present: Representative Farr.

STATEMENT OF THE HON. WAYNE T. GILCHREST, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

Mr. GILCHREST. Good morning, everyone. The Subcommittee on Fisheries Conservation, Wildlife and Oceans will come to order. I want to welcome all of you here today, and thank you for coming either to testify or to listen on H.R. 4368, the Weather and Oceans Resources Realignment Act.

This legislation offered by the gentleman from New Jersey, Mr. Saxton, would transfer NOAA into the Department of the Interior.

NOAA performs a number of vital services to the Nation, including the monitoring and management of our oceans, monitoring meteorological trends, and making life-saving storm predictions. Its job is to bring together many pieces of complex oceanic and atmospheric systems so that we can best understand and utilize them as good stewards.

Since its inception, there has been much debate about where to best place NOAA within the Federal Government. I want to thank Mr. Saxton, the former Chair of this subcommittee, for introducing this legislation and for bringing us together to talk in pretty good detailed terms about this particular proposal, and also about, as some of you mentioned in your testimony, the details upon which the substance of the creation of NOAA is being discussed here today: What are our goals with NOAA? What are their objectives?

And, as some of you have mentioned in your testimony, can the existing structure meet those goals?

But Mr. Saxton's contribution here as far as the management of ocean resources in this committee has been invaluable.

Most recently the Senate Commerce Committee debated a bill that would have, among other things, made NOAA an independent agency, which, by the way, is still in the discussion stage as far as the House is concerned. When the bill emerged from the committee, the bill maintained NOAA within the Department of Commerce, but creates a separate budget authority for the agency. I believe this was done in recognition of the difficulties of maintaining an adequate level of funding to support the variety of missions of the Department of Commerce, including the scientific and management missions of NOAA.

In addition, the U.S. Commission on Ocean Policy's recently released final report suggests a three-phase approach resulting in an agency responsible for the management of all natural resources. I think an argument can be made for the establishment of an oceans agency.

Today's hearing is just a starting point for this discussion and for a broader discussion of the suggestions made by the Commission's report. I look forward to the recommendations of the President.

We certainly look forward to the next Congress in developing legislation and further evolving our understanding of oceans issues; looking back into the history of this Nation's involvement in fisheries, in oceans research, and in oceans in general, and certainly throughout the last several decades. But now we have reached a point where there needs to be another evaluation of NOAA's place in being the lead entity, whether in Commerce, in Interior, or as a separate agency, to represent and develop policies for the United States and its relationship with the international community, to deal with fisheries on an international basis, to deal with oceans issues, since oceans cover 70 percent of the Earth's surface, as far as an ecological system is concerned; and if we are going to begin to understand in a much more pragmatic way, is there some truth to global warming and climate change? And if the United States is to be a leader in the world on these vital issues, we have to understand whether or not the agency that is now, for the most part, the lead agency in the United States for these issues, is capable of performing those tasks.

[The prepared statement of Mr. Gilchrest follows:]

Statement of The Honorable Wayne T. Gilchrest, Chairman, Subcommittee on Fisheries Conservation, Wildlife and Oceans

I would like to welcome our witnesses to today's hearing on H.R. 4368, the Weather and Oceans Resources Realignment Act. This legislation would transfer the National Oceanic and Atmospheric Administration (NOAA) to the Department of the Interior.

NOAA performs a number of vital services to the nation, including the monitoring and management of our oceans, monitoring meteorological trends, and making life-saving storm predictions. Its job is to bring together many pieces of complex oceanic and atmospheric systems so that we can best understand and utilize them as good stewards.

Since its inception, there has been much debate about where to best place NOAA within the Federal government. I thank Congressman Saxton, the former Chair of this Subcommittee, for introducing this legislation. His contribution to this

discussion, especially with regard to the management of ocean resources in this committee, is invaluable.

Most recently, the Senate Commerce Committee debated a bill that would have, among other things, made NOAA an independent agency. When the bill emerged from the Committee, the bill maintained NOAA within the Department of Commerce, but creates a separate budget authority for the agency. I believe this was done in recognition of the difficulties of maintaining an adequate level of funding to support the variety of missions of the Department of Commerce—including the scientific and management missions of NOAA.

In addition, the U.S. Commission on Ocean Policy's recently released Final Report suggests a three-phase approach resulting in an agency responsible for the management of all natural resources. I think an argument could also be made for the establishment of an oceans agency.

Today's hearing is just a starting point for this discussion and for a broader discussion of the suggestions made by the Commission's report. I look forward to the recommendations of the President and note that an interagency policy group has been formed by the White House Council on Environmental Quality to respond to the Commission's report.

I look forward to hearing from our witnesses.

Mr. GILCHREST. I yield to the gentleman from New Jersey, Mr. Pallone.

Mr. PALLONE. Thank you, Mr. Chairman. If I could just ask unanimous consent that Mr. Farr be seated at the dais and participate fully with the Subcommittee.

Mr. GILCHREST. Is there objection? Hearing no objection.

Mr. SAXTON. I am not sure about his tie, though. It has frogs on it.

Mr. FARR. It is a Resources tie.

Mr. PALLONE. Thank you, Mr. Chairman.

Mr. GILCHREST. Hearing no objection, so ordered.

STATEMENT OF THE HON. FRANK PALLONE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. PALLONE. Mr. Chairman, the history of how NOAA ended up in the Department of Commerce and not in the Department of the Interior as initially intended is an example of how arbitrary events have often directed the structuring of our government. In fairness to NOAA, however, the agency has made the best of an unusual situation. NOAA has matured into a focused advocate for our Nation's ocean and coastal resources that was envisioned essentially by the Stratton Commission over 30 years ago.

I want to commend not only those administrators who have led NOAA since 1970, but also the agency's many scientists, uniformed officers, technicians and resource managers for their dedication toward fulfilling NOAA's multifaceted and complex mission, and essentially as the preeminent steward of our Nation's oceans.

With the release of the final report of the U.S. Oceans—the U.S. Commission on Ocean Policy, the real work of sorting out NOAA's future and its place in the Federal establishment should become a CONGRESSIONAL priority. If we are to take seriously the recommendations of this report as well as those of the 2003 Pew Ocean Commission's report, Congress should not ignore this issue. And I am just pleased that several Members have introduced legislation to begin the discussion. My colleague from New Jersey, Mr. Saxton, introduced H.R. 4368, which would transfer NOAA to the Department of Interior.

I hope, Mr. Chairman, that we will have future opportunities to consider other relevant legislation such as the bills offered by Mr. Farr, Mr. Rahall and our other colleagues in the House Oceans Caucus. Most importantly, we should consider the pressing need to develop an organic act for NOAA. While the agency has performed admirably over its history, it needs the certainty of a congressionally mandated mission to give the agency direction and permanence.

I look forward to hearing from our witnesses on Mr. Saxton's bill and whether or not it can achieve the recommendation of the two ocean commissions, which is essentially to strengthen NOAA. However, I must express my disappointment that we do not have anyone testifying this morning from the Department of Interior, from the Coastal States Organization, the Sea Grant Association, or the Consortium For Ocean Research and Education, because each of these organizations has a vested interest in the NOAA programs, and the Subcommittee would be wise to solicit their views on this issue.

I appreciate the fact that we are having this hearing, Mr. Chairman. It is certainly a beginning, but I do think that we need to have some follow-ups on the legislation by Mr. Farr, and we need to have some of these people testify in the future. Thank you.

[The prepared statement of Mr. Pallone follows:]

Statement of The Honorable Frank Pallone, a Representative in Congress from the State of New Jersey

Thank you, Mr. Chairman.

The history of how the National Oceanic and Atmospheric Administration, or NOAA, ended up in the Department of Commerce, and not in the Department of the Interior as initially intended, is an example of how arbitrary events have often directed the structuring of our government.

In fairness to NOAA, however, the agency has made the best of an unusual situation. NOAA has matured into the focused advocate for our Nation's ocean and coastal resources that was envisioned by the Stratton Commission over thirty years ago.

I commend not only those administrators who have led NOAA since 1970, but also the agency's many scientists, uniformed officers, technicians and resource managers for their dedication towards fulfilling NOAA's multi-faceted and complex mission as the preeminent steward of our Nation's oceans.

Now, with the release of the final report of the U.S. Commission on Ocean Policy, the real work of sorting out NOAA's future and its place in the Federal establishment should become a congressional priority. If we are to take seriously the recommendations of this report and the 2003 Pew Oceans Commission report, Congress should not ignore this issue.

I am pleased that several members have introduced legislation to begin this discussion. My colleague from New Jersey, Jim Saxton, introduced H.R. 4368, which would transfer NOAA to the Department of the Interior. I hope, Mr. Chairman, that we will have future opportunities to consider other relevant legislation, such as the bills offered by Mr. Farr, Mr. Rahall, and our other colleagues in the House Oceans Caucus.

Most importantly, we should consider the pressing need to develop an Organic Act for NOAA. While the agency has performed admirably over its history, it needs the certainty of a Congressionally mandated mission to give the agency direction and permanence.

I look forward to hearing from our witnesses on Mr. Saxton's bill and whether or not it can achieve the recommendation of the two ocean commissions, which is to strengthen NOAA. However, I must express my disappointment that we do not have anyone testifying this morning from the Department of the Interior, the Coastal States Organization, the National Sea Grant Association, or the Consortium for Ocean Research and Education. Each of these organizations has a vested interest in NOAA programs and the subcommittee would be wise to solicit their views on this issue.

Thank you.

Mr. GILCHREST. Thank you, Mr. Pallone. Certainly we can follow up with another hearing as we move through the process of developing a NOAA Organic Act, and prior to that, though, we can probably sit down and talk to Fish and Wildlife in the interim.

Mr. GILCHREST. The gentleman from California has left the room. The gentleman from New Jersey, Mr. Saxton.

STATEMENT OF THE HON. JIM SAXTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. SAXTON. Thank you, Mr. Chairman. I appreciate you calling this hearing. It is late in the session, and we have a lot of things to do, but this is certainly one of the more important issues that we need to address.

During the two decades that I have had the pleasure to serve this committee, and formerly on the Merchant Narine and Fisheries Committee, I have learned a lot about ocean management. I have learned about some successes that we have had, and I have also learned about some failures that we have had. And relative to this case, I am very concerned about the performance of the National Fisheries Service as an integral part of NOAA and the Department of Commerce.

Just one fact that I think we should all keep in mind is that with regard to the management of ocean resources, the set of species that are the flagship species that may have a lot to do with telling us how we are doing with the ocean, of course, is fish, and it is no surprise to any of us who have worked on these subjects that we know that the fish stocks are not in good shape, and, as a matter of fact, many species are said to be 90 percent deleted. That certainly cannot be viewed as a success.

At the same time, I had an experience last week where Dr. Hogarth came to visit me, and he said, Congressman, I understand you do not like the way I am doing my job. And I said, Bill, you and I are friends, and that is not how I would put it. I have been working with these issues now for two decades, and neither you nor your predecessors have been able to do your job given the situation that you are appointed to. And I think that what we are ought to do is to try to find a way to change this.

So there are a number of issues that we should look at here. We should look at the history of NOAA and the National Marine Fisheries Service (NMFS). I think it is interesting to look back. I am told by staff who have been very much into this set of issues and by the Commission on Ocean Policy that in 1990, when the Bureau of Commercial Fisheries, largely for political reasons at the time according to this information, was moved to the Department of Commerce and renamed the National Marine Fisheries Service largely for political reasons, not for reasons that have to do with the management of natural resources, but for political reasons, and that was a bad start in 1970, and that was not Dr. Hogarth's fault or anybody else that works in National Marine and Fisheries Service today.

So I guess what I want to say here is that we are in this together. I have been here for 20 years. Others have been here

perhaps not quite as long as that, as I look around the table, and still we find ourselves in a situation where many or some fish stocks are 90 percent depleted, and we do not really have a way to deal with them.

So I want to start this discussion in the House by suggesting that there is a department—and this may or may not be what we end up doing—there is a department that is responsible for the management of resources. It is called the Department of Interior. In the Department of Interior is housed the U.S. Fish and Wildlife Service to manage resources. We have in Interior the Mineral Management Service to manage resources; the U.S. Global Survey to help manage resources; the Bureau of Reclamation to manage resources; the Bureau of Land Management to manage resources known as land; the Office of Surface Mining, a resource agency; the National Park Service, a resource agency.

So when I then look at the Department of Commerce, and I like to find logical routes that seem simple, and I look at the National Oceanic and Atmospheric Administration, I find the National Ocean Service manages resources; the National Marine Fishery Service, which manages resources; the Office of Oceanic and Atmospheric Research, which conducts scientific research on the effect of the atmosphere on resources; and the National Weather Service, which obviously has something to do with the weather and resources; and the National Environmental Satellite Data and Information Service. The prime customer for the Satellite Data Service is the National Weather Service, again for the talking about the effect of weather on resources.

So it seems to be a logical place to at least start to talk about finding a more logical place to look at how we might make some changes that might make some sense.

And then I found that there are some areas that the Department of Commerce and NOAA have in common where they have joint authority, and that would be the Marine Mammal Protection Act, the National Aquaculture Act of 1980. They have joint jurisdiction over the Endangered Species Act, the Lacey Act, the Interjurisdictional Fisheries Act of 1986, the Atlantic Salmon Act, the Atlantic Striped Bass Act—and thank you very much, Bill Hogarth helped us save ourselves in New Jersey last week on this issue. I say thank you for that. I would have liked to say that directly to him, but he could not be here today—the Central, Western and South Pacific Fisheries Development Act, joint jurisdiction; the Yukon River Salmon Act, joint jurisdiction.

So this seems to be a logical place to start the discussion. But this is not the first time that we have had this discussion. According to the final report of the U.S. Commission on Ocean Policy, since 1970, when NOAA was stood up in Commerce, there have been more than 20 congressional proposals to either move NOAA from the Department of Commerce to another agency or to establish NOAA as an independent agency. And I hope that we are more successful this time in coming to some rational conclusion than we have been over the past 34 years or so.

In addition to that, the U.S. Commission on Ocean Policy recommends a three-phase approach. I will not go into detail on all three phases, but phase 3 of the recommendation is to create a

unified Federal agency structure to manage all natural resources, again pointing to the same concept that we are here specifically to talk about today.

So I look forward to these discussions. I know that Members of both sides of the aisle are extremely interested in creating a situation to improve our chances of success in managing one of the most important sets of resources on the face of the Earth, and so I look forward to working with you, Mr. Chairman, and Mr. Pombo, the Chairman of the full committee, and my friends on the other side of the aisle, and Sam Farr and I who go back very far, and I look forward to these discussions.

I have a formal statement that I ask be included in the record as well. Thank you.

Mr. GILCHREST. Without objection, so ordered.

[The prepared statement of Mr. Saxton follows:]

Statement of The Honorable Jim Saxton, a Representative in Congress from the State of New Jersey

Mr. Chairman, I am pleased to be here to discuss a bill I have introduced, along with Congressman Young, H.R. 4368, the Weather and Oceans Resources Realignment Act. This bill will transfer the National Oceanic and Atmospheric Administration to the Department of the Interior. Thank you to our witnesses for taking time out of their schedules to be with us today.

An issue to which I have devoted a great deal of time and one that I feel is very important is the protection of the diverse range of fish stocks that inhabit our world's oceans, many of which are very close to disappearing forever. The National Marine Fisheries Service, the agency tasked with the protection of these species has failed to do so.

I have never been able to comprehend why the National Oceanic and Atmospheric Administration (NOAA) is housed within the Department of Commerce, which has nothing to do with the protection of our natural resources. NMFS/NOAA has a dual mission: (1) to promote the consumption of seafood and (2) simultaneously conserve and sustain the stock levels of the same species they are promoting for consumption. This is inherently conflictual. For this reason, I have introduced this legislation, which simply moves NOAA to a more appropriate agency, Interior.

Given the release of now three studies essentially stating that what I have been talking about is likely to happen, I am more convinced than ever that we need to take aggressive action immediately. Many of our oceans' fish stocks are now reportedly 90% depleted, meaning only 10% of the stocks that once existed remain. And many of these stocks are in grave danger of extinction if we proceed down the same path we are on now—that is, continue to study these stocks and do little to mitigate the damage that has already been done.

The U.S. Commission on Ocean Policy, created from the Oceans Act of 2000, which I helped shepherd through the House, released it's final report earlier this month, with many of the same findings. When the Congress passed the Oceans Act of 2000, creating the U.S. Commission on Ocean Policy, one of their directives was to study our current system of managing the oceans and develop a comprehensive analysis of what is and what is not working.

One of the most significant findings is the need for a new national ocean policy framework. I have long believed that there are far too many Congressional Committees and Federal Agencies tasked with the managing of our oceans, and consequently there is very often overlap and duplication of efforts, and the resources suffer as a result.

To begin to address this problem, I agree with the Commission in the need to establish in law, reconfigure and strengthen NOAA, to enable them to balance the many roles they have in managing our oceans and fisheries issues.

In addition, the Commission has recognized the need to ensure that policies put in place to manage the oceans be based on unbiased, credible and scientific information. To do so, the federal investment in ocean research needs to be increased. The Commission found that ocean research funding has fallen from 7 percent of the total federal research budget 25 years ago to 3.5 percent today. In order for the U.S. to utilize the capacity we have as a world leader on so many ocean issues it is critical this funding be increased.

Finally, the issue of how we manage our fisheries is vitally important, and yet, there are so many species that have plummeted over the past few decades, and if we are to save them from extinction, we need to take aggressive steps now.

I am also pleased the Commission has recognized that, while there are many good parts of the current system in place to manage the fisheries, the ways in which all of the different levels, from federal to local work together, needs to be examined and streamlined, to create a much better coordination of efforts.

In particular, an issue that I feel is very important is the protection of the diverse range of fish stocks that inhabit our world's oceans, many of which are very close to disappearing forever. Many of our oceans' fish stocks are now reportedly 90% depleted, meaning only 10% of the stocks that once existed remain.

Thus, many of these stocks are in grave danger of extinction if we proceed down the same path we are on now—that is, continue to study these stocks and do little to mitigate the damage that has already been done.

The United States is a world leader on so many important and complex issues; it is hard to understand why the issue of fisheries management, and enforcement of the regulations currently in place both domestically and internationally, seems impossible to accomplish.

We need to take immediate aggressive steps to prevent the disappearance of these fish species, before it's too late. These studies should be a wake-up call that the process through which our world's fisheries is managed is broken and needs to be fixed.

The National Marine Fisheries Service has demonstrated repeatedly they are incapable of doing the job they have been tasked with as the primary federal agency responsible for monitoring and protecting our nation's fisheries. To place them within the Department of the Interior would serve to strengthen the two agencies goals of resources conservation.

This is an issue that resonates with anyone who has ever been to the beach in states like New Jersey, or watched a television program involving the deep blue sea. And given that 50% of the population of the United States lives within 100 miles of a coast, there are many who are personally affected by this issue.

We have a unique opportunity to do something amazing and I think we owe it these wonderful resources that are our oceans to do all we can to bring them back to a healthy and sustainable level, for future generations.

Thank you and I look forward to hearing from our witnesses.

Mr. GILCHREST. Mr. Faleomavaega.

STATEMENT OF THE HON. ENI F.H. FALEOMAVAEGA, A DELEGATE IN CONGRESS FROM AMERICAN SAMOA

Mr. FALEOMAVAEGA. Mr. Chairman, I ask unanimous consent that my statement also be included and made a part of the record.

Mr. GILCHREST. Without objection

Mr. FALEOMAVAEGA. I look forward to hearing from the witnesses this morning. This is a major proposal, and I think we ought to certainly recognize the substance of the wisdom of the Members especially, Mr. Young and Mr. Saxton for having proposed this bill. I am looking forwards to hearing from our witnesses on this matter.

Mr. GILCHREST. Thank you, Mr. Faleomavaega.

Mr. GILCHREST. The Chairman of the full committee Mr. Pombo.

STATEMENT OF THE HON. RICHARD W. POMBO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. POMBO. Thank you, Mr. Chairman. I just have a short statement. I would like to, first of all, point out to you the book Mr. Farr just gave to me, Fair Play for Frogs, and I look forward to reading this on the way home on the airplane.

I thank you for holding this hearing on H.R. 4368, introduced by our colleague, Jim Saxton. In the 106th Congress, Congress passed the Oceans Act of 2000. Mr. Saxton introduced the House companion to the Senate bill that was eventually enacted. The Oceans

Act of 2000 led to the formation of the U.S. Commission on Ocean Policy.

The Committee on Resources held a hearing on the Commission's preliminary report on May 20 of this year. As everyone here is aware, the Commission has just recently released its final report. It is a very large document with more than 200 recommendations on a number of very important issues, everything from marine mammal management to marine transportation and port security.

In addition to the report that was released, the Oceans Act called for the President to make recommendations to Congress. Some Members of Congress have conveniently forgotten about this step and are calling for action on some selective portions of this report in what could be the last few weeks of Congress.

If the taxpayers are going to spend $10 million for this report, then at a minimum the President of the United States should be given his legal right to review this document and make his recommendations to Congress before we act. I think that a hurried approach is exactly what we do not want to do with this report. A rush to legislate is not an appropriate response to such a complex set of recommendations.

This hearing is about H.R. 4368, a bill to move the National Oceanic and Atmospheric Administration to the Department of Interior. On this issue alone there have been at least three different proposals: to make NOAA an independent agency; to leave NOAA within the Department of Commerce; and Mr. Saxton's proposal, to move it to the Department of Interior, a proposal that I feel has a great deal of merit.

In addition, I have heard calls for the creation of the oceans agency and the creation of a natural resources agency. I suspect all of these proposals do have some merit and deserve to be debated.

I appreciate my colleague, Mr. Saxton, bringing this forward. I know this is an issue that he has worked long and hard on, and I appreciate the opportunity to have this hearing and to hear this debate as it moves forward.

Thank you, Mr. Chairman.

Mr. GILCHREST. Thank you very much, Mr. Pombo.

[The prepared statement of Mr. Pombo follows:]

Statement of The Honorable Richard Pombo, Chairman, Committee on Resources

Mr. Chairman, I thank you for holding this hearing on H.R. 4368, introduced by our colleague, Congressman Jim Saxton.

In the 106th Congress, Congress passed the Oceans Act of 2000. Mr. Saxton introduced the House companion to the Senate bill that was eventually enacted. The Oceans Act of 2000 led to the formation of the U.S. Commission on Ocean Policy.

The Committee on Resources held a hearing on the Commission's Preliminary Report on May 20th of this year.

As everyone here is aware, the Commission released its final report last week. It is a very large document with more than 200 recommendations on a number of important issues—everything from marine mammal management to marine transportation and port security.

In addition to the report that was released last week, the Oceans Act called for the President to make recommendation to Congress. Some Members of Congress have conveniently forgotten about this step and are calling for action on some selected portions of the report in what could be the last few weeks of Congress. If the taxpayers are going to spend $10 million for this report then, at a minimum, the President of the United States should be given his legal right to review this document and make his recommendations to Congress before we act.

I think that a hurried approach is exactly what we do NOT want to do with this report. A rush to legislate is not an appropriate response to such a complex set of recommendations.

This hearing is about H.R. 4368, a bill to move the National Oceanic and Atmospheric Administration to the Department of the Interior. On this issue alone, there have been at least three different proposals—to make NOAA an independent agency, to leave NOAA within the Department of Commerce, and Mr. Saxton's proposal to move it to the Department of the Interior. In addition, I have heard calls for the creation of an Oceans Agency and the creation of a Natural Resources Agency.

I suspect all of these proposals have some merit and deserve to be debated. That's the reason for this hearing.

Mr. GILCHREST. Once again we want to welcome Mr. Farr, who used to be on this committee, here today. He has come here today to show his interest in this particular issue. We normally don't have Members from other committees give opening statements, but we will give you 20 second here if you want to say something.

STATEMENT OF THE HON. SAM FARR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. FARR. I want to thank you very much for allowing me to sit here. It is very comfortable to be back here in this beautiful room. I would like to ask my opening remarks be submitted for the record.

Mr. GILCHREST. Without objection.

[The prepared statement of Mr. Farr follows:]

Statement of The Honorable Sam Farr, a Representative in Congress from the State of California

Chairman Gilchrest, Ranking Member Pallone, and members of the subcommittee, thank you for allowing me to testify this morning regarding H.R. 4368, Representative Saxton's bill which calls for the National Oceanic and Atmospheric Administration (NOAA) to be transferred from the Department of Commerce to the Department of the Interior.

Starting with the first comprehensive consideration of our nation's ocean policy—provided by the Stratton Commission in 1969—numerous proposals have been put forth to give NOAA a seemingly more appropriate home. The proposals have ranged from establishing NOAA as a new independent agency, as argued for by the Stratton Commission, to creating a new department of natural resources that would include NOAA. In fact, according to the final report of the U.S. Commission on Ocean Policy, the Nixon Administration had planned to create a department of natural resources that would have housed a newly-created NOAA, the Department of the Interior, and several other agencies; instead, the Administration eventually decided, for interesting political reasons, to put NOAA within the Department of Commerce. In total, not including initiatives introduced since April of this year, 23 reorganization proposals involving NOAA have been offered by congressional, presidential, and federal advisory committees since the Stratton Commission released its report.

I appreciate Representative Saxton continuing the discussions that have taken place over the past 30 years regarding the best place for NOAA to call home. However, I do not believe that just moving NOAA from Commerce into Interior offers a fix that addresses the history of failures associated with our protection of marine natural resources—a history recently highlighted in both the Pew Oceans Commission report and U.S. Commission on Ocean Policy report.

Let's take a step back and look at the larger context in which we consider this bill. Last week, the U.S. Commission on Ocean Policy submitted to the President and to Congress its final report on "everything oceans." This comprehensive document makes recommendations on a wide range of topics, from improving governance of ocean resources to promoting greater marine stewardship and education, from recognizing the need to manage the oceans on an ecosystem basis to suggesting greater exploration of unknown areas of the sea, from discussing reform of fisheries management to arguing for increases in our marine science research budget, and from speaking to the connections between coastal land uses and the oceans to implementing an integrated ocean observation system. Based on this comprehensive

consideration, the first such effort by the federal government to occur since the Stratton Commission in 1969, as well as the Pew Oceans Commission report, we currently find ourselves at a critical juncture with respect to reforming marine policy. Simply stated, we have an unprecedented, once-in-a-generation opportunity. We can choose to pursue reforms on a piece by piece basis or we can decide that enough is enough and that the time has come for a comprehensive solution responding to many of the problems.

The bipartisan co-chairs of the House Oceans Caucus, Jim Greenwood, Tom Allen, Curt Weldon, and myself, recently introduced a comprehensive solution—an oceans bill that answers the calls of both the Pew Oceans Commission and the U.S. Commission on Ocean Policy. In addition to providing a national policy to protect, maintain, and restore the health of marine ecosystems, our bill, H.R. 4900, informally referred to as OCEANS-21, calls for a presidential report on reorganizing the federal government into a department of natural resources that would include what we know today as NOAA. This is where I think we should set our sights.

By introducing H.R. 4368, Mr. Saxton has successfully brought attention to the very same point the House Oceans Caucus co-chairs made in our bill: what is the best framework for management of our oceans? I sincerely believe that Representative Saxton and I are on the same page here—we need a new management scheme. But, instead of moving NOAA to Interior now, I suggest that we pursue two tracks to deal with the large governance challenges we face, a short-term one and a long-term one.

In the short-term, we must considerably strengthen NOAA. We can do this by passing an Organic Act that explicitly states that NOAA is the lead agency on all ocean-related issues. Part of this Organic Act should be a realignment of NOAA's organization to move away from the inherent conflicts that result when you fail to recognize all of the connections within marine ecosystems—when you fail to manage based on ecosystems. Ecosystem-based management must also be taken to the next level: we must establish regional ocean councils that bring the states together with tribal and federal interests to do ecosystem planning for the oceans. The oceans don't understand political boundaries, so we must create boundaries that reflect ocean ecosystems. Let's not be satisfied with a system that calls for people to come together only when crises are at hand. Let's set up a system that will actually help avert the crises. We all know that stopping a crisis from happening is much preferable to trying to address one that has already occurred. I do not see moving NOAA to Interior without empowering or realigning it as comprehensively addressing the problem. Simply shifting the problem is not the solution.

In the long-term, we should think about how we can address all of the interactions between the land, air, and water. To quote from the final report of the U.S. Commission on Ocean Policy, "Based on a growing understanding of ecosystems, including recognition of the inextricable links among the sea, land, air, and all living things, a more fundamental reorganization of federal resource agencies will eventually be needed." This sentiment should guide our consideration of reorganizing efforts. And, it is this sentiment that the Oceans Caucus co-chairs had in mind when writing the provision of OCEANS-21 that requires an executive report on reorganizing the federal government to create a department of natural resources.

As clearly illustrated, one of the vital pieces to responsibly addressing the problems threatening the oceans, and the many sectors that depend on healthy oceans, from tourism to fisheries, is getting the federal government reconfigured to do ecosystem-based management. But, this effort alone will not turn the tide.

Another important component of setting our country's ocean policy on a path of long-term sustainability, and one that can be done in the short-term, is to have a clearly-stated national policy for our oceans. As I mentioned previously, OCEANS-21 provides such a policy. To quote from H.R. 4900, "The Congress declares that it is the continuing policy of the United States to protect, maintain, and restore the health of marine ecosystems in order to fulfill the social, economic, and other requirements of present and future generations of Americans." This national policy will compliment the commitments we have already made, and should vigorously defend and loudly re-affirm, to protecting our public lands, ensuring clean water, and safeguarding clean air. Adopting this national policy must be a part of our legislative answer to address the sad state of our ocean resources. Simply moving NOAA to Interior does not fully address it.

Another immediate way to help fix our ocean troubles is to elevate the level of attention paid to the oceans. Everything that we do on land, from driving our cars to filling in wetlands, eventually affects the oceans. For this reason, there must be a high-level position within the White House, a National Oceans Advisor, to promote ocean issues and to oversee greater coordination among the Executive departments sitting on a newly-created National Oceans Council. Both the Pew and U.S.

Commission call for a National Oceans Advisor and a National Oceans Council and OCEANS-21 includes them. Part of the responsibility of these new positions is to change the atmosphere surrounding our oceans such that every American, from a person in Kansas to the Secretary of Energy, more readily recognizes our dependence on healthy oceans as well as how our actions affect the oceans. I do not believe that moving NOAA to Interior elevates the amount of attention paid to the oceans.

One other way that we can reverse the trends that threaten our seas—and one that should not be underestimated—is to commit to funding NOAA at levels that would actually allow the agency to do its job. In this respect, we have a shameful record. But, I note that this is not for lack of trying by many of the members of this subcommittee—Representative Pallone, Representative Gilchrest, Representative Faleomavaega, Representative Saxton, Representative Abercrombie, and Representative Bordallo have all joined me and the other House Oceans Caucus and Coastal Caucus co-chairs in sending request letters to the Appropriations Committee outlining some of the most important NOAA programs and the funding levels required for these programs. Sadly, while the Weather Service usually gets the funds it needs, the National Marine Fisheries Service and the National Ocean Service are regularly left scrambling.

The U.S. Commission on Ocean Policy has done a marvelous job of describing, in great detail, the resources needed to have a truly functional NOAA. In addition, in its report, the U.S. Commission offers a way to pay for much of the increased funding needed for better management and conservation of our precious ocean resources. The Commission suggests that revenues from offshore activities be funneled into a dedicated trust fund. I think that this makes a lot of sense and, as a member of the Appropriations Committee, I sincerely appreciate the Commission offering a method of paying for a large portion of their recommendations. I do, however, note that the Commission clearly states that these cost estimates and funding sources are meant to complement currently appropriated levels—not be the sole source of funds.

I do not believe that moving NOAA to Interior will solve its funding woes. Simply transferring it would not mean that its appropriations would be evaluated within the Interior Appropriations bill—additional action from the Appropriations Committee would still be necessary. What would help alleviate the lack of funding would be, beginning immediately, to have the Office of Management and Budget evaluate NOAA like it does other natural resource agencies. This simple step has the potential to ensure a long term solution for getting a more appropriate consideration of NOAA funding requirements.

While working to have NOAA evaluated outside of Commerce guidelines, I hope that during next year's appropriations cycle I will be able to depend on ALL members of this subcommittee to support funding NOAA at levels that will allow the agency to fulfill its responsibilities.

Our oceans represent the largest public trust resource in the U.S. Being better stewards of this vast resource—something that both the Pew and U.S. Commissions were adamant about—will require a change of course. But, as the U.S. Commission reminds us, every American depends on and is affected by the oceans, so fundamentally, this should be easy way for members of both parties from geographically-diverse areas to come together to do the People's business. Americans expect the Government to safeguard our ocean resources and I hope that the final report of the U.S. Commission on Ocean Policy, considered alongside the Pew report, will be the impetus for us to actually begin to do so.

While we have many crises, at home and abroad, that require our immediate attention, we cannot overlook the fact that our oceans are in a state of crisis, too. It is my sincere hope that Members of Congress, especially members of this subcommittee, will read the U.S. Commission's report and realize that our oceans need attention—now—and that the country is looking to us—their leaders—to act and make lasting changes. Having this discussion today is a step in the right direction; I just hope that today's hearing is the first of many that will take place to address the serious problems outlined in no less than two comprehensive reports describing the imperiled state of our oceans.

In closing, I thank Chairman Gilchrest and Ranking Member Pallone for letting me participate in today's hearing. I also thank Representative Saxton for his dedication to issues so important to our responsible management of ocean resources. Finally, it is my sincere hope that this subcommittee, and the larger committee, chooses to consider, and subsequently mark up, legislation that is comprehensive in scope, reflects the myriad problems detailed in the reports, and re-directs this country to a path to protect its largest public trust resource—our oceans.

Mr. GILCHREST. Mr. Keeney, thank you very much for coming this morning. You may begin.

STATEMENT OF TIMOTHY R.E. KEENEY, DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION (NOAA)

Mr. KEENEY. Good morning, Mr. Chairman and members of the Subcommittee. I am Timothy Keeney, Deputy Assistant Secretary for Oceans and Atmosphere at the National Oceanic and Atmospheric Administration.

I certainly appreciate the opportunity to present NOAA's perspective on H.R. 4368, the Weather and Oceans Resources Realignment Act.

I would like to preface my remarks by thanking the bill's author, Representative Saxton, for his dedication to serving America's precious ocean resources. For the last 20 years he has worked tirelessly and effectively for his constituents, and he has been a supporter of NOAA while serving with distinction as the Chairman, Vice Chairman and member of this subcommittee.

I also fondly recall in 1990 introducing you as NOAA's keynote speaker at an annual conference. And the memory of your passionate voice for environmental interests in the coastal zone certainly remains with me today.

In commenting on this legislation, I wanted to focus on two issues: First, has NOAA performed its mission successfully to the benefit of the American people as part of the Department of Commerce; and second, what are the anticipated costs of moving NOAA to the Department of Interior.

On October 3, 2005, NOAA will celebrate the 35th anniversary as part of the Department of Commerce. In a July 1970 statement to the Congress, President Nixon proposed creating NOAA to serve a national need "for better protection of life and property from natural hazards, for a better understanding of the total environment, and for exploration and development leading to the intelligent use of our marine resources."

By every objective measure, NOAA has met or exceeded these expectations. As the events of the past month have shown, the United States is the most severe-weather-prone country on Earth. Perhaps 90 percent of all Presidentially declared disasters are weather-related. The modernization of the National Weather Service and dedication of our employees has resulted in the average warning lead time for tornadoes increasing to 13 minutes, from less than 2 minutes when NOAA was created.

President Bush visited the National Hurricane Center in Miami this month and personally thanked our employees for the accuracy of their forecasts and warnings which helped to save lives and property when Hurricanes Charley and Frances swept through the Southern U.S. And the Caribbean. The success was truly a NOAA-wide effort, with virtually every line office of the agency contributing in some way to the more accurate forecast.

We also point with pride to NOAA's response to the increasing migration of the U.S. Populations to our coasts. Currently more than half of our population, approximately 141 million people,

resides within 50 miles of the coast and Great Lakes. New programs have been created to manage this historic migration, such as the Coastal Zone Management Program, which now encompasses virtually every coastal and Great Lakes State.

It should be stressed that during the timeframe being referenced, NOAA has been an integral part of the Department of Commerce. Due to its strategic impact on the economic and environmental welfare of the Nation, NOAA commands a central place within the Department of Commerce. As Secretary Evans noted this past June when announcing the transmittal of the Administration's proposed NOAA Organic Act to Congress, NOAA's products and services touch 30 percent of the Nation's GDP, and supports jobs for more than 13 million citizens. The commercial fishing industry adds approximately $28.5 billion in recreational fishing activities and approximately $25 billion to the national economy on a yearly basis. In fact, important economic decisions are made every day based on sciences and services that NOAA provides, including weather and climate forecasting, sustainable fisheries, coastal zone management and navigational safety.

With NOAA as an integral element of this organization, the Department of Commerce is the only Federal department that integrates economics, technology, trade and the environment as part of a formula to expand the economy. It is a synergy that exists nowhere else.

It is clear from other major governmental reorganizations that the cost to the taxpayer of such moves it high. First, there is a loss of productivity that can be expected with such a large move of personnel. Second, the change of corporate culture can adversely affect morale. Furthermore, the Administration does not believe that transferring over to the Interior Department would realize the benefits anticipated by the legislation. Housing NOAA as a distinctive agency within Interior will not provide for better integration of ocean policy or coordination of ocean and coastal activities. This is due to the fact that there are at least seven other agencies with significant roles in ocean and coastal policy which would not be affected by the legislation in any way.

Mr. Chairman, the Administration cannot support the changes made in H.R. 4368 without having been afforded the opportunity to fully review the final report of the U.S. Commission on Ocean Policy. However, we believe that the Administration and Congress have a unique opportunity to work together to improve meaningful improvements in ocean policy, science and management.

Thank you for the opportunity to be here today. I will be happy to answer any questions from the Committee.

Mr. GILCHREST. Thank you very much, Mr. Keeney.

[The prepared statement of Mr. Keeney follows:]

Statement of Timothy R.E. Keeney, Deputy Assistant Secretary for Oceans and Atmosphere, National Oceanic and Atmospheric Administration, U.S. Department of Commerce

Good morning, Chairman Gilchrest and Members of the Subcommittee. I am Timothy Keeney, Deputy Assistant Secretary for Oceans and Atmosphere at the National Oceanic and Atmospheric Administration (NOAA). I appreciate the opportunity to present NOAA's perspective on the Weather and Oceans Resources Realignment Act, H.R. 4368.

H.R. 4368 proposes to transfer both the administration and functions of NOAA, in their entirety, to the Department of the Interior, where NOAA would be, "maintained as a distinct entity." No time line is provided for the transfer.

I would like to preface my remarks by thanking the bill's author, Representative Jim Saxton, for his dedication to conserving America's precious ocean resources. For the last twenty years, he has worked tirelessly and effectively for his constituents, and he has also been a supporter of NOAA while serving with distinction as both the Chairman, Vice Chairman and as Member of this Subcommittee.

In commenting on this legislation, I wanted to focus on two issues: First, has NOAA performed its mission successfully as part of the Department of Commerce and through cooperation with other Executive Branch agencies, and have the American people benefited from NOAA being housed in the Department of Commerce? Second, what are the anticipated costs of moving NOAA to the Department of the Interior?

NOAA AS AN INTEGRAL PART OF THE DEPARTMENT OF COMMERCE

On October 3, 2005, NOAA will celebrate its 35th anniversary as part of the Department of Commerce. In a July 1970 statement to Congress, President Nixon proposed creating NOAA to serve a national need "...for better protection of life and property from natural hazards...for a better understanding of the total environment...[and] for exploration and development leading to the intelligent use of our marine resources..."

By every objective measure, NOAA has met or exceeded these expectations. As events of the past month have shown, the United States is the most severe-weather prone country on Earth. Approximately 90 percent of all Presidentially-declared disasters are weather related. The modernization of the National Weather Service and dedication of our employees has resulted in the average warning lead time for tornadoes increasing to 13 minutes from less than two minutes when NOAA was created.

When President Bush visited the National Hurricane Center in Miami earlier this month, he personally thanked our employees for the accuracy of their forecasts and warnings which helped to save lives and property when Hurricanes Charley and Frances swept through the southeastern U.S. and the Caribbean. This success was truly a NOAA-wide effort, with virtually every line office in NOAA contributing in some way to the more accurate forecasts.

We also point with pride to NOAA's response to the increasing migration of the U.S. population to our coasts. Currently, more than half our population, approximately 141 million people, resides within 50 miles of the coasts and Great Lakes. New programs have been created to manage this historical migration to the coasts, such as the Coastal Zone Management program, which now encompasses virtually every coastal and Great Lakes state.

It should be stressed that during the time-frame being referenced, NOAA has been an integral part of the Department of Commerce. Due to its strategic impact on the economic and environmental welfare of the Nation, NOAA commands a central place within the Department of Commerce. As Secretary Evans noted when he announced the transmittal of the Administration's proposed NOAA Organic Act to Congress, NOAA's products and services touch 30 percent of the Nation's GDP and supports jobs for more than 13 million citizens. The commercial fishing industry adds approximately $28.5 billion, and marine recreational fishing activities add approximately $25 billion to the national economy on a yearly basis. In fact, important economic decisions are made every day based upon science and services that NOAA provides, including weather and climate forecasting, sustainable fisheries, coastal zone management, and navigational safety. With NOAA as an integral element of this agency, the Commerce Department is the only Federal department that integrates economics, technology, trade, and the environment as part of a formula to expand the economy; it is a synergy that exists nowhere else.

Let me provide a few examples:

- The Economic Development Administration (EDA) and NOAA have collaborated closely in the development and implementation of the NOAA-led Portfields Initiative. As sister Commerce agencies, EDA and NOAA have been close collaborators on brownfields redevelopment, coastal development, and marine transportation system development issues; which come together nicely within the Portfields framework. The Portfields Initiative, a spin-off from the larger Brownfields Interagency Working Group (IWG), is a federal interagency project that will focus on the redevelopment and reuse of brownfields in or around ports, harbors, and marine transportation hubs with emphasis on development of environmentally sound port facilities.
- The economic value of the commercial fishing industry is $28.5 billion annually. In 2002, the seafood processing and wholesale sectors alone employed 72,000

people. NOAA is working with the Economic Development Administration (EDA) to provide economic assistance to fishermen and fishing communities that have been affected by NOAA National Marine Fisheries Service fisheries restrictions.

- The value of the marine recreational fishing industry is approximately $25 billion annually. NOAA aims to protect the value of fish stocks to the economy by promoting healthy marine recreational fisheries.
- Last month, NOAA Fisheries released a draft of an options paper for the economically distressed U.S. shrimp industry. The paper provides guidance to shrimpers on how to remain competitive. Within the Department of Commerce, the International Trade Administration provided input in order to ensure that the paper accurately reflected the current global commercial shrimp market.
- Aquaculture is the world's most rapidly growing sector of food production. Within the Department of Commerce, NOAA and NIST are both working to develop technology could help restore depleted salmon species, manage many wild fish stocks, and benefit the growing world aquaculture industry. By the year 2010, it is estimated that nearly 1 billion hatchery fish will need to be processed worldwide. Current vaccination practices in hatcheries are not fully reliable and add stress to the young fish. The NIST Advanced Technology Program is funding a three year project for $2 million for the development of a faster, cheaper, and more reliable mobile vaccination technology to vaccinate up to 2 fish per minute in a hatchery with traceable tags. This research could greatly enhance NOAA's vision for sustainable aquaculture for food production and stock enhancement.
- Waterborne cargo contributes more than $742 billion to Gross Domestic Product and sustains more than 13 million jobs. Promoting safe navigation is a critical contribution of NOAA to the nation's economy. Ninety-five percent of all goods in U.S. foreign trade enter and leave this country by ship. On June 30th, NOAA announced it would provide operational forecasts for ship traffic in Galveston Bay, the second largest port in North America. This system provides mariners, port managers and emergency response teams with present and future conditions of water levels, currents, temperature and salinity. All of this results in savings to shippers and the American exporter and consumer.
- Geomagnetic storms can wreak havoc on our Nation's electrical grid, commercial aviation, and telecommunications. In 1997, a solar storm partially destroyed a communications satellite. NOAA helps provide early warnings allowing industry to take measures to prepare for these storms. The net economic value to industry of these forecasts has been estimated at over $350 million over a period of three years, far in excess of the $100 million cost of the system.
- The National Institute of Standards and Technology (NIST) works closely with NOAA in developing hurricane-resistant structures. For example, in 2001, NIST used propeller blasts from Hercules C-130s turboprop aircraft to subject instrument-laden test homes to sustained wind levels comparable to those of a hurricane. The wind resistance of houses cannot be tested in traditional wind tunnels, which are too small. Data analysis yielded computer models that can tell home-builders and manufacturers the actual wind resistance of different types of residential buildings and materials under realistic wind conditions.
- Travel and tourism is the Nation's largest employer, and second largest contributor to the Nation's Gross Domestic Product, generating $700 billion annually. Beaches are the largest tourist destination, with coastal states earning 85 percent of all tourist revenues. Through its National Marine Sanctuaries; National Estuarine Research Reserves; Coastal Zone Management activities; coral conservation programs; and partnerships with states to manage access to coastal areas on a sustainable basis and provide recreational opportunities, NOAA helps contribute to the vitality of this industry.
- NOS and the Office of Coast Survey have worked well with the Bureau of Industry and Security (BIS) on Marine Transportation System issues as co-leads for Commerce on the Interagency Committee for the Marine Transportation System (ICMTS). NOS and BIS look forward to further interagency cooperation in support of marine transportation improvements for economic, safety and security reasons.

In addition to these examples of cooperation with other agencies within the Department of Commerce, there are numerous examples of interagency cooperation between NOAA and the Department of Interior (DOI), which provide evidence that merging NOAA with Interior is not necessary to ensure effective cooperation.

Just a few of these examples are:

- NOAA and DOI, as co-chairs of the U.S. Coral Reef Task Force, participate in many joint efforts in the area of coral reef conservation, preservation and

restoration. These include over $2 million annually in state and territory management grants, and mapping and monitoring of coral reefs. Also, NOAA works with the National Park Service in siting and supporting NOAA's Coral Reef Early Warning Stations in the U.S. Virgin Islands and elsewhere.

- NOAA and the National Park Service, U.S. Geological Survey (USGS) and the Fish and Wildlife Service (FWS) cooperate in implementing the South Florida Ecosystem Restoration, and in supporting the Comprehensive Everglades Restoration Plan.
- The Department of Commerce is the co-chair, together with the Department of Agriculture and the Department of the Interior, of the National Invasive Species Council. NOAA and the FWS are co-chairs of the Aquatic Nuisance Species Task Force. Among the many cooperative efforts in this area is the development of new ballast water management technologies.
- DOI and NOAA are partners in implementing Executive Order 13158 on Marine Protected Areas. NOAA and the National Park Service (NPS), the Fish and Wildlife Service (FWS), and the Minerals Management Service (MMS) are working together on developing an inventory of Marine Managed Areas, maintaining the MPA Website, and coordinating with the Marine Protected Areas Federal Advisory Committee charted under the Federal Advisory Committee Act.
- NOAA, through the National Marine Fisheries Service, works with DOI on many protected species and hydropower issues. The agencies share jurisdiction for the conservation of marine turtles; FWS focusing on nesting beach conservation activities, and NOAA working on conservation and recovery of these species in their marine habitats. NOAA provides scientific expertise and management advice on marine species listed under the Convention on the International Trade in Endangered Species (CITES), which DOI is the lead agency for the United States government. The agencies have multiple joint policies and guidelines related to implementation of the Endangered Species Act. Also, NOAA and DOI share authority under Section 18 of the Federal Power Act to prescribe fishways to ensure safe fish passage at non-Federal hydropower facilities licensed by the Federal Energy Regulatory Commission.
- NOAA, through the National Weather Service, supports the interagency fire program efforts by providing targeted weather forecasts to support DOI's fire pre-suppression and suppression activities. Also, NWS and the U.S. Geological Survey (USGS) cooperate on the Federal Hydrology Infrastructure, which provides river and flood forecasting.
- NOAA works closely with and in support of DOI's Federal Geographic Data Committee (FGDC), National Spatial Data Infrastructure (NSDI), and Geospatial One-Stop (GOS) activities. The benefits of this cooperation include enhanced access to marine and coastal data utilizing metadata and the FGDC clearinghouse system and Geospatial One-Stop; increased quality of marine and coastal geospatial data through standardization and training; and, improvements in data and systems interoperability.

The U.S. Commission on Ocean Policy, after three years of studying the United States government's ocean policies, how agencies are structured, and how they function, did not see any need to remove NOAA from the Commerce Department at this time. In answer to my second question, the Administration strongly believes that the American people benefit from the strong integration of economic and environmental issues which results from NOAA being part of the Commerce Department.

ANTICIPATED COSTS OF TRANSFERRING NOAA TO THE DEPARTMENT OF INTERIOR

It is clear from other major government reorganizations that the cost to the taxpayers of such moves can be very high. First, there is the loss of productivity that can be expected with such a large move of personnel. Second, the change of corporate culture can adversely affect morale. The University of Virginia, in a study on Federal Executive Reorganization, found that federal agency reorganizations result in unforeseen difficulties. The study noted, "the practical task of merging a large number of different programs with their disparate organizational structures, cultures, and procedures would take time and meant that 'true" reorganization of the executive department would take many years." Furthermore, we do not believe that transferring NOAA form one Department to another would realize any benefit. A transfer that houses NOAA as a distinct agency within Interior, as it now exists within Commerce, will not provide for better integration of ocean policy or coordination of ocean and coastal activities. There are still many other agencies with significant roles in ocean and coastal policy, and their roles would not be affected by this legislation.

Conclusion

The statement of introduction for H.R. 4368 highlighted the need to make improvements in the way we manage marine fisheries and the unique opportunity provided to us by the release of the report by the U.S. Commission on Ocean Policy. The Administration shares the Committee's dedication to advancing the next generation of ocean policy. We are firmly committed to sound management and effective conservation of our ocean and coastal resources to meet our nation's environmental, economic, and social goals and our nation's legacy of ocean stewardship. Indeed, demonstrating the President's commitment to NOAA's mission, President Bush has personally visited NOAA facilities on several occasions, including our principal offices in Silver Spring, Maryland.

However, the Administration cannot support the types of changes made in H.R. 4368 without having been afforded the opportunity to fully review the final report of the Ocean Commission. We ask you to allow the Administration to have the 90 days Congress authorized in Public Law 106-256, as amended, to review the final report and discuss with you and with other critical stakeholders how best to achieve our common goals. We believe that the Administration and Congress have a unique opportunity to work together to achieve meaningful improvements in ocean policy, science, and management. Thank you again for your time. I will be happy to take any questions from the Committee.

Mr. GILCHREST. So, after the review of the Ocean Commission report, will the Administration have specific recommendations on any proposed changes recommended in the Commission's report on NOAA?

Mr. KEENEY. Certainly they will. The Administration currently has an interagency ocean policy group, which is chaired by the Council on Environmental Quality, and expects to be making recommendations for the Administration's response, which will be presented to Congress within the 90-day requirement required by law.

Mr. GILCHREST. I am just going to ask a series of questions, and I think we ought to—we might want to have the lights running in case we need to have a second round of questions, but just to keep the questions equitably distributed amongst our Members.

One of the recommendations of Mr. Saxton is to make NOAA function in all its varied responsibilities efficiently and effectively. So each of the questions that I am going to ask you now, Mr. Keeney, relates to NOAA's actions now to be able to meet the goals that it has, whether it goes into Interior, whether it is a separate agency or not, whether there is some changes within Commerce, or—how do we effectively address the issues of NOAA so that we can meet the needs of the environment, economics, technology, trade, fisheries, et cetera? Do you have any feeling for whether or not when we are looking at geospatial areas or hydrographic data or electronic navigational chart data—do you have any sense that NOAA duplicates what is done in the private sector, or whether or not NOAA now unfairly competes with the private sector on those issues?

Mr. KEENEY. We think there is a role for the private sector and a role for NOAA. And our job is not to compete with the private sector, but to provide it basic information with which the private sector operates from there. So I do not think there is duplication.

I am sure there are companies in the private sector that would like to see NOAA doing less of what it currently does, but we feel that, looking at our mission and the mandates of legislation passed by the Congress, that we do what we are supposed to be doing.

Mr. GILCHREST. So you feel there is a certain synergy, a certain dynamic between the NOAA and the private sector that at this point works fairly well?

Mr. KEENEY. We do. It is a constant communication, a constant review of what it is we do, and is there a way we can do it better, is there a way we can work more effectively with the private sector. We are very interested in that subject.

Mr. GILCHREST. One of the areas that you mentioned in your testimony dealt with brownfields and NOAA's involvement in ports, harbors, marine transportation hubs, and so on. Does NOAA work now under its present structure well, for example, with the Corps of Engineers, who have very similar responsibilities dealing with ports and harbors and those kind of things, or do you feel any of the responsibilities that NOAA now has is a complement to the Corps of Engineers, or is it something that duplicates what the Corps of Engineers does?

Mr. KEENEY. We do not feel there is any real duplication. We feel there is need for a lot of cooperative effort. Our ports program, which is physical oceanography real time, focuses primarily on the kinds of products that NOAA puts out with regard to water levels, temperature, wave direction, and charting, and we do not feel that that in any way competes with the Corps of Engineers.

And then in the area of brownfields, report fields, we are interested in trying to turn around and clean up to the extent we can the resources that have been polluted historically in these areas and turn them back into progressive economic activity, and, again, we do not feel that competes with the Corps of Engineers either. We deal closely with the Corps of Engineers with regard to permitting. We have separate responsibilities, but are required to work cooperatively, and we believe we do that.

Mr. GILCHREST. My time is almost up, but I was interested in your work with NIST to develop hurricane-resistant structures. How do you—what is your strategy or plan to develop hurricane-resistant structures? Is there actually something you can build that is put, let us say, inside plywood or inside concrete that makes a building a little more flexible so that it can be more resistant to be buffeted by the wind; and your relationship with NIST on that particular issue.

Mr. KEENEY. Sir, I think the key is to be able to develop models that can look at some of these materials, some of these structures to see how they do under certain conditions. So our job is to try to develop the conditions which might occur in a severe weather occasion. In this job it is to try to figure out what kind of requirements there ought to be for building structures and what kind of structures hold up better.

Mr. GILCHREST. I would be interested in following up on that.

Mr. KEENEY. We will get back to you on that.

Mr. GILCHREST. With that kind of research and technology. But given the fact that there has been 4 hurricanes in 4 or 5 weeks down in Florida and the devastation and destruction that is pervasive down there now, we would also like when you bring forth the recommendations from the Ocean Commission report dealing with the structure and objectives and goals of NOAA, how NOAA can in a way be synergistic to understand whether or not the weather is

going to get worse; is there a possibility to develop a structure that can resist 135-mile-per-hour wind; and can NOAA do those kind of things with its existing structure, or does it need to change?

My time is up, so I yield at this point to the gentleman from New Jersey.

Mr. PALLONE. Thank you, Mr. Chairman.

Mr. Keeney, your written statement extols the benefits of NOAA's collaboration with other agencies within the Department of Commerce, but conversely your statement also provides numerous examples of NOAA cooperating with assorted agencies within the Department of the Interior. So my question is if NOAA is working well with agencies in both departments, why is this argument by itself sufficient to oppose relocating NOAA into Interior? And added to that, would there not be new opportunities for synergies to benefit natural resource management, such as closer coordination between the U.S. Geological Survey and the Coast Survey and other observation and measurement programs in the National Oceans Service? It seems that you could almost—you could sort of go either way. So I have just wanted to—I do not quite understand why you seem to oppose the transfer under Mr. Saxton's bill.

Mr. KEENEY. I would just like to say, first of all, that with regard to the recommendations of the Ocean Commission, of which there are over 200, there are many that relate to responsibilities that NOAA should or should not have, and also many that relate to organizations. So we would really like an opportunity to be able to review those recommendations in relation to our mission, in relation to the end outcomes that that Commission report is aimed at, before we make any determinations as to what are the appropriate organizations that can best reach those end outcomes.

Mr. PALLONE. Is it true, then, that really the Administration does not have a position on Mr. Saxton's bill?

Mr. KEENEY. Well, I think that right now we are saying that we do not think the bill is something that we can support. However, we are saying that at a later date, after we have reviewed the Ocean Commission recommendations, we may change our mind on that.

Mr. PALLONE. What aspects of the report might influence the Administration to support the bill?

Mr. KEENEY. Clearly the points that you raised which deal with closer coordination and cooperation amongst the various responsibilities and missions that NOAA has might be one. I know, for instance, right now I work very closely with Assistant Secretary Judge Manson on the Coral Reef Task Force, and we get along very well. We work cooperatively. We are in separate departments. I am not sure that in any way interferes with our ability to work together, but I am sure if we were in the same department, we would probably see each other more often, and communication would be easier.

So there is certainly pluses out there to be had by being collocated, but at the same time you have to look at what the costs of that are and what it may mean to the agency's abilities to perform its mission.

Mr. PALLONE. Some critics have complained that NOAA should be moved to Interior to eliminate the conflict of interest with the

Department of Commerce, particularly in regards to fisheries management. I just wanted your response to that criticism. Is it valid? I have to say I am concerned, however, that new conflict of interest could emerge if NOAA were to be transferred to the Interior, particularly how the legislation would affect NOAA's ability to consider fairly and objectively appeals of Federal consistency under the CZMA.

What is your response to this criticism with regard to a conflict of interest with regard to fisheries management? And then if you want to talk about the consistency determination, I would appreciate that.

Mr. KEENEY. First of all, I would be interested to see what conflicts are being referred to here. I am aware that in the salmon department, we have some joint responsibilities, but I am not aware of there being particular conflicts there.

Mr. PALLONE. So you do not see—I guess some of the industry representatives and also the fisheries, sports fishing representatives, had expressed concern over the impact on fisheries management, but you are not aware of that?

Mr. KEENEY. Certainly we are aware of their concerns, for instance, on the creation of marine protected areas and the impacts on, say, recreational fishing. That is a concern of ours as well. We believe that the recreational fishing industry is an important customer of ours, and we look very carefully at actions that we take that may affect those interests. But I am not aware of a conflict that may relate to the Department of Interior in that regard.

Mr. PALLONE. Let me ask you this: The Administration supported legislative provisions in the energy bill earlier in this Congress to give the authority over OCS consistency determinations to the Secretary of the Interior and to overall weaken State consistency authority. I was very much opposed to that because it would directly benefit oil and gas industries that want to drill off the coast of New Jersey. Does the Administration still support these changes in the consistency determination, and does the Administration anticipate entering into any future rulemaking concerning Federal consistency determination, to your knowledge?

Mr. KEENEY. With regard to Federal consistency, the Administration, and particularly NOAA, has looked very closely at the issue of oil and gas and consistency with State coastal zone management plans, and we have had that review, we have had that debate within the Administration. I personally have talked with representatives from the Department of Interior about that, representatives from the Corps of Engineers as well, and we were able to work out any differences that we might have with regard to proposed changes in regulations. And I believe those regulations are have been put out for comment, and we have agreement within the Administration on what they should be.

Mr. PALLONE. I do not know, Mr. Chairman, if we are going to have a second round, I can get back to this. Thank you.

Mr. GILCHREST. Thank you.

Mr. Saxton.

Mr. SAXTON. I would like to follow up on the questions of Mr. Gilchrest and Mr. Pallone. First, with regard to the subject of conflicts, I have long believed that there is a conflict which is two

conflicts that are built into the housing, if you will, or the location of NOAA in Commerce as it relates to fisheries management, because by virtue of the very nature and definition of the Department of Commerce, the Department is there to enhance commerce, and resources management is in some respects inconsistent with enhancing commerce. And so I have long believed that that is a conflict, if I have said that correctly.

And the second conflict is in writing. The second conflict occurs in the mission statement of NMFS when it says that the mission of NMFS is to promote the consumption of seafood and simultaneously conserve and sustain the stock levels of the same species which NMFS is promoting for consumption.

I would just comment and then ask for your comments. I would just comment that we do not need to promote the consumption of seafood today any more than we need to promote the consumption of chicken, and yet that is still in your mission statements, and yet I know that, through my observations, that does occur. So would you comment on those two issues, which I think constitute conflict of interest?

Mr. KEENEY. Certainly. The first one being resources management responsibilities and enhancing commerce. I think that what we particularly pay most attention to are the authorization acts, and in this case the Magnuson-Stevens Act. I am not sure the Magnuson-Stevens Act requires us to consider the enhancements of commerce even though on its face, because we are in the Department of Commerce, you might think that that is an important priority. Again, we look to the statutes that guide our mission and our performance with regard to how we carry them out.

The second question that deals with promoting the consumption of seafood on the one hand and in the conservation of stock levels, I agree with you that there is an inherent conflict there. However, I am not the expert and cannot share with you how that is balanced and what weight the promotion of seafood has in making decisions that relate to management of our stocks. Maximum sustainable yield is certainly something that is part of the statute, and that is something we look at for purposes of the management of stocks, and if that somehow relates to the promotion or seafood consumption, be that as it may. But that is a goal that we look to in the management responsibilities that we have under the Magnuson-Stevens Act.

Mr. SAXTON. OK. Thank you.

Let me return now to Mr. Gilchrest's line of questioning where he asked if there were areas of duplication between the Department of Commerce, NOAA, NMFS and Interior. I would point out that, for example, in the Marine Mammal Protection Act there are nine acts where you actually have dual authority. And the Marine Mammal Protection Act, the U.S. Fish and Wildlife Service has jurisdiction over sea otters, polar bears, manatees, walrus, while the National Marine Fisheries Service has jurisdiction over all other mammals. I am not sure why we need to have two teams to do the same job. I think that may be a duplication.

With regard to the National Aquaculture Act, the National Aquaculture Act gives coequal authority to the development of the

National Aquaculture Development Plan and other functions among Secretaries of Interior, Commerce and Agriculture.

Third, the Endangered Species Act actually splits jurisdiction between the Department of Commerce and the Department of Interior for listing, management, regulation and recovery of threatened species.

The Lacey Act gives authority to both the Secretary of Interior and the Secretary of Commerce to regulate the importation, export or transportation of fish, wildlife and plants.

The Interjurisdictional Fisheries Act of 1986 gives primary authority to the Secretary of Commerce. The Secretary of Interior has been given limited authority under the act.

For the sake of saving time, I will just list others that have the same type of duplicative authority: the Atlantic Salmon Conservation Act of 1982; the Atlantic Striped Bass Conservation Act; the Central, Western and Southern Pacific Fisheries Development Act; and the Yukon River Salmon Act of 1995.

I guess I would let you go ahead and comment inasmuch as my time has now expired.

Mr. KEENEY. Congressman Saxton, I believe there is certainly a division of responsibility here, and I think that is very much directly related to the intent of Congress, so that the fact that NOAA has responsibility—

Mr. SAXTON. Could Congress be wrong?

Mr. KEENEY. We just try to carry out Congress's will.

With regard to, for instance, the Marine Mammal Protection Act, the division of species, I agree with you that there is division, and there probably is some duplication. However, the species are managed species by species and not as a group. Marine mammals are not managed as one species. So the fact that you have whales being managed by NOAA and the sea otter being managed by Interior, I am not sure that there necessarily means there is duplication of activity there, even though you may have some administrative duplication in carrying out that act.

With regard to aquaculture, I am particularly familiar with that one because I have spent a lot of time looking at the potential for authorizing aquaculture within the exclusive economic zone. You are right, there are some shared responsibilities there. For instance, the Corps of Engineers and EPA permit aquaculture activities right now. The U.S. Department of Agriculture handles fresh water aquaculture. However, I am not sure that putting all of NOAA into the Department of Interior is going to help that issue out, for instance. In fact, it might even frustrate it.

With regard to the Endangered Species Act, clearly with split jurisdiction there, there are always issues that require close cooperation and negotiation between the Department of Commerce, the Department of Interior, the Department of Agriculture in carrying out our responsibilities under that act.

Mr. GILCHREST. Thank you, Mr. Saxton.

Maybe we are moving in the direction of getting away from single species management to more comprehensive ecosystem management so the whales and the sea otters will be looked upon as being a part of the same system.

Mr. SAXTON. Neighbors.

Mr. GILCHREST. Neighbors.

Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

Mr. Secretary, I was reading portions of your statement earlier. Do I get the impression that as far as the Administration is concerned, you are not necessarily firm in objecting to the proposed bill, but you seem to be wanting more time to review the substance of the bill and make a better set of recommendations as far as what the bill proposes to do? Am I getting that just from you, or am I reading your statement wrong?

Mr. KEENEY. I think you are getting that from me. Again, I think that because of the importance of the U.S. Ocean Commission report, the fact of the matter is that the Administration needs to comprehensively review the recommendations, of which there are some 200, before it comes up with its own determinations of how to best organize governmental agencies to carry out the objectives and end outcomes that that Commission report seeks to achieve.

Mr. FALEOMAVAEGA. Maybe I read too quickly your statement, but you are talking about how many personnel, how many people that work for NOAA? If this thing is to take place, you are talking about the transfer of how many Civil Service employees within Commerce?

Mr. KEENEY. Approximately 14,400 employees. Interestingly enough, NOAA's budget encompasses approximately 60 percent of the Department's budget and 35 percent of its people.

Mr. FALEOMAVAEGA. So basically it is literally just emasculating the Department of Commerce in that sense.

Mr. KEENEY. I am not sure I would put it that way, but it is a large part of the Department

Mr. FALEOMAVAEGA. What percentage would you say the total administration of Commerce is within NOAA?

Mr. KEENEY. Again, it is 60 percent of the Department's budget is NOAA's budget, and 35 percent of the Department's employees work in NOAA.

Mr. FALEOMAVAEGA. So this is not chicken feed; this is really substantive?

Mr. KEENEY. You might want to call it fish feed or something.

Mr. FALEOMAVAEGA. Mr. Saxton and the Chairman explained earlier about the conflicts. Of course, the conflict goes on all the time. I have always wondered about this fish. This fish goes into fresh water, then it becomes USDA responsibility; am I right? It is no longer NOAA, but it becomes the Agriculture Department. And if this fish continues to swim along the saltwater reef, then it becomes the Department of Interior responsibility. If it eats coral and all that stuff, it becomes a National Marine and Wildlife, it becomes a regulatory problem.

Mr. KEENEY. That is correct

Mr. FALEOMAVAEGA. Then the fish looks outs in the blue and says, boy, I want to be free and out in the ocean, and then it becomes part of the jurisdiction of Commerce.

Mr. KEENEY. For instance, some of these fish we try to—you are right. Geography makes a big difference on who is responsible for management.

Mr. FALEOMAVAEGA. I just wanted to get a sense. Also, I know the commercial fishing interests within the Department of Commerce is over a $28 billion industry for which a lot of constituents and people rely very much for their livelihood. And I know that over the years this has always been a problem between the Department of Commerce promoting and enhancing industry trade, commerce. And then we have a regulatory agency within the Department of Interior that always seems to put constraints and problems in dealing with the commercial fishing industry. And I just wanted to check with you, if NOAA was to be transferred to the Department of Interior, I assume currently it is under the Assistant Secretary's jurisdiction within the Department of Commerce, or is it under the Deputy?

Mr. KEENEY. It is under the jurisdiction of the Under Secretary of Commerce, Vice Admiral Conrad Lautenbacher, and he has Assistant Administrator Bill Hogarth directly managing the responsibility of the National Fisheries Service.

Mr. FALEOMAVAEGA. So this—I can appreciate your concerns. Given the fact that 60 percent of the Department of Commerce operations comes out of NOAA alone is very substantive, and it is something that we need to continue to dialog on this.

Thank you, Mr. Chairman.

Mr. GILCHREST. Thank you, Mr. Faleomavaega.

Mr. Sam Farr.

Mr. FARR. Thank you very much, Mr. Chairman.

Mr. Keeney, were you at Senator McCain's hearing last week when they unveiled the Oceans Commission report?

Mr. KEENEY. No. I would have liked to have been there, but I was at the International Invasive Species Conference in Ireland last week.

Mr. FARR. I do not think you would have liked to have been there, because I was there, and Senator McCain and other Senators severely attacked NOAA essentially for your inability to comment on any of the questions that were asked of Admiral Lautenbacher. It was an embarrassment for the Department.

And I find today that your statement that you need opportunity to review the Commission's recommendations essentially trying to bury what is so important in this report. This report came out in the draft form last April, and the Commission recommended, based on growing understanding of ecosystems, including recognition of inexorable links among sea, land, air and all living things, a more fundamental reorganization of Federal resources agencies will eventually be needed.

That recommendation has been there for over 150 days, and, in fact, since the Stratton Commission report in 1969, which was 35 years ago, there have been no fewer than 23 organizational proposals involving NOAA offered either by Congress, Presidents or Federal advisory committees.

What I find so amazing is that the Administration moved very rapidly to create a new Commission, a new Department of Homeland Security, which was a major reorganization of Federal agencies, and borrowed from your agency as well as many others to create that new Department. Congress has acted on the 9/11 Commission report, which has been given to Congress since the draft of the

Oceans Commission, and since Congress has had the recommendations of the Pew Commission. I mean, these are not new issues. And what I understand is that the Administration forwarded to Congress its own legislative proposal for organic authority for NOAA.

So to say that you have not had an opportunity to review these recommendations seems to me a real misnomer. I will tell you as a co-chair of the Oceans Caucus—and its co-chairs of Congressman Weldon, Congressman Greenwood, Congressman Allen and myself—we have many times written to Secretary Evans asking him to meet with the caucus over a year ago, and every time the Secretary refused.

We have been trying to work on issues of reorganization and proper management of these resources for a long time in Congress, and I find that with all of the activity and the Oceans Commission being created by the President, who made the appointees, these are his appointees, to come and now say that we just need more opportunity to review it, when on one hand you have already forwarded to Congress your plan for organic authority—I think from the testimony just given, if your Department is 60 percent NOAA, which is 60 percent of the budget, why are we calling it the Department of Commerce? It ought to be the Department of NOAA, and Commerce ought to be a subentity of that.

There is serious—these bills that Mr. Saxton has introduced are serious bills, as Senator Hollings' bill is on the Senate side. We have a lot of work here, we have to get moving, and to say that we need more time, we will delay it, we will not start until a new Congress comes back in January I just think is irresponsible.

Mr. GILCHREST. Are you done, Mr. Farr?

Mr. FARR. Yes.

Mr. SAXTON. May I add something out of turn? I believe I talked to you about it, and you had told me we had scheduled it for this date in July before we left town. And we were pleased to have Mr. Keeney here. And, in fact, Mr. Keeney and I found out we had something in common that we did not know that we had in common when I went down to shake hands.

But I will tell you something, I am offended that neither Admiral Lautenbacher or Dr. Hogarth are here today. They both had plenty of notice to be here. Recently in the last few days we found out that they had to "go out of town." we cannot solve these problems if we cannot meet and talk about them. I am just offended that they are not here.

Mr. GILCHREST. Thank you, Mr. Saxton.

Mr. KEENEY. Mr. Chairman, I think there is a difficulty here in NOAA trying to respond in a detailed fashion to some of these recommendations when indeed the Administration has a lot at stake here with regard to the recommendations of the Ocean Commission report. So that clearly we have been working within NOAA and within the Administration to come up with what we believe to be solid positions that relate to the recommendations of the Commission.

However, the Administration does have 90 days. The report came out just last Monday, the 20th of September, the final report. I believe that there may be some decisions made, like the Organic Act,

before the end of the 90-day period of review. But yet again, we at NOAA cannot say that, and, again, there is some 10 different agencies and departments involved in this review at the Council For Environmental Quality.

So certainly we have been looking at this for a long time, but the fact of the matter is the Commission's report was also delayed, as you know, and there is a period of review within which the Administration is given by law to review those recommendations before it comes with its suggestions. So I guess what I am saying is that NOAA on its own, even though we have been looking at this very closely, cannot come out and give you its own personal views without the deliberation within the Council For Environmental Quality.

Mr. GILCHREST. Thank you very much, Mr. Keeney. I think we all recognize the difficulty of the split jurisdiction, the fragmented way in which we deal with a whole range of issues, not just oceans, estuaries, fish, hurricanes, marine mammals, et cetera. And I think what we are going to continue to try to do in this committee is to work as effectively as we can as one of the leadership positions in the Federal Government to set the tone of the debate; create legislation where there is clear, workable, pragmatic and visionary goals and objectives; and create a structure that is adequate and can function to meet those in a professional, clear way.

I have just some follow-up questions, Mr. Keeney, and I will conclude with these questions to sort of get clear in my mind NOAA's relationship with the other agencies and departments in the executive branch on the whole range of issues, and I would like you to respond to those, and I know you are working—those are specific questions that deal with very specific details of the Ocean Commission reports on how NOAA could work in a more efficient manner with its agency partners. And a number of us up here mentioned already USDA, Fish and Wildlife and NMFS. And Mr. Faleomavaega said depending on where the fish is, depending on which agency deals with that particular fish.

So as you move forward to look at the Ocean Commission report and make some recommendations to us so we can change the statute. USDA, Fish and Wildlife and NMFS deals, from your perspective, in a fluid manner, there is no, when I say conflict of interest, I am not talking about money conflict of interest necessarily, economic conflicts, but such strong differences of opinions based on each agency's statutory frame of reference, what could be cleared up in that area.

Number two, dredging for our Nation's ports and a whole range of other things that deal with our Nation's ports. Generally, the Corps of Engineers is the lead agency on that, and Interior, through Fish and Wildlife, and the National Marine Fisheries Service, usually are the commenting agencies. So, is it fine the way it is where NMFS under Commerce and Fish and Wildlife under Interior comments on those, not only the dredging projects, but where the dredging material will be disposed of, and who monitors that large disposal site for decades to come, and how that is monitored?

You mention in your testimony, Mr. Keeney, Executive Order 1358, marine protected areas. In marine protected areas you have the National Park Service, you have Fish and Wildlife, you have Marine Management Service, et cetera, et cetera. Under marine

protective areas or that executive order, do you see the structure the way it is now in all these various agencies working on that issue, working harmoniously, or what would you recommend to change in that particular arena?

Last is flooding. You mentioned in your testimony about forecasting flooding. I am interested to see your synergism with FEMA, USGS, and flood plain management depends on flood plain mapping. And flood plane mapping, it seems to me, in many areas of the country changes rapidly when you have new construction, new development; and depending on the new regime for stormwater management, you might change the whole regime of where that water is going to be channeled. So either continue the existing channeling the way it is, or exacerbate that and create floods where they were never created before.

So, FEMA, USGS, NOAA, what is your relationship with developing those kind of systems that are changing? They change almost every few years. So in many areas, my area in particular that I represent in the northern part of my district, FEMA's maps are useless now for two reasons. One, there has been so much development in some of those areas that the whole flood plain has changed. And two, we are getting rainstorms that we have not had in the history of that particular region of weather forecasting.

So, is NOAA's relationship with all of these various issues one that is succeeding? We know it is dynamic, but is it successful? And I know that you are reviewing some of these things with the ocean report, but I just wanted to have your sense at this particular time on some of those questions. My time is up.

Mr. KEENEY. Thank you, Mr. Chairman. You certainly asked a series of questions here, and I will try to address them as best I can. But at the same time I would like to say that we would also like an opportunity to get back to you and work with the Committee to get you additional information after today's hearings.

Mr. GILCHREST. That might be the best thing, Mr. Keeney, rather than go through all of those, unless you feel perfectly comfortable in doing that. We certainly can discuss that in the coming weeks.

Mr. KEENEY. Very good.

Mr. GILCHREST. OK. Thank you very much.

Let us see. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

I have two additional questions for Secretary Keeney. One, is the Administration going to withdraw their legislative proposal for organic authority for NOAA until you have had a chance to review the Ocean Commission report?

Mr. KEENEY. No, we are not. This is something that NOAA has been interested in for some time. In fact, 20 years ago when I was the Deputy General Counsel of NOAA, I spent at least 6 months working on an organic act at that time. NOAA has realized for decades that it needs an organic act. We have been in existence now for almost 35 years. We have almost 200 pieces of legislation that have been passed by Congress, some of which preceded the formation of NOAA, and we believe an organic act would help us tremendously, give us direction with regard to our mission and how we are going to carry it out. So we believe an organic act is something

that, with or without the recommendations of the Ocean Commission, is indeed an appropriate thing to proceed with.

Mr. FALEOMAVAEGA. I would like to defer my time to Mr. Farr, if he has any follow-up questions on this issue.

Mr. FARR. I will wait.

Mr. FALEOMAVAEGA. One other question, Secretary Keeney. According to section 8 of the proposed bill, the Director of OMB will be authorized to make any subsequent incidental transfers of programs, personnel and assets as necessary. This authority would come under without any requirements of review or justification or even for approval by the respective oversight committee in the Congress. In essence, there will be no accountability. To say the least, this very broad discretionary authority could be abused to dismember NOAA as it currently exists and in reality perhaps even reduces the stated purpose of the bill; that is, transfer NOAA as a distinct entity to the Interior Department.

Do you agree with this interpretation of section 8 of the bill?

Mr. KEENEY. I must say I have not looked too closely at it, but because the bill is put together by a member of your committee, I suggest if you think there is a problem there, that it could be changed at markup

Mr. FALEOMAVAEGA. I guess there would be no purpose of me asking the question about the bill since you have not had a chance to thoroughly review it. Am I correct in this?

Mr. KEENEY. We have looked at the bill. The bill actually lacks quite a bit of detail.

Mr. FALEOMAVAEGA. That is what we are trying to ask, Mr. Secretary. Tell us what it lacks, and give us some good stories about the provisions of the bill, too.

Mr. KEENEY. Again, it is also interesting to note some 20 years ago I was asked by Secretary Baldrige when I was working at Commerce as a Deputy General Counsel to look at what to do with NOAA in light of his interest in creating a Department of International Trade and Industry. So 20 years ago I got to convene a group of people to look at what were all the options that ought to be considered as to what to do with NOAA, and we came up with, I would say, at least 10 different options. And these are issues that have been looked at before, and we would be very willing to sit down with the Committee to discuss what might be the best options here. But as you know, the bill is fairly straightforward and just saying NOAA as a whole and putting it into the Department of Interior.

With regard to authority that OMB might have that might run against that, I really have not looked at that in any detail.

Mr. FALEOMAVAEGA. Mr. Secretary, probably in the lifetime of your sense of expertise and the experience that you have gained not only as someone in your capacity as a professional, do you get the sense of our sense of urgency of how important the oceans policy is for our country? It has some very serious implications not only for our country, not only our security, but economic, commercial, environmental. These things are really serious issues. And I just wanted to know from your experience of how many administrations that you have worked for, not Republican or Democrat, it does not matter, but do you sense that in your experience that this

issue is really taken seriously by those who are in positions to make important decisions in our government to see how serious the matter is?

Mr. KEENEY. Absolutely. In fact, there is a tremendous amount of effort that went into working with the Ocean Commission that reviewed these policies and has been reviewing it for the last couple of years. It is tremendously serious, and that is another reason why I believe that the Administration needs additional time to come up with its recommendations on what it wants to do in relation to the recommendations made by the Commission itself.

Mr. FALEOMAVAEGA. So you do not think we have studied reports to death? Paralysis by analysis, is that what they said?

Mr. KEENEY. No. I think the Ocean Commission report is very thoughtful, very thorough, very detailed, and very much needed, and is being looked at very closely. And I am sure that the Administration will be agreeing with many of the recommendations made in it.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

Mr. GILCHREST. Thank you Mr. Faleomavaega.

Mr. Saxton.

Mr. SAXTON. Thank you, Mr. Chairman.

Let me just address two issues which I think are indications that perhaps NOAA and in particular the National Marine Fisheries Service are maybe not working up to capacity or not working up to a level of success that we would like to see and is the real cause that gave me the inclination to draft and introduce this bill.

I have had a lot of experience sitting here to observe NMFS's activities with regard to regulatory activities, and there are two sets of issues here which I just want to bring up to you. With regard to individual species management, the white marlin population at one time in the 1950s was an estimated 33,000 metric tons biomass. Today it is at an estimated 3,000. That is a drop-off which is more significant than anyone would ever want to associate with the term "successful management." and I am sorry that I do not have a bigger chart, but this chart is a picture of how that population has declined or crashed.

The second is a related species, blue marlin, same thing, same pattern, and I have worked on this particular issue, and it is a favorite of mine and one of the least favorite of mine. And so that is an indication that there are some changes that need to be made with regard to regulatory function of National Marine Fisheries Service. And as a result of that, I would just ask for your comments.

Second, there is another indicator that maybe things at NMFS are not working as well as they could, and that is in the last 20 minutes or so in talking with my friend here, we have identified 10 actions that have resulted—10 National Marine Fisheries actions which have recently come about not because of regulatory policy, but because of lawsuits. It has become necessary for people to file and carry out lawsuits to protect various species.

For example, there are six actions that we have identified are as a result of lawsuits and four that were actions taken by NMFS to avoid lawsuits. For example, as a result of lawsuits, we now find that we have tents for shrimping vessels. Second, we have had

swordfish longline closures and gear changes that have taken place to try to protect swordfish as a result of lawsuits. We have had longline closures in Hawaii as a result of lawsuits. We have had defining the zero mortality rate goal under MMPA as a result of lawsuits. We have had New England groundfish actions taken because of lawsuits. And six, we have denied a permit to test marine mammal deterrence off California as a result of lawsuits. Then there are four other actions that we think NMFS took to avoid lawsuits, a determination that NEPA applies on the high seas, and granting permits to require complete EIS studies.

We have seen NMFS require changes to the New England groundfish regulations which have been drafted by the Council to avoid a lawsuit. We have found developed rotating closed areas for New England scallops to avoid a lawsuit, and we have found that NMFS has required observer coverage and VMS coverage in new England to avoid lawsuits.

Now, lawsuits are part of our life, and the courts are a co and equal branch of government, but it seems to me that this number of lawsuits that individuals or organizations have deemed to be necessary to get NMFS to do its job is an indication that things are not working very well at NMFS.

And so with regard to these two species of white and blue marlin and the population declines and conceptually the subject of court action which is necessary to get NMFS to do its job, would you comment on those two sets of issues?

Mr. KEENEY. Certainly. The first with relation to white and blue marlin, as you know, the U.S. Take with regard to the world catch is less than 4 percent, and we are working as you know with ICCAT to assist in the management of the species. What we are doing domestically to reduce billfish mortality, we have recreational limits of 250 fish annually. We have implemented changes that involve the recreational fishery that relate to reporting systems, including telephone reporting, catch cards, dockside surveys. For longline or commercial fishery species, we have area closures, prohibitions on the use of live bait in the Gulf of Mexico, probation on large circle hooks throughout the fishery to decrease mortality. And NMFS is also working with the recreational fishing community to enhance catch-and-release fishing throughout the fishery with the use of circle hooks.

From the standpoint of regulatory actions, we have developed amendment number 2 to the Highly Migratory Species Fishery Management Plan, and amendment number 2 to the Billfish Management Plan. These amendments consider potential options, including closures, gear requirements and modifications to existing regulations. NOAA fisheries has also provided funds for research with the Institute of Marine Science and the country of Brazil to focus on minimizing bycatch and bycatch mortality in blue and white marlin and longline gear.

So those are actions that we have taken to try to reduce the mortality of fish caught and also to restrict the number of fish that can be caught.

With regard to the number of lawsuits and the actions taken by the Administration, by the National Marine Fisheries Service to avoid lawsuits, I think that you cannot avoid lawsuits, as you

know. One of our objectives is to try to win more lawsuits, and I think we have been particularly successful in that arena over the last 2 to 3 years. In fact, I would like to provide for the record some evidence of that with regard to numbers of lawsuits facing the National Marine Fisheries Service when this administration started and our success rate with regard to handling those lawsuits.

Mr. KEENEY. So your implication was that the fact that there are a number of lawsuits and a number of actions being taken by NOAA to reduce lawsuits is somehow an indication of the fact that NMFS is not doing its job very well. I am not sure I really agree with that. In fact, I think that NMFS is doing a better job because of its success rate on these lawsuits. We cannot prevent a lawsuit from occurring, but we certainly can affect the outcome of that lawsuit by our administrative actions. And I guess I will leave it with that.

Mr. SAXTON. Thank you. My time has expired. Mr. Chairman I would yield back.

Mr. GILCHREST. Thank you, Mr. Saxton, for your thoughtful contribution.

The gentleman from California, Mr. Farr.

Mr. FARR. Thank you very much, Mr. Chairman. Thank you. I thank the other members of the Committee for allowing me to participate.

This hearing was set for H.R. 4368, Mr. Saxton's bill, and I would like to submit for the record the legislation introduced by the Oceans Caucus and the bills authored by Congressman Greenwood and others of the caucus, and I would like to submit that for the record.

Mr. GILCHREST. Without objection.

[NOTE: The bills submitted for the record have been retained in the Committee's official files.]

Mr. GILCHREST. Mr. Keeney, did I hear you tell Mr. Saxton that the Department is opposed to his bill at this time until you have had an opportunity to review the Commission's reports?

Mr. KEENEY. That is correct.

Mr. FARR. What position did you take on Senator Hollings' bill that was marked up last week in the Senate Commerce Committee?

Mr. KEENEY. Which bill was that? The Organic Act?

Mr. FARR. It was essentially Mr. Saxton's bill with some more substance in it as to the direction of NOAA, to pull NOAA out of the Department of Commerce.

Mr. KEENEY. I am not aware of any administrative testimony on that bill.

Mr. FARR. It has been marked up and is going to the Floor, but you had no position on that bill?

Mr. KEENEY. I am sure we do have a position on it, and, in fact, we probably do not support it.

Mr. FARR. I would like to ask you in response to Mr. Faleomavaega's question, it seems to me what you are saying is two things: One, we want an opportunity to review the Commission report. It was our Commission, it was done on our watch and appointed by the President, and recommendations they made in

there, as I said, of more than 6 months ago, 5 months ago, to fundamental reorganization.

Having said all that, you also said you are going to go ahead with codification of NOAA in its historical position? How can you go ahead with codification or the Organic Act for NOAA at the same time you are telling this committee you are going to review all of these recommendations for reorganization? Would not you withdraw that proposal and write the new, hopefully the new, thinking that is coming out of all of these good reports and recommendations that have been made to the President?

Mr. KEENEY. I would like to say that I think that many of the recommendations made by the Ocean Commission are subject matters that NOAA has been looking at for some time. So I would say that of the 200 recommendations, many are issues or subjects that we feel we can move ahead with right away. And the reason being is that we sort of look at it as low-hanging fruit. These are things that are sort of no-brainers that we can get agreement on within the Administration. This is something NOAA has been interested in for some time. And now the Commission has made that recommendation, it makes it easier for us to move ahead with the recommendation without further discussion within this policy review committee at CEQ.

Mr. FARR. And yet the Senate has decided that they need to substantively give you more legal authority, NOAA legal authority to carry out a more comprehensive job?

Mr. KEENEY. Maybe the Senate is doing that, but I am not aware that the Administration does not have a position that it has taken on that bill.

Mr. FARR. I just want—cannot understand why you want to go ahead with codifying the status of NOAA after the taxpayers have spent 3 years and a million dollars on this report, and you are indicating to this committee that you need more time to review the report, but at the same time you are going to move ahead with codification of NOAA. It just does not make any sense at all.

I think you have already spoken. It sounds like what you were saying is, we have made up our minds; do not confuse us with the facts.

Mr. KEENEY. No. I think this is something that I have just mentioned I have been working on personally for as long as 20 years. This is something that NOAA has been interested in for some 20 years, and just because the Ocean Commission report has it as one of its 200 recommendations does not mean that we need to wait until the end of the 90-day review period to go forward with that recommendation when it is something that is clearly in NOAA's best interest, and we have a consensus within the Administration that that is something that the Administration would like to support. So it does not need additional review and study and, as I said, can be looked at as low-hanging fruit, and let us get on with it.

Mr. FARR. Well, it is not just the Commission's report that made some recommendations on reorganization. It was also the Pew Trust and 26 other entities before that in the last 30 years since the Stratton Commission report. I am shocked to hear you want to go ahead with codification at a time when people are talking about reorganization.

Thank you. Thank you very much, Mr. Chairman.

Mr. GILCHREST. Thank you, Mr. Farr.

The gentleman from New Jersey, Mr. Pallone.

Mr. PALLONE. Thank you, Mr. Chairman. I just want to follow up Mr. Keeney again quickly on the questions I was asking earlier about the OCS consistency determination.

I was trying to find out whether the Administration still supports these provisions in the energy bill that they did support earlier in the Congress to give authority over OCS consistency determinations to the Secretary of Interior and to in, my opinion, overall weaken State consistency authority.

I know you said—you mentioned something about all parties coming to an agreement on this, but it was my understanding that the coastal States strongly opposed the Administration's revisions to Federal consistency regulations. And I guess I did not the time before, but I am trying to get a handle on whether you are implying that the States are now supporting these changes.

The Administration is basically still looking to move ahead with these changes, and are you saying that the coastal States now support the changes, or they do not?

Mr. KEENEY. I am not saying the coastal States support the changes. What you are saying is that it is—part of the energy bill seeks to give authority to the Department of Interior on consistency. That is what you are telling me?

Mr. PALLONE. Right.

Mr. KEENEY. That is something that—NOAA thinks that consistency is a very valuable part of the Coastal Zone Management Act, is a very important element in the balance between State and Federal interests, and is important to maintain in its existing sense.

Mr. PALLONE. So you do not want the changes.

Mr. KEENEY. No.

Mr. PALLONE. So you do not support the changes in the energy bill.

Mr. KEENEY. I can just tell you that is only one of many, many interests in the energy bill.

Mr. PALLONE. Then you started to talk about some rulemaking that you are doing on this issue. That is a different issue.

Mr. KEENEY. It has to do with consistency. We look at it as administrative changes to try to make the appeals work more efficiently that come in from State determinations. It is the same subject, but different portion.

Mr. PALLONE. Different aspect. OK.

Let me ask one more thing, Mr. Chairman. That is about, again, going back to the whole question of conflict with NOAA and the Department, because the bill before us, Mr. Saxton's bill, would make it transfer to the Interior.

There definitely have been conflicts in terms of NOAA and the existing Department of Commerce, and I just wanted to mention this and get a response. On the tuna/dolphin issue, the recent U.S. District court ruling against Commerce with respect to Commerce's finding of no significant adverse impact of purse fishing on dolphins I think is a prime example of the internal tensions within NOAA. On the one hand NOAA was charged with protecting, ensuring the recovery of dolphins. On the other hand, Commerce

came under intense pressure by the State Department to issue the finding of no significant adverse impact so as to benefit the Mexican tuna fishery. Now, in a reversal, Dr. Hogarth issued the final finding of no significant adverse impact after determinations based on NOAA's own scientists that there was a significant adverse impact.

Again, I just want you to comment on this because it seems to me there is a conflict, and that this is a good example of the kind of conflicts that exist now within the Department of Commerce.

Mr. KEENEY. Congressman Pallone, I am not familiar with the tuna/dolphin issues. Clearly Mr. Hogarth would be the right person to ask that question. I can get that information for you. However, I would like to make a statement with regard to the leadership within NOAA and the Department of Commerce.

Mr. PALLONE. Well, that is fine, but would you get back to me or have Mr. Hogarth get back to me on the dolphin issue? With your permission, Mr. Chairman, I would like to get a written response.

Mr. GILCHREST. I would like to know about that as well.

Mr. PALLONE. OK. Thank you.

Go ahead, Mr. Keeney.

Mr. KEENEY. I used to work up on the Hill on the Senate Appropriations Committee staff, and I worked with probably six of the eight NOAA Administrators. I have been involved in 3 different administrations at NOAA over the 20 years that I have been in government, and I can say that NOAA has never had a better relationship than it has right now with the leadership within Commerce, with regard to the Secretary, the Deputy Secretary, and the ability of NOAA to do its job without undue influence, without politicization. And I think we have been very fortunate, and we have a great team, and you may think that team is not very effective, but I will tell you it is more effective than it has ever been before.

Mr. PALLONE. I started out this morning, I guess, saying that I thought you did have a great team, so I am not questioning that, but I would like to have a response to that question.

Mr. KEENEY. We will get you that.

Mr. PALLONE. Thank you.

Mr. GILCHREST. Thank you, Mr. Pallone.

Are there any other questions from any Members for Mr. Keeney?

Mr. Keeney, thank you very much for your testimony. It has been very helpful here this morning. We would like to follow up, sir, with two things; number one, some of the questions I asked if we could either over the phone, since they were my questions—if we could have a conversation about that. And we may have some other questions that we would like to submit to you in the coming days to deal with this issue of the NOAA Organic Act.

Mr. KEENEY. Certainly.

Mr. GILCHREST. Thank you very much, Mr. Keeney.

Our next panel will be Mr. John M. Palatiello, Executive Director of the Management Association for Private Photogrammetric Surveyors, MAPPS; Dr. Andrew Rosenberg, Member, U.S. Commission on Ocean Policy; Mr. Robert Hayes, General Counsel, Coastal

Conservation Association; Mr. Christopher Mann, Policy Director, Center for SeaChange; Mr. Rod Moore, Executive Director, West Coast Seafood Processors Association.

Gentlemen, thank you very much. I think there are some seats in the room, so anybody standing over in the corner, there are probably a half a dozen chairs vacated now, so you are welcome to sit down.

Gentlemen, thank you for coming. We welcome you for coming. We look forward to your testimony.

Mr. Palatiello, please tell me how to pronounce your name.

Mr. PALATIELLO. I would not be offended if you called me John.

Mr. GILCHREST. Thank you, John. You may begin.

STATEMENT OF JOHN M. PALATIELLO, EXECUTIVE DIRECTOR, MANAGEMENT ASSOCIATION FOR PRIVATE PHOTOGRAMMETRIC SURVEYORS (MAPPS)

Mr. PALATIELLO. Thank you, Mr. Chairman. I am John Palatiello, Executive Director of MAPPS, which is a trade association of private mapping and geospatial firms.

I remember fondly, Mr. Chairman, we had the pleasure of visiting the Maryland State Department of National Resources several years ago to look at their mapping and geographic information systems together, and the work they were doing with regard to using geospatial technologies for wetlands delineation, and you have been a great assistance to our profession. And we are grateful for that and for the opportunity to share our views today.

Mr. GILCHREST. Thank you very much.

Mr. PALATIELLO. There are a number of fine programs in NOAA in which our members are participants as both prime and subcontractors.

A few years ago NOAA began a shoreline mapping program to contract with private companies to take advantage of the technologies that are available in the private sector, and those contracts and that program is moving along very well. This subcommittee is very familiar with the Hydrographic Survey Program and the effort to work down the survey backlog on our coasts and ports and harbors, and our members are the contractors in that program as well. And again, working within budget limitations, there are a number of successes there.

The Coastal Services Center in Charleston, South Carolina, utilizes a number of our member firms, and that, we think, is a best practices model that should be more extensively emulated.

Over the last 10 or 12 years, the advent of private commercial high-resolution remote sensing satellites has met the marketplace, and they are actually licensed by the Federal Government, and NESDIS is the agency that does that licensing. There are, in addition, though, a number of areas for reform in NOAA, and I will just touch on them very briefly.

We would respectfully disagree with Mr. Keeney and indicate that we do believe that NOAA still is in a position of competing with the private sector in a number of their mapping, charting, and activities, and we think there is an opportunity to embrace new technology in the private sector to a much greater extent.

The hydrographic survey backlog, we think, is somewhat crippled by NOAA's continued reliance on their own ships rather than the efficiencies that are resident in using the private sector. And we are deeply concerned that NOAA is not moving forward on implementation of section 104 of the Hydrographic Services Improvement Act with regard to development of a quality assurance program so that private charting data, ENC (Electronic Navigational Charts) data, can be used which is already in existence in the private sector.

But the Ocean Commission highlighted the urgent need to modernize, improve, and expand Federal mapping efforts to improve navigation, safety and resource management decisionmaking, and we believe that there are a number of areas where that finding can be advanced.

With regard to the legislation that Mr. Saxton has introduced, specifically let me raise a couple of issues that we have with the approach taken by the bill. First of all, there is already a terrible proliferation of mapping and geospatial agencies in the Federal Government. The General Accounting Office just earlier this year completed a report on that at the request of Mr. Putnam's subcommittee on the Committee on Government Reform. Section 2(c) of the legislation calls for NOAA to be a distinct entity within the Department of the Interior. We believe that for there to be a full integration of mapping and charting and geodetic activities in the Department of Interior, there should be a full integration, not kind of a stovepipe of NOAA within Interior.

There is an issue with regard to the NOAA Corps, and integration the NOAA Corps into the Department of Interior, we think, is going to be a significant personnel challenge.

I mentioned earlier the NESDIS program that licenses commercial and remote-sensing satellites. That licensing or regulation empowerment of the private sector, we believe, is a function of the Commerce Department, and that is one that we really think ought to be left in the Department of Commerce and not moved to the Interior Department.

With regard to the actual mapping, charting and geodesy programs in NOAA, we believe that a transfer to the Corps of Engineers may be a more appropriate place to put those portions of NOS. As you have already indicated, Mr. Chairman, the hydrographic program is very similar. I would not say that it is duplicative. They do work well together, but NOAA does the coasts and the Great Lakes, and the Corps of Engineers is responsible for the harbors and the inland waterway systems. But they are very similar activities, and maybe there is greater synergy with the Corps of Engineers than there is with Interior. The Corps is the most experienced procurer of these services of any agency in the Federal Government. They have literally written books and manuals on contracting for these professional services, and they do an excellent job.

Finally, the most recent data we have seen shows that the Corps of Engineers actually has more FTEs that are identified by OPM as geodesists than even NOAA does. So ingesting the geodetic program of NOAA into the Corps in some respects makes more sense

than just moving it lock, stock and barrel into the Interior Department.

The final point that I would make is that our experience, we have a lot of good friends, a lot of good work that we do with various agencies within the Department of Interior, including the Geological Survey and others, but those programs are terribly, terribly underfunded, and they are not high-priority programs within the Department. Our experience is that the Interior Department, particularly the Geological Survey, in very good faith accepts programs that are moved to them from other agencies, but that the funding does not go along with it, and the programs suffer as a result. So based on that history, we are very concerned that that same fate may accrue to the mapping and charting programs of NOAA if they were moved to the Department of the Interior.

We thank you for this opportunity to comment. We certainly look forward to working with you on this legislation and help create as effective a geospatial program in the government as possible. Thank you very much.

Mr. GILCHREST. Thank you very much, John.

[The prepared statement of Mr. Palatiello follows:]

Statement of John M. Palatiello, Executive Director, MAPPS

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.

Mr. GILCHREST. Dr. Rosenberg, welcome.

STATEMENT OF ANDREW A. ROSENBERG, MEMBER, U.S. COMMISSION ON OCEAN POLICY

Mr. ROSENBERG. Thank you very much, Mr. Chairman and members of the Subcommittee, and thank you for the opportunity to testify.

I am Andrew Rosenberg. I am a member of the U.S. Commission on Ocean Policy and a professor of natural resources at the University of New Hampshire. The Commission found that our ocean environment is at risk, and the Nation does need to make real policy changes to reduce that risk. I am very pleased to hear this discussion today as well as the other actions in the Congress that have been noted in the discussion this morning on these issues of ocean policy.

The Commission report contains four overarching themes: the adoption of the principle of ecosystem-based management for ocean and coastal areas; improving the governing structure we use for managing human activities and impacts; improving our scientific understanding of the oceans; and increasing awareness and educating the public concerning ocean issues. And I would point out that while the legislation before you today discusses movement of NOAA to the Department of Interior, all of these overarching themes are important in consideration of that move.

The Commission recommends four components for a new governance framework to implement ocean policy: a national coordination on leadership, a strengthened and streamlined Federal agency structure, the development of regional solutions to national problems, and the establishment of a coordinated offshore management regime. In my opinion, these four elements should be included in a national ocean policy act that also specifically sets national goals for managing our ocean and coastal activities, and, most importantly, helps knit together the extensive and often confusing framework of statutory mandates and policy direction that we now have as ocean policy in the U.S.

These national goals, I believe, should be based on the guiding principles in the report of the Commission. The Commission found that Federal-level coordination and leadership is fragmented at best and inconsistent in too many cases, and therefore the Commission calls for a National Ocean Council to coordinate across the agencies. The Council can help resolve conflicting mandates,

improve the leverage that programs can obtain from one another, and present a more coherent leadership for the Nation on ocean policy.

While councils may seem just another layer of bureaucracy, I think this Ocean Council must do much more than just oversee ongoing activities. The Council must have the authority to make real change in ocean governance. And with regard to H.R. 4368, it is important to note that the need for such a council as a formal coordinating mechanism will be true regardless of the location of the lead ocean agency and the Federal structure.

The Commission recommends a stronger NOAA as the lead ocean science and management of policy agency for the Nation. In my view, NOAA has remained a collection of agencies rather than a lead ocean agency. The National Ocean Policy Act should strengthen NOAA by drawing programs together from across the government to reduce program fragmentation. As new imperatives come forward, such as the implementation of the new Integrated Ocean Observing System or the implementation of ecosystem-based approach to management, NOAA must grow into these programs in stride.

NOAA must also remain a science-based agency as one of its core attributes. Prediction, monitoring and management functions depend upon the science and research enterprise of NOAA and its internal partners. As a former NOAA scientist, a NOAA Regional Administrator, and former Deputy Director of the National Marine Fisheries Service, and more recently as a member the NOAA Research Review Team, I very strongly believe that research and the provision of science advice for management must remain together as opposed to separating off the research function and leaving science advice strictly with the management function. The linkage between science and management needs to be strong enough to ensure that the scientific advice is of the highest quality and is available on a timely basis.

I believe there are a couple of clear restructuring options for NOAA. For example, the agency could be restructured into three lines according to core functions, such as ecosystem-based management, operations and predictions services, and scientific advice, research and education.

Mr. GILCHREST. I am sorry. Could you say those three again?

Mr. ROSENBERG. Sure. Ecosystem based management, operations and predictions services, and scientific advice, research and education.

That would be according to core functions; alternatively, along mission lines, coastal and marine ecosystem services, weather and climate services, and research operations and data services, and that is included in my written testimony, Mr. Chairman.

The budget, of course, then must follow that structure and allow programs to be streamlined and consolidated. The end result, I believe, should be a stronger and bigger NOAA that logically might become an independent agency in order to fully meet the challenges of ocean policy. In any case, the issues of coordination across the government working cooperatively with the States and becoming a true leading ocean agency must be addressed as first priorities to determine where NOAA is best placed.

Mr. Chairman, the Commission recommends that we adopt the principle of ecosystem-based management, that is, managing human activities within a large marine ecosystem, in concert rather than separately considering the cumulative impacts of those activities on the function of an ecosystem as a whole. This will be an enormous challenge for NOAA in the future, which I believe NOAA needs to change in order to meet that challenge.

I see my time has expired. I would be happy to discuss any of these issues in more detail and the other Commission recommendations. Thank you, Mr. Chairman.

Mr. GILCHREST. Thank you Dr. Rosenberg.

[The prepared statement of Mr. Rosenberg follows:]

Statement of Andrew A. Rosenberg, Ph.D., Member, U.S. Commission on Ocean Policy and Professor, University of New Hampshire

Mr. Chairman and members of the Committee: Thank you for the opportunity to testify before you today concerning the future of U.S. ocean policy and the Commission's view on H.R. 4368, the Weather and Oceans Resources Realignment Act. I am Andrew Rosenberg, a member of the U.S. Commission on Ocean Policy and a Professor of Natural Resources in the Institute for the Study of Earth, Oceans and Space at the University of New Hampshire.

The Ocean's Act of 2000 formed the U.S. Commission on Ocean Policy and directed us to "make recommendations for coordinated and comprehensive national ocean policy..." The Act set out eight specific objectives for this policy paraphrased here:

1. protection of life and property;
2. responsible stewardship of ocean and coastal resources;
3. protection of the marine environment;
4. enhancement of marine-related commerce, resolution of conflicts among diverse users of the marine environment and engagement of the private sector in developing approaches to the responsible use of marine resources;
5. expansion of knowledge of the marine environment and the advancement of education in fields related to the ocean and coasts;
6. development and improvement in technological capability for ocean related activities
7. cooperation among all government agencies to ensure coherent regulations, appropriate use of funding, efficient operation of federal agencies, and enhancement of partnerships with state and local governments; and
8. leadership by the United States in ocean and coastal activities.

I believe our recommendations truly meet the spirit and intent of the Oceans Act. Further, I, and my fellow Commissioners, believe that the oceans are in trouble and that the current management regime and the science supporting it are inadequate to address the growing suite of complex and interrelated problems facing these economically, ecologically and aesthetically valuable ocean resources. These concerns, voiced by virtually every stakeholder that appeared before the Commission, clearly indicate that we must immediately begin to make changes in U.S. ocean policy to reverse the distressing, widespread degradation in the health of the oceans and coasts, vital living marine resources, coastal communities, leadership in ocean science and the life-support system of the earth. Our ocean environment is at risk and a change of course is needed to reduce that risk.

The invitation was to provide the Commission's views on H.R. 4368, however; before I discuss the legislation it is important to put my remarks into context. The Commission's report focus on four overarching themes; the adoption of the principle of ecosystem-based management for the oceans; the governance structure we use for managing our activities and impacts on the ocean; the availability of credible and useful scientific information to decision makers at all levels; and the importance of promoting interdisciplinary education and improving public awareness of ocean and coastal issues. My testimony will focus predominantly on the themes of ecosystem-based management and changing governance structures since I believe that they are most pertinent to today's discussion. However, I want to be clear that the recommendations put forward by the Commission are based on the need for changes in and support for all four areas.

The Commission recommends four components for a new governance framework to implement Ocean Policy: 1) national coordination and leadership, including 2) a

strengthened and streamlined federal agency structure, 3) the development of regional solutions to national problems, and 4) the establishment of a coordinated offshore management regime. In my opinion, these four elements should be included in a National Ocean Policy Act that also sets national goals for managing our ocean and coastal activities and helps knit together the extensive and often confusing framework of statutory mandates and policy direction we now have. These national goals should be based on the guiding principles in the report of the Commission. In particular, I would like to highlight: stewardship, resources are held in the public trust for all Americans; ecosystem-based management, understanding and mitigating the cumulative impacts of human activities on the ecosystem as a whole; adaptive management, continuously re-evaluating management as new information becomes available and making adjustments as needed to meet the goals; understandable, clear rules, making the rules that govern various activities coherent for the public; accountability, to ensure that government and the public do what is needed to conserve marine ecosystems; and international responsibility, working cooperatively on ocean issues and meeting our responsibilities for global ocean policy. Using these and the other principles an overarching ocean policy can be articulated for the nation.

The Commission found that federal level coordination and leadership is fragmented at best and inconsistent in too many cases. I had the privilege of working for NOAA for ten years, and served as Deputy Director of the National Marine Fisheries Service. The NOAA personnel are talented and dedicated but they don't have all the tools they need to do the job. Nor do they have an overarching framework for all of the conflicting mandates that the various statutes and demands of the day bring. The Commission calls for a National Ocean Council to coordinate across the agencies. The Council can help resolve conflicting mandates, improve the leverage that programs can obtain from one another, and present a more coherent leadership for the nation on ocean policy. The Council should be chaired by an Assistant to the President for Ocean Policy, not by any one agency head. The goal of the Council should be to work toward a coherent national policy with regard to management, science and education, with agencies working together, not in opposition to one another.

While Councils may seem just another layer of bureaucracy, I think this Ocean Council must do much more than just oversee ongoing activities. Its mandate, following on from the Oceans Act mandate to the Commission, should be to implement a more coherent and efficient national governance system. The starting point for the Council should be planning and coordinating the implementation of the Commission's recommendations. Somewhat analogous to current discussions in the intelligence realm, the Council must have the authority to make real change in ocean governance through the budget process, resolving conflicting mandates and streamlining of programs across the federal government. However, note that it will still be the agencies that have responsibility for implementing specific actions to address mandates. The Council serves as a planning, coordinating and conflict resolution body for the implementing agencies, as well as a monitor for progress toward national goals.

The call for the establishment of a National Ocean Council represents a significant change in how the federal agencies with ocean and coastal responsibilities operate, and has bearing on the recommendation to move NOAA to the Department of Interior. Regardless of where the lead ocean agency, NOAA, is located in the federal government structure there is an urgent need to consolidate and coordinate federal activities but there is currently no clearly established mechanism to do so. While the White House can pull together teams to address specific issues, such as Northwest salmon, the lack of a permanent high-level entity responsible for coordinating policies, programs and strategies across the spectrum of federal agencies with mandates and authority to function in marine systems, has perpetuated and even exacerbated the operations of the existing dysfunctional system. Additionally, the lack of a clear mandate, or Organic Act, for NOAA, has hampered the agency's ability to take a leadership role in helping set a national ocean policy.

Recognizing these problems, the Commission recommends a phased approach, one that begins by establishing a National Ocean Policy Framework—which includes the creation of a National Ocean Council—while simultaneously taking a close, hard look at the operation and structure of NOAA. It is crucial that this process includes the careful scrutiny of NOAA and the initiation of institutional changes necessary to ensure its resources are focused on its three core functions—which I will discussed shortly. Once completed, the next step is an evaluation of federal ocean and coastal activities government-wide, consolidating, eliminating or modifying programs as needed to develop a more responsive and coordinated national ocean and coastal science and management regime, which is a role for the Council and

the Assistant to the President. After these two actions have been taken policymakers and stakeholders will be in a better position to consider future actions, which may include making NOAA an independent agency or the eventually unification of federal natural resources functions, a final phase envisioned by the Commission. The Commission believes that the first priorities are strengthening the agency, and establishing a strong coordinating mechanism within the Executive Office of the President if we are to develop a coherent national ocean policy.

The Commission recommends a stronger NOAA as the lead ocean science and management policy agency for the nation. We recognize that many ocean related activities are going to remain in various agencies across the government and the National Ocean Council will need to coordinate between these agencies. NOAA was created in response to the Stratton Commission recommendations and has done an enormous amount for the nation. However, in my view NOAA has remained a collection of agencies rather than a lead ocean agency. In some ways, within NOAA there is a mirror of the problem that we found across the federal "ocean" agencies, that is, program fragmentation and conflicting authorities. The National Ocean Policy Act should serve as an organic act, taking the opportunity to strengthen NOAA by drawing programs together from across the government to reduce program fragmentation. It should also take the opportunity to focus NOAA on its core competencies and mandates; assessment, prediction and operations, ecosystem-based management of ocean and coastal areas and resources, and science, research and education. The current NOAA line structure reflects the agencies they were created from rather than the tasks they will need to undertake in the 21st century. Again, I have high regard for the people and mission of NOAA and in many ways feel a part of the agency. But I also know it is hard to change the way business is done without a change in structure because working patterns become set. But as new imperatives come forward, such as the implementation of a new integrated ocean observing system, the implementation of an ecosystem-based approach to management, and increasing demands for research and scientific advice, NOAA must be restructured in order to grow into these programs in stride. To take another example, the Commission recommends as a guiding principle the integration of atmospheric, land and water related science and policy. Unfortunately, the "wet" side of NOAA still struggles to talk to the "dry" side of NOAA.

Restructuring organizations can be a tricky process to say the least. There is still however an urgent need for the overall agency to act as a corporate whole. Several principles must be kept in mind. NOAA must remain a science-based agency as one of its core attributes. Prediction and monitoring functions for weather to climate to ocean observations, or the management functions for ocean and coastal areas and resources including sanctuaries, fisheries, aquaculture or habitat protection rely on the science and research enterprise of NOAA and its external partners. There has been much discussion of separating the research in NOAA from management and operations. As a former NMFS scientist and a former NMFS Regional Administrator and serving on the recently completed NOAA Research Review Team, I strongly believe that research and the provision of the science advice for management and operations must remain together. Separating out research from the advisory functions will leave the other parts of NOAA without the best scientific basis for decision-making. The science advisory function is a fundamental job for the best scientists in the agency as part of the science and research enterprise. Then, if the science and research enterprise is to be structurally separate from management and operations, the linkage between these lines needs to be strong enough to ensure science advice of the highest quality is available to respond to management and operational needs on a timely basis. To put it bluntly, researchers cannot refuse a call for science advice because they are more interested in something else. If this linkage cannot be reliably made then the science and research enterprises must remain within the operational lines.

Overall, I believe there are a couple of clear restructuring options for NOAA. One possibility is to restructure the agency into three lines according to the core functions of ecosystem-based management; operations and prediction services; and scientific advice, research and education. This would require the linkage of science with the other two lines as discussed above. Another alternative is to structure along mission lines, coastal and marine ecosystem services, weather and climate services, research, operations and data services. In this case the research and science functions would remain distributed across all the lines with the research, operations and data services line serving an integrating function for the science program. Clearly there are other configurations, but, to me, breaking down some walls is necessary to open the architecture of the agency and create a new NOAA. The budget must then follow this structure and allow programs to be streamlined and consolidated. Such restructuring will then provide the basis for NOAA to grow and

strengthen through consolidation of programs from across the government. The end result may be that the stronger, bigger NOAA logically becomes an independent agency, in order to fully meet the challenges of changing ocean policy. The Commission report doesn't recommend an independent NOAA, but as stated in the hearing upon release of the report, that remains an option. It is the function, structure and strength that must be addressed in order to make the decision on the appropriate location and stature for the agency.

A major challenge for governance of ocean activities is changing to a perspective of ecosystem-based management. Ecosystem-based management means managing human activities within a large marine ecosystem in concert, rather than separately, and considering the cumulative impacts of those activities on the functioning of the ecosystem as a whole. The perspective is that the natural system sets the bounds for management, rather than political boundaries. This is because within an ecosystem, effects on one component can logically be expected to impact other components. Therefore, as we seek to manage across the full range of human activities and mitigate their impacts on the natural environment, we need to consider the interactions between different management actions. For example, coastal development interacts with pollution abatement programs and affects the productivity of the coastal ocean in salt marshes and nearshore areas such as along the New Hampshire coast. In other words, fisheries are affected by more than just fishing and pollution is affected by more than just controlling the amount of discharge. Because humans are an integral part of the ecosystem, social and economic impacts are part of the ecosystem-based management perspective.

Ecosystem-based management does not mean that we don't have to manage each of the sectors of human activity. Fishing still needs to be managed to prevent overfishing or restore overfished resources for example. But the management of the fishery should be linked to the management of other sectors to provide a more coherent set of policies. The focus for ecosystem-based management should be to maintain the function of coastal and marine ecosystems including both their goods and services. We want to maintain the ability to harvest fish as goods from the ecosystem, but we want to ensure the ecosystem services provided by overall productivity and ocean health isn't undermined. In other words, we want to enjoy a healthy ocean for many other reasons than just fishing.

In order to implement ecosystem based management, five changes are needed; creating regional councils and information management systems, developing the capability for the federal government to manage on a ecosystem basis, structuring science programs to support ecosystem-based management, having an overall set of policy goals to guide the management process and developing a comprehensive offshore management regime to deal with gaps in current management authorities. I have already commented on the needed changes in NOAA to support ecosystem level science and management. For the federal government to have the capability to bring together the various sector activities and mandates, and provide the needed flexibility for ecosystem-based management a stronger NOAA and a National Ocean Council with substantial authority are needed. Regional councils must be developed in order to plan and coordinate across the various sectors of human activities that impact an ecosystem. Large marine ecosystems are generally on a regional scale such, as the Gulf of Maine, or the South Atlantic Bight. Multiple jurisdictions are involved and many types of human activities occur within each ecosystem. The Commission recommends setting up regional councils on a pilot program basis (voluntary with substantial flexibility to start) as planning and coordination bodies. The National Ocean Council needs to facilitate their work. Each region may choose different issues to begin work on ecosystem based management and this flexibility is essential. Further, these activities must be funded in order to foster real change. This means funding data and information management so policy makers have the science to develop management plans, funding ecosystem assessments to bring everyone onto a common footing for planning and impact analysis, and funding the management actions themselves.

Regional ocean councils have a difficult task, fitting together the pieces of management across the sectors. This means, for example, making the fisheries management program work in concert with coastal zone management programs, pollution abatement programs and protected species programs. The goal is management plans that specifically include consideration of the cumulative impacts of all of these actions, creating a system where they leverage one another. The federal government must provide sufficient flexibility to allow this to happen but also ensure that the primary goal of maintaining functioning ecosystems is met.

Finally, there are major gaps in the current set of authorities for management particularly in offshore (federal) waters. There is no real governance structure for newly emerging activities such as energy production, aquaculture, and

bioprospecting to name a few. Also included are specific conservation measures such as marine protected areas. Delineating rights and privileges in offshore areas held in the public trust is complex. For offshore oil and gas there is a well developed management system in place, but for other activities that result in exclusive access to areas there is no such system. Without an overarching policy framework that sets goals for ecosystem-based management, ensures that analysis considers impacts across the sectors and specifically sets criteria for deciding protection or access privileges, development will be poorly managed.

Ecosystem-based management is not some theoretical construct. It is common sense. It means looking at all the parts of the machine to understand how they can work together. The goal is a more effective management system that does a better job of protecting the oceans from unwanted changes and further degradation.

The Commission applauds the Chairman's efforts at prompting a national dialogue on ocean and coastal issues and his recognition of the need for a careful and thorough evaluation of our exiting governance structure. Progress towards an ecosystem-based management approach is heavily dependent upon changes in this structure.

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to testify today. I have only touched on a few of the important issues in the Commission report. I would be pleased to discuss these and other matters with you further at your discretion.

Mr. GILCHREST. Mr. Hayes.

STATEMENT OF ROBERT G. HAYES, GENERAL COUNSEL, COASTAL CONSERVATION ASSOCIATION

Mr. HAYES. Good morning. I would like to submit my testimony for the record and just go through two or three points which I think are important in that testimony, and try to address some concerns that Mr. Saxton raised this morning with respect to NOAA and its inherent conflict.

First of all, I would like to point out I may be the oldest guy in the room, I do not know, but I actually was around in 1972 right after NOAA was formed. The reality was that when NOAA was formed, the Bureau of Commercial Fisheries was part of the Department of Interior. It was a half of the Fish and Wildlife Service at the time. Its only regulatory authority was some very preliminary authority under the Endangered Species Act because the treaty had been signed in 1969.

Basically, NMFS was transferred—or the Bureau of Commercial Fisheries was transferred to the Department of Commerce, because its primary goal and its entire budget and personnel structure was designed to promote and to augment and support commercial fishing. It had the fish inspection program. It had geared development programs. It had fish marketing programs. There were 20 fish marketers in the Agency who went around just like ag people and told people how to prepare squid. There is a whole component section of this, which today we find remarkable, but, in fact, it existed, and it existed up until about 1988. That program is essentially gone.

What has happened, and the reason that I think the frustration inside the Department of Commerce is, is that that mindset of promoting commercial fishing carried through probably until the mid-1990s. I do not happen to think that that mindset is there anymore. That is a cultural problem that I think has changed.

Now, let me see if I can sort of—and that gets you back to the Department of Commerce. The problem with the Department of Commerce is that the Department of Commerce cannot understand resource agencies management. What has happened in the last 20

years is that the National Marine Fisheries Service has 30 or 40 statutory mandates that have been applied to it, and those statutory mandates are something that require essentially a regulatory outcome.

I agree with Dr. Rosenberg. Science supports management. You should not separate those two things. Those things have to go together, and, therefore, I think you will see that in my testimony, one of the things I argue for is the Agency has to be managed as a regulatory agency. So at least from my perspective, the conflict has been wiped out. That conflict does not exist anymore. The Bureau of Commercial Fisheries is dead, although they could, frankly, and you could—the next time you do the Magnuson Act, you could take all those words about promoting seafood consumption out of the Magnuson Act. That is where that stuff comes from. That is the purpose of that.

Mr. GILCHREST. I apologize, Mr. Hayes. I need to quickly ask you what controversy or conflict does not exist anymore?

Mr. HAYES. This concept that you had a Bureau of Commercial Fisheries which was transferred to NOAA and became the National Marine Fisheries Service, and the mindset and programmatic emphasis that was in that Bureau of Commercial Fisheries, all those programs have been basically eliminated. There are very few of those programs that exist today. Some of those still exist, but, frankly, they are a shadow of what they were 15 years ago, and there is a reason for that, of course. I could go into that, but the obvious reason was because you needed those programs in order to displace foreign fishing. That was one of the original objectives of the Magnuson Act. That has been achieved. So now the question is what is the new objective to the Magnuson? So I just sort of point that out.

Let me talk about the two things I think are clearly important here: transferring recreational fisherman. If you ask a recreational fishermen on the street today, would transferring the National Marine Fishery Service to the Department of Interior delight them, they would say yes. I could not find anybody that said no. There is a reason for that. It is because they understand recreation, and they understand fisheries management.

However, I think people who have looked at the National Marine Fisheries Service for a long time and looked at the management of those resources would argue that there is a balance that is necessary between the commercial activities, the recreational activities and the emphasis that is put on those. And there are very, very clear fundamental problems in the National Marine Fisheries Service. I will just emphasize two of them.

One, as Mr. Rosenberg suggests, you have to improve the science. You have to have better science. That is the problem with white marlin. The answer you got from Tim Keeney was an answer about regulatory actions. That is not the question you asked. The question you asked is how could you possibly let this thing decline without putting any emphasis on its recovery? Well, the emphasis that is necessary is science. That is what is missing there. So the first issue is science.

The second issue is that NOAA, NMFS if you will, has incredible statutory conflicts between all of the various statutory responsibil-

ities it has. At some juncture someone has to take a look at those statutory responsibilities and harmonize them. I am not talking about abandoning them, I am not talking about significant modifications, but somehow those have to be harmonized. Those are the two major things I want to say.

Mr. GILCHREST. Thank you very much, Mr. Hayes.

[The prepared statement of Mr. Hayes follows:]

Statement of Robert G. Hayes, Coastal Conservation Association

It is a pleasure to be here today on behalf of the Coastal Conservation Association (CCA) and our 90,000 plus members. I am Bob Hayes and I am the General Counsel for CCA. I am here today to discuss H.R. 4368, the Weather and Ocean Resources Realignment Act, which makes the National Oceanic and Atmospheric Administration (NOAA) an independent agency within the Department of Interior. First, I'd like to provide you with a little background on CCA and my qualifications, and then discuss the substance of such a change.

The Coastal Conservation Association is the leading marine recreational fishing membership organization in the United States. Formed by a small group of sportfishermen in Houston in 1978, CCA has grown to a fifteen-state operation with over 90,000 members. Each of our states operates somewhat independently focusing on issues in the state that are important to marine recreational fishermen. However, like so much in fisheries management, conservation issues require a regional and national perspective; therefore, CCA learned long ago that federal and international fisheries management were just as important to the local marine recreational fisherman as conservation of the most local fish population.

CCA pursues conservation policies set by our state and national Boards of Directors. These boards are made up of active volunteers concerned about the health of the nation's fisheries. CCA has been active in a number of conservation issues in the last twenty years, including: all of the East and Gulf Coast net bans; gamefish status for redfish, speckled trout, tarpon, striped bass, river shad, marlins, spearfish, and sailfish; and the reduction of bycatch through the use of closed areas and technology. We have also pushed for improvement of the management system through the restructuring of state and federal management systems; the elimination of conflicts of interests by decision-makers; and the active involvement of our membership in the management process. CCA has not addressed H.R. 4368 and therefore has no position on it. We have a meeting in late October and would be happy to address the bill and provide any additional views at that time. The views here reflect the attitude of the organization but until they are approved, the thoughts in this testimony are essentially my own.

I have had 30-plus years experience working with, for and against NOAA. I have been the lawyer to five fishery management councils, a deputy general counsel for fisheries, an office director at NMFS responsible for displacing foreign fishing, a member of various committees and boards advising NMFS and NOAA, and, at the moment, the recreational Commissioner on the International Commission for the Conservation of Atlantic Tunas (ICCAT). Almost all of my fisheries practice for 20 years has focused on improving fishing for recreational fishermen. For most of that time recreational fishermen have said to me that NOAA or at least NMFS should have stayed in the Department of Interior. Such a change would be extraordinarily popular in the marine recreational fishing community. The question today is would the change amount to something or would it simply be the rearrangement of the deck chairs on the Titanic. I am of two minds on this issue.

From a recreational angler standpoint, moving NOAA to the Department of Interior, as a unit, would give the recreation community a boost. When I go to the Department of Interior, I am often greeted as a colleague, sportsman, stakeholder and conservationist. When I go to NOAA, I am often referred to as a "rec guy," user of the resource, or some other less-than-friendly term. In our view, the intrinsic and economic value of recreational fishing is not well understood by NOAA or the Department of Commerce.

Two examples will suffice to make this point. The Administration sent a Marine Mammal Protection Act amendment to this Committee that described marine recreational fishermen as "non-commercial" fishermen. (The MMPA needed to be fixed because of the bycatch of marine mammals by commercial gear, some of which was authorized to be used in North Carolina by recreational fishermen.) It did not seem to matter to DOC that the term, no matter how accurate, was offensive to recreational fishermen. Fortunately, the Chairman, members, and staff of this Com-

mittee have a far better understanding of the sensitivity of this problem and have properly addressed it in the House bill.

The second example concerns striped bass. Striped bass fishing is the most popular recreational fishery in the country. It can only occur in state waters because NMFS has closed the EEZ to all fishing for striped bass. NMFS, in an effort to allow the commercial landing of a small bycatch in the offshore commercial fishery, is investigating ways to open the EEZ to striped bass fishing. Recreational fishermen are opposed to this because it will shift the fishery offshore, allow access to larger fish which will disrupt the recovery of the stock, and undermine state gamefish laws. No one inside of DOC/NOAA/NMFS wants to address the recreational concern. Rather, to solve a small bycatch problem, DOC would rather put the entire recreational fishery at risk.

There are millions of saltwater recreational fishermen. So why do recreational fishermen think there is no one home at the Department of Commerce or NOAA?

Part of the problem is that recreational fishermen are hard to communicate with by traditional means. There are no conventions or huge annual meetings. No one group speaks for the whole community. Although there are some 12 million saltwater anglers, angling advocacy groups cannot count 3% of them as members. As a result, consensus of opinion on specific issues is hard to get. It is also hard to get the angling public focused on federal issues when most of the real problems they have are in the states.

On the federal side, this administration has made it clear that fish problems (commercial or recreational) should not go to the Secretary. NOAA has made it clear that bureaucratic success is keeping issues bottled up at the NMFS level. The measures of success for NMFS, as a result, are not stocks recovered or economic value enhanced, but rather reduction of controversy from the Congress and fewer lawsuits filed. This leaves NMFS focused on today's problem, which is almost always a commercial problem. Such problems often get fixed at the expense of the fish or the angling public. So the common view that the DOC does not care about recreational fishermen gets strengthened daily by the decisions NMFS makes.

NMFS' treatment of commercial longline bycatch is a good example. About four years ago, it became obvious that the North Atlantic longline fleet was interacting with lots of endangered turtles. NMFS proceeded to develop a research program to develop technology to avoid catching turtles on longlines. Over the next three years, NMFS spent about $15 million to successfully develop alternatives so that some 15 longline vessels could continue fishing the North Atlantic. The research is now being expanded to other areas and holds great promise as a viable way to avoid turtle bycatch.

In the same four years, NMFS has been faced with effects of the bycatch of marlin. White marlin in particular is subject to high bycatch mortality. In the last four years NMFS has not increased its scientific effort to address white marlin mortality. Many think increases funding were blocked by NOAA and the Department, so the recreational community went to Congress and got its own money for research. The recent $2.5 million appropriated was entirely a result of recreational fishermen's efforts to earmark monies for cooperative billfish research. The DOC message to the recreational community is clear. If you are a commercial fishing entity, we're here to help you. If you're one of those rec guys, go help yourself.

To my knowledge, the leadership of NOAA has had one, hour-long meeting with the leadership of the recreational fishing community in the last three years. In contrast, the American Sportfishing Association (ASA) and CCA have met with the President on two occasions: once in D.C. and once in Texas, for a total of four hours. The D.C. meeting was attended by Secretaries Gale Norton and Ann Veneman. No one from NMFS, NOAA, or the Department of Commerce attended. The leadership of ASA and members of CCA routinely meet with Gale Norton and her staff about issues, which get addressed and fixed. There is no similar level of attention at the Department of Commerce.

NOAA and DOC will tell you this is because they have delegated responsibility for recreational fishermen to NMFS. Bill Hogarth and his staff have worked hard on reaching out to the recreational community. Today, NMFS has a recreational liaison office, which is developing a recreational fishing strategic plan. Bill Hogarth has met with recreational fishermen all over the country. When he asks what recreational fishermen want he gets lots of answers, but they all can be covered by "reasonable access to a sustainable fishery." On the whole, Bill Hogarth gets high marks from everyone for his efforts. But NMFS' efforts at understanding recreational fishing are not the issue here. Presumably, all of the NMFS outreach would continue and be supplemented in the Department of Interior. The question is would NOAA/NMFS operate better in the Department of Interior?

Generally, I have concluded that changing the hat on the head and body of this beast, will not change the beast. As the Oceans Commission correctly concluded, a stronger, more effective service-oriented ocean agency is needed. How to get that agency—and to make NOAA and NMFS the agencies we all think they ought to be—is the real question. Shuffling them to a different Department or making them an independent agency without addressing the fundamental problems will not result in positive change.

The fundamental problems in oceans management are clear and well documented. First and foremost is the layering and multiplicity of jurisdictions addressing management of ocean resources. Some 15 federal agencies and departments now have a hand in federal oceans policy. Combine those with 29 coastal states and territories and three interstate commissions and you have a political nightmare. Each of these jurisdictions has different priorities, budget structures, and statutory schemes. Most of them overlap somewhere in the ocean inside of the 200 mile limit. All of them are important to some constituency and all of them have some political support.

Secondly, we have the problem of population. In the next ten years, some 70% of the nation's population will live within an easy day's drive of the oceans. Many of those people have reached a degree of affluence that allows them to recreate in a marine environment. One facet of that growth will be in marine recreational fishing, which will require continued access to healthy resources. The tackle manufacturers will tell you that their largest growth sector is marine recreational fishing. The recreational boating industry will tell you that some 70% of recreational boaters also fish from their boats. Most people I talk to in the industry think the federal number of 12 million marine recreational anglers is a low number. Recreational fishing is growing and competing for space and resources. It will need to be managed to ensure maximum economic value while controlling its impact on the resource.

People who live near the coast affect it. The Chesapeake Bay is a classic example of destroying the health of an ecosystem through population growth. You don't have to live within 100 miles of it in order to impact water quality in the Bay. The same is true of Delaware Bay, Long Island Sound, Narragansett Bay, Puget Sound and any number of estuaries that people in this room can name. Coastal population growth doesn't need to be managed by NOAA, but ocean policy makers need to manage for it.

Increased populations also mean more food consumption. Our waters are not capable of accommodating increases in fish consumption if the increase is to be met by sales of wild fish. We already have too many overfished fisheries, too many commercial vessels, and too little money to address the problem. The common answer to the consumption issue is mariculture but it comes with its own set of environmental, health, and economic problems.

Lastly, you have the science. Ocean and atmospheric science is done by a hodgepodge of private institutions, academic programs, and government science centers. Much of it is superb; however, priorities are hard to set and outcomes that support better, more predictable outcomes are hard to achieve. We need to specifically identify the sampling universe of recreational fishermen. We need better data on what is landed and the total mortality of recreational and commercial fisheries. Unfortunately, we lack basic science on any number of species. The nation needs to focus its research programs to compliment the management system.

The list of potential answers to these management problems includes ecosystem management, preservation of biodiversity, more regional commissions, council appointments, circumventing states, White House-level ocean czars, and any host of governance changes. These look to me like we are taking a complicated system and making it more unworkable. Since I don't know a great deal about ocean mining, offshore oil exploration, coastal zone management, or marine and estuarine pollution, let me offer some ideas on something I do know something about—fisheries management.

The single most important thing about fisheries management is that done properly, it works. It has worked in stripped bass, redfish, king mackerel, and most of the North Pacific fisheries. It is working in summer flounder, many of the reef fish fisheries in the Gulf and a number of mid-Atlantic fisheries that were overfished just recently. It works when the management system has decent science, takes a responsible precautionary approach, and weathers the political pressure from interest groups (recreational, commercial, and environmental), which for whatever reason don't like the answer. It is a system that requires courage and conviction to achieve success. It does, however, have a few flaws.

The first flaw is the quality of the science. Fisheries science is a good guess at best. Scientific inaccuracy is the reason that CCA pushed for application of the precautionary approach in the 1980s. Most of the science is not directed at the entire

ocean system. It has traditionally been done on a species or group of species. Today, scientists tell us it ought to be done on a holistic basis. Ecosystem management is all the rage. The Oceans Commission jumped at the opportunity to embrace ecosystem management. A cynic might think they like it because, as of yet, no one can explain what it is or how it would work within the existing statutory structure. It sounds good, but it is unattainable in today's budgetary and statutory world?

What is attainable? Better fisheries data, better quality, reputable fisheries scientists, and protection of their unbiased conclusions from the chorus of criticism from those who don't like the conclusions. Congress can accomplish this by establishing the improvement of science as clear priority, by appropriating funds to accomplish it, and by insisting that agency managers take the political heat and not pass the buck onto agency scientists.

The second problem is the statutory structure. If, as a nation, we intend to move toward management of ecosystems, then there needs to be a rationalization of the statutory goals. The present fisheries management system lacks a single clear goal. Some would suggest that the goal should be preservation of ocean biodiversity. Some would suggest the goal is to prevent overfishing and recover fish stocks. Some would suggest it is the preservation of marine mammals. Recreational fishermen would suggest the goal ought to be maximum access to a sustainable resource. Some would suggest it is the maintenance of economically viable stocks at the expense of all other things in the oceans. (This probably is the present de facto goal). There are certainly others.

Congress needs to face this problem directly and develop a clear unified objective for NOAA's management of the fishery resources. The Administration should take some leadership here as well, by articulating a single goal that blends all of their statutory responsibilities. Once everyone knows the objective, it should be a lot easier to develop a coherent policy.

CCA has suggested for some time that the next step is to use the fishery management planning process as a real plan. Most FMPs are not a plan; they are a description of a fishery with the measures that manage it. There is no real attempt to plan in a strategic sense where the fishery is going and what it ought to look like five, 10, or 20 years down the road. How does NOAA expect to react to the increase in ocean recreation in the next ten years if it doesn't have a planning mechanism to do so? Congress needs to look at this next year.

Finally, in the bigger picture, NOAA needs to be run as a regulatory and service agency supported by sound science, not as a science agency which also has regulatory and service functions. The tool in fisheries management is regulating the users of the resource. There clearly are other impacts on the health of fisheries, but the primary control is over the harvesters. The science programs in the agency need to support the regulatory function and the entire regulatory system needs to be streamlined all the way to the Secretary.

Before I close, I would like to thank Congressman Saxton and Congressman Young for introducing this legislation. This legislation raises the issue of reorganization, which ought to be part of the debate on oceans management. For three years now the recreational community has watched and participated in discussions about the governance of ocean issues. The size of the problem and its complexity often seem to dwarf the concerns of the average recreational fisherman. But let there be no doubt: our love of the ocean and our need for it to be healthy are as great as any interest represented in this debate. We are willing to think outside the box, so long as the result is a healthy marine ecosystem to which we have reasonable access. Thank you for allowing us to testify here today.

Mr. GILCHREST. Mr. Mann and Mr. Moore are on the opposite ends of the dais now from whence they came.

Mr. MANN. In some ways we always have been.

Mr. GILCHREST. This is a subcommittee for marine fisheries.

Mr. MOORE. I was here first before he got here.

Mr. GILCHREST. So you say you may be older than Mr. Hayes.

Mr. MOORE. Considerably.

Mr. GILCHREST. Welcome, gentlemen. We should have held this hearing down the hall. It would have been a little more nostalgic.

Mr. Mann, welcome. You may begin.

STATEMENT OF CHRISTOPHER G. MANN, POLICY DIRECTOR, CENTER FOR SEACHANGE

Mr. MANN. Thank you, Mr. Chairman. My name is Chris Mann. I am the Policy Director for the Center for SeaChange, a nonprofit organization established to reform U.S. Ocean policy to protect, maintain and restore the health of marine ecosystems.

As you mentioned, I am a former member of the staff of this committee, and so I am particularly pleased to be here today to give the views of the Center for SeaChange on H.R. 4368. I also hope that as these reforms proceed in Congress, you will eventually have a chance to hold a hearing like this before a full committee on oceans and coasts. It has a nice ring to some of us.

The U.S. Commission on Ocean Policy found that in 2000 the oceans contributed $117 billion annually to the U.S. Economy and supported more than 2 million jobs. To put this in perspective, this is 2.5 times the total economic output and 1.5 times the employment of the farm sector. Yet our laws and policies governing the oceans have allowed this incredible resource to be severely degraded.

The U.S. Commission on Ocean Policy and the Pew Oceans Commission both found that our marine ecosystems and the resources they produce are in an alarming state of decline. To cite a few examples, nearly two-thirds of our estuaries are degraded by nutrient pollution. Last year there were more than 18,000 beach closings as a result of water pollution. Nearly one-third of federally managed fish stocks whose status is known are in jeopardy, and the status of most stocks is not known. Habitat vital for coastal species and for maintaining clean water is being lost at an alarming rate due to a combination of unwise and unsustainable development.

So this is the context in which this bill and other reform proposals before Congress should be evaluated.

Although I agree that NOAA in its present circumstances is unable to be a good steward of our marine resources, I do not believe that placing NOAA in the Department of Interior at this time is the appropriate solution.

Mr. MANN. NOAA is essentially a science and natural resource management agency. It is part of the Commerce Department, which is generally responsible for promoting the interests of U.S. business and industry at home and abroad.

The United States' long-term economic interest is completely compatible, in fact is dependent upon healthy oceans. Unfortunately, the perception is that in the Department of Commerce short-term interests may take precedence over the long-term health of the resource. As long as this cloud hangs over NOAA's head, its credibility as a science-based resource management agency will be compromised. As a result it makes a lot of sense to move NOAA out of the Department of Commerce.

Interior Department certainly has a culture of natural resource management. There is validity to the idea of creating a Department of Natural Resources, consolidating all or most natural resource management programs in the Federal Government, but I do not see that proposal as politically viable any time soon. Without the substantial changes in policy and structure that would need to accom-

pany the establishment of a true Department of Natural Resources, there is a real danger that ocean issues would be lost at Interior.

Second, while ocean issues can certainly be contentious, they are typically less contentious overall than the Department of the Interior's resource management portfolio. I would hate to see this committee take steps to move NOAA out of the frying pan and into the fire.

Last, moving NOAA to Interior, as other witnesses have addressed, does not address the Agency's fundamental problems which are more the result of inappropriate and ambiguous policies and mandates than they are about its placement within an organization chart.

What actions should Congress take to ensure NOAA is empowered to manage our ocean resources for the greatest public benefit? There is a great deal of common ground between the recommendations of the U.S. Commission on Ocean Policy and the Pew Oceans Commission. That common ground provides a strong basis for ocean policy reform.

Where do the two commissions agree? First, we need a comprehensive national ocean policy. Both commissions found that a major cause of ocean degradation was the fragmented stovepipe nature of Federal ocean law and policy. They agreed the Nation's marine resources should be manned on an ecosystem basis. Congress has established strong national policies protecting our water, air, and public lands. It is now time to establish a national policy for clean, healthy and productive oceans.

Second, NOAA needs to be strengthened so that it can be the Nation's lead oceans agency. Congress should enact an organic act providing the agency with a clear stewardship mission, the internal structure to facilitate ecosystem-based management, and the authority it needs to get the job done.

Third, there needs to be greater attention to ocean issues at the White House and an effective mechanism for interagency coordination and implementation of ocean policy. Both commissions recommended the President appoint a national oceans advisor and the establishment of a Cabinet-level National Oceans Council.

Fourth, we need a forum and a process to better coordinate across the arbitrary lines that separate State and Federal ocean jurisdiction. Both commissions recommend establishment of regional ocean councils to bring the appropriate players together, identify common concerns and goals, and take action to protect our oceans.

Last but not least, we need the resources to get the job done. A substantially greater investment in ocean science and management is needed.

Mr. Chairman, this is a very ambitious agenda that I have outlined, but the response needs to be proportionate to the serious problems we face in the oceans today. The work of the two commissions provides a thoughtful blueprint for action. Now Congress needs to act boldly to follow through.

I commend Congressman Saxton for getting this discussion started. The Center for SeaChange and the members of the Pew Oceans Commission share your concern that organization stewardship, not just at NOAA but governmentwide, needs to be improved, and we

look forward to working with you to accomplish that goal. Thank you.

Mr. GILCHREST. Thank you very much, Mr. Mann.

[The prepared statement of Mr. Mann follows:]

Statement of Christopher G. Mann, Policy Director, Center for SeaChange

Good morning Mr. Chairman and members of the Subcommittee. My name is Chris Mann. I am Policy Director for the Center for SeaChange, a non-profit organization established to reform U.S. ocean policy to protect, maintain and restore the health of marine ecosystems.

As a former member of the staff of this Committee, I am particularly pleased to be here today to present the views of the Center for SeaChange on H.R. 4368. Having worked with you, Mr. Chairman, and Mr. Saxton, over the course of many years, I appreciate the longstanding commitment both of you have shown to conservation and sustainable use of our marine resources. I commend you for holding the hearing today, which I hope is the first of many discussions within this Committee regarding much-needed reforms to the nation's ocean policy.

The U.S. Commission on Ocean Policy found that in 2000 the oceans contributed $117 billion annually to the U.S. economy and supported more than two million jobs. To put these numbers in perspective, this is 2 1/2 times the total economic output and 1 1/2 times the employment of the farm sector.

Yet our laws and policies governing the oceans have allowed this incredible resource to be severely degraded. The U.S. Commission on Ocean Policy and the Pew Oceans Commission found our marine ecosystems, and the resources they produce, in an alarming state of decline. To cite a few examples:

- Nearly 2/3 of our estuaries are moderately or severely degraded by nutrient pollution.
- There were more than 18,000 beach closings resulting from water pollution in 2003, a sharp increase in the number of closings over previous years.
- Of the federally managed fish stocks whose status is known, nearly one-third are overfished, are experiencing overfishing, or both.
- The status of more than two-thirds of our fish stocks is unknown.
- Habitat vital for coastal species and for maintaining clean water is being lost at an alarming rate due to unwise and unsustainable development. The United States is losing more than 20,000 acres of coastal wetlands each year. Most of the seagrasses, which once formed vast underwater nurseries in estuaries from Galveston Bay to Chesapeake Bay, have vanished.

Both commissions concluded that dramatic changes in U.S. ocean policy are needed to reverse these declines and preserve the ecological and economic benefits provided by our oceans. Mr. Chairman, this is the context in which H.R. 4368 and several other reform bills before Congress should be evaluated.

If I'm reading correctly between the lines, H.R. 4368 was introduced because of concern that NOAA in its present circumstances is unable to be a good steward of our marine resources. That is a concern I share, but I do not believe that placing NOAA in the Department of the Interior is the appropriate solution.

NOAA is essentially a science and natural resource management agency, yet it is part of the Commerce Department, which is generally responsible for promoting the interests of U.S. business and industry at home and abroad. At about 60 percent of the Commerce Department's budget, NOAA is by far the largest component of that Department.

The United States long-term economic interest is completely compatible—in fact, is dependent upon—healthy oceans. Unfortunately, the perception is that in the Department of Commerce short-term interests may take precedence over the long-term health of the resource. Justified or not, as long as this cloud hangs over NOAA's head, its credibility as a science-based resource management agency will be compromised.

As a result, it makes sense to move NOAA out of Commerce, as was recommended by the Pew Oceans Commission. However, placing NOAA within the Department of Interior is not the right step to take at this time.

The Interior Department certainly has a culture of natural resource management. In the long term, there is validity to the idea of a Department of Natural Resources consolidating all or most such programs of the federal government. This has been tried before without success and I do not see that proposal as politically viable any time soon. Without the substantial changes in policy and structure that would ac-

company the establishment of a Department of Natural resources, there is a danger that ocean issues would get lost at Interior.

Secondly, while ocean issues can be contentious, they are typically less contentious overall than the Interior Department's resource management portfolio. I would hate to see you move NOAA out of the frying pan and into the fire. Such a step might diminish the chances for bipartisan—and bicameral—agreement on ocean policy reform.

Lastly, moving NOAA to Interior does not address the agency's fundamental problems, which are more the result of inappropriate and ambiguous policies than they are about placement within the organization chart. NOAA is currently charged to implement a confusing and often conflicting array of mandates. For example, the agency is responsible for protecting marine mammals and endangered species, and with promoting and developing fisheries. It is not news to this committee that these dual missions often run afoul of each other.

So what should be done to set U.S. ocean policy on the right track? Specifically, what action could Congress take to ensure that NOAA is empowered to manage our ocean resources for the greatest public benefit? If you put aside all the hype and politics, and read the reports of the U.S. Commission on Ocean Policy and the Pew Oceans Commission, you will find that there is a great deal of common ground. It is this common ground that the Center for SeaChange believes provides a strong basis for ocean policy reform. Where do the two commissions agree?

First, we need a comprehensive national ocean policy. Both commissions found that a major cause of ocean degradation was the fragmented, stovepipe nature of federal ocean law and policy. They agreed the nation's marine resources should be managed on an ecosystem basis.

The Pew Oceans Commission recommended that Congress enact a national oceans policy committing the nation to protect, maintain, and restore the health of our marine ecosystems. Congress has established strong national policies protecting our water, air and public lands. It is now time to establish a national policy for clean, healthy, and productive oceans.

Second, NOAA needs to be strengthened so that it can be the nation's oceans agency. NOAA has taken some positive steps in this regard, but the agency needs a strong mandate from Congress to finish the job. Congress should enact an organic act for NOAA providing the agency with a clear stewardship mission, the internal structure to facilitate regional, ecosystem-based management, and the authority it needs to get the job done.

Third, there must be greater attention to ocean issues at the White House and an effective mechanism for interagency coordination and implementation of ocean policy. More than half of the cabinet departments and a number of independent agencies carry out activities and programs affecting the oceans. Both commissions recommended the President appoint a national oceans advisor and the establishment of a cabinet-level National Oceans Council.

Fourth, we need a forum and a process to better coordinate state and federal ocean policy. The arbitrary lines that separate federal and state jurisdiction over oceans hamper our ability to protect the health of marine ecosystems. Overlaid on this are local and tribal resource use decisions that further complicate comprehensive management. If we can find a way to bridge these gaps, the public interest in healthy oceans will be better served. To address this need, both commissions recommended the establishment of regional ocean ecosystem councils to bring the appropriate players together, identify common concerns and goals, and outline plans of action to protect our oceans.

And last, but not least, we need the resources to get the job done. The U.S. Commission has done an extensive analysis of the cost of implementing its recommendations, and while those costs are significant they are modest compared to the value of healthy oceans to our nation. Both commissions recommended doubling the budget for ocean science. NOAA would have to be given substantially more resources to carry out a new national ocean policy. The Pew Commission suggested that this would require a doubling of the agency's budget as well.

Where would the money come from? Both commissions recommended that Congress establish a dedicated fund to pay for ocean and coastal conservation and management, and consider using revenue derived from offshore oil and gas development to capitalize it. From a public policy standpoint, it makes sense to reinvest revenue from nonrenewable marine resource extraction into renewable marine resource stewardship. I believe this can be done in a way that does not encourage oil and gas development where it is not desirable. Such safeguards are built into the GO Act and the OCEANS 21 Act, for example.

Mr. Chairman, I know I have outlined a very ambitious agenda. But the response needs to be proportionate to the very serious problems we face in the oceans today.

People of intellect and accomplishment came together in good faith on the two ocean commissions, looked at the same set of facts, and reached very similar conclusions about the state of our oceans and what must be done to save them. Now Congress needs to act boldly to follow through.

Again, I commend Congressman Saxton for getting the discussion started with this bill. The Center for SeaChange and the Members of the Pew Oceans Commission certainly share your concern that ocean stewardship—not just at NOAA but government-wide—needs to be improved. We look forward to working with you to accomplish this goal.

Thank you for the opportunity to present the views of the Center for SeaChange, and I'd be happy to answer any questions that you may have.

Mr. GILCHREST. I think what we will do, we have several votes, and rather than rush Mr. Moore and have to leave in less than 5 minutes from now, we will go and vote. And I would strongly urge the witnesses and the other people in the room to have lunch because we have one 15-minute vote—there are four votes. So it is going to be about 40, 45 minutes.

Mr. Moore?

Mr. MOORE. Mr. Chairman, with all due respect, I have a plane to catch.

Mr. GILCHREST. Well, I will stay here and run to the vote then, and I will listen to your testimony.

Mr. MOORE. Whatever you feel best.

Mr. GILCHREST. We will listen to your testimony if you do not mind talking fast. We will listen intently; then we will break and have questions when we come back.

STATEMENT OF ROD MOORE, EXECUTIVE DIRECTOR, WEST COAST SEAFOOD PROCESSORS ASSOCIATION

Mr. MOORE. I can talk real fast, Mr. Chairman.

Thank you, Mr. Chairman. And I do want to apologize both for the timing and if my voice goes, because I have been traveling for about 8 weeks and getting a cold here.

Mr. Saxton's bill, in essence, really raises three questions: Are there problems with NOAA? Can those problems be solved by moving NOAA? And if you are going to move NOAA, is Interior the best place to move it?

I think we all agree that there are problems in NOAA. I have laid out a few in my testimony. You have heard from other witnesses here. The problems run the gamut from funding, from personnel, from conflicts within the Agency.

And I am interested in this idea of consumption versus conservation. You have the same thing in the Department of the Interior with the U.S. Fish and Wildlife Service. I think a bigger conflict might be the conflict between the National Ocean Sanctuary Program trying to manage fish at the same time that the NMFS does.

But simply taking NOAA and moving it to another agency is not going to solve those problems. And you do not fix a hole in your boat by moving the boat to another dock. You fix the hole in the boat. And that is going to require a great deal of effort by the Congress, oversight, changing in statutory mandates and so forth.

I think that the Committee should be looking at that before we decide where we are going to move NOAA, if we are going to move NOAA at all. And further, that this—the whole question of where to put oceans—any kind of oceans agency needs to be treated holis-

tically. We need to wait for the President's response on the Commission on Ocean Policy. We need to look at the various proposals that have come up, including yours in establishing an organic act, Mr. Saxton's on moving the bill, and take the time to do it right, and the end of the session is not the time to do it.

I will stop there, you have my written testimony.

Mr. GILCHREST. Thank you very much.

[The prepared statement of Mr. Moore follows:]

Statement of Rod Moore, Executive Director, West Coast Seafood Processors Association

Mr. Chairman, members of the Subcommittee, my name is Rod Moore and I serve as the Executive Director of the West Coast Seafood Processors Association. We are a non-profit business trade association headquartered in Portland, OR, that represents shore-based seafood processors and associated businesses in Oregon, Washington, and California. Some of our members also have facilities and operations in Alaska, Texas, Utah, and British Columbia.

I am also the Chairman of the Pacific Fishery Management Council's Groundfish Advisory Subpanel; President of Pacific Groundfish Conservation Trust, Inc. (PGCT), which is a non-profit science and education corporation; and from 1996 until this year have been a member of the U.S. Department of Commerce's Marine Fisheries Advisory Committee (MAFAC). Let me make clear that I am not representing the Council, PGCT, or MAFAC today; I include this information only to demonstrate that I have extensive interactions with the National Oceanic and Atmospheric Administration (NOAA) and especially the National Marine Fisheries Service (NMFS).

I have also dealt with 9 Directors of NMFS, plus a couple of acting directors; at least an equal number of Administrators of NOAA; and probably the same number of Directors of the U.S. Fish and Wildlife Service. I have lost count of how many Secretaries of the Interior and of Commerce have served during the years I have been involved with fisheries policy and management.

Your hearing on this bill comes at an appropriate time. Last week, the U.S. Commission on Ocean Policy transmitted its final report which, among other things, calls for changes in ocean governance including creating an organic act for NOAA and eventually establishing a cabinet-level Department of Natural Resources. Also last week, the Senate Commerce Committee marked up S. 2647, which would establish an organic act for NOAA but retain it within the Department of Commerce. Your committee has pending before it H.R. 984, which would again provide an organic act for NOAA while retaining the agency within the Department of Commerce. So I think we see a trend starting here; there appears to be agreement that—at a minimum—we need to codify NOAA.

But once we make NOAA a "real" federal agency, what do we do with it? In the past 27 years that I have been dealing with this agency, I have heard a lot of suggestions, some of which are best not shared in polite company. Here's a brief tour through the history of "Where's NOAA?" as best as I can remember it:

- 1969, the Stratton Commission recommends establishing an ocean agency, sort of the "wet" version of a Department of Natural Resources. The result was Reorganization Plan #4 of 1970, which transferred various functions to NOAA in the Department of Commerce. Several later Secretaries of the Interior made bids to at least return NMFS to the U.S. Fish and Wildlife Service, but were unsuccessful.
- 1977, President Carter advocated a new Department of Natural Resources, similar to the suggestion made yet again in the Commission on Ocean Policy report, which would include NOAA's functions along with those of the Department of the Interior and the U.S. Forest Service. Upon its arrival in Congress, the proposal sank faster than a half-ounce lure in a salmon stream.
- 1980's, and periodically thereafter, members of the commercial fishing industry advocated moving NOAA to the Department of Agriculture on the grounds that fish are harvested for food and thus should be combined into the nation's food agency. In the early 1990's, staff from the House Committee on Merchant Marine and Fisheries and the House Committee on Agriculture met informally to explore combining elements of NOAA into the Department of Agriculture; no formal action ever occurred.

There was also a suggestion that NOAA be moved into the Department of Defense to take advantage of funding possibilities and I once suggested that—given the

number of lawsuits that were then pending against NOAA—we move the agency to the Department of Justice.

Perhaps the best thing to do at this point is to look at the alternatives and their costs and benefits. In each of these cases, I am taking as a given that an organic act for NOAA will be enacted so that we are dealing with a complete federal agency.

Status quo, NOAA stays in Commerce -- Obviously, this is the simplest and most straight-forward. We have no costs to the taxpayer that are inherent in moving any federal agency around. We have an existing chain of command, budget structure, and lines of jurisdiction within the Congress. No statutes would have to be amended to clarify that "Secretary" means something other than the Secretary of Commerce.

The disadvantage is that whatever problems people perceive to exist with NOAA remaining in the Department of Commerce will continue. I have never gotten a clear understanding of what those problems are, other than a feeling that the Secretary of Commerce ignores fisheries issues. I suggest that this can be a non-problem, depending on the Secretary of Commerce. I know several instances, in both Republican and Democratic administrations, where the Secretary was very supportive of NOAA. I know similar instances where the opposite was true.

NOAA becomes an independent agency -- Under this proposal, NOAA is left to float alone, similar to the Environmental Protection Agency. There are some costs for changing stationery and logos. The budget structure within the Office of Management and Budget might have to be modified. There is no need to change Congressional jurisdiction. Several statutes would have to be amended. NOAA would lose the protections inherent in being part of a larger bureaucracy, but could suffer less bureaucratic interference. Presumably, NOAA would be more accountable for its actions, because the chain of command would end at the Administrator of NOAA.

NOAA is moved to the Department of the Interior -- Again, there would be costs to the taxpayers for the transfer. Numerous statutory changes would have to be made to change responsibilities for such things as all marine fisheries management and the National Marine Sanctuary Program to either the Secretary of the Interior or the Administrator of NOAA. Given the relative size of the Department of the Interior as compared to the Department of Commerce, NOAA would become even more of a non-entity in the bureaucratic maze. And to be fair, these same problems would apply if NOAA were transferred to the Department of Agriculture, as some commercial fishermen have advocated.

Speaking as a representative of the seafood industry on the Pacific Coast, the thought of the Secretary of the Interior managing marine resources terrifies me. While the U.S. Fish and Wildlife Service is relatively friendly towards hunters and recreational fishermen, the National Park Service isn't. I know that Congressman Young can relate to what happens if the National Park Service gets involved in fisheries—there's a 20 year history of conflict in Glacier Bay National Park that serves as a prime example.

I have heard recreational fishermen grumble that NOAA—somehow by virtue of being in the Department of Commerce—gives no attention to recreational fisheries needs. Anyone who says that has spent no time at all on the Pacific Coast, where recreational fishing is given the same amount of attention as commercial fishing, if not more. NMFS has embarked on a recreational fisheries strategic plan and is going to great pains to solicit recreational fishermen's ideas. There is a recreational fisheries office in the NMFS hierarchy, reporting to the Director; nothing similar exists for the commercial fisheries. Quite honestly, I have trouble understanding this argument.

Mr. Chairman, in looking at the costs and benefits, I am hard pressed to find any reason why you should abandon the status quo. Further, any decision to make changes, other than codifying NOAA through an organic act, should be considered in a holistic fashion, looking at the recommendations of the Commission on Ocean Policy report, and the President's responses which will be forthcoming. Given the complex nature of our government, simply picking up NOAA and moving it to another department of government is not a simple, easy, or cheap task.

Finally, let me make clear that just because I advocate the status quo does not mean that I think NOAA is an agency free of problems. On the Pacific coast, we have a National Marine Sanctuary program that is running wild and trying to take over fisheries jurisdiction along most of the California coast, including establishing marine reserves without much real input from recreational and commercial fishermen. We have a recent proposal—now being seriously considered in NOAA—to consolidate marine research, which could make it even harder to conduct the research we need in support of fisheries management. We have data-hungry fisheries management systems that are being operated with virtually no data. We have to

borrow research vessels from Canada because there are no U.S. vessels available to conduct hydro-acoustic surveys.

These and similar problems are not a function of which Secretary the Administrator of NOAA reports to; they are a matter of funding, of agency priorities, and of the statutes under which NOAA operates. My recommendation to this subcommittee is that you spend some time in thoughtful deliberation on where NOAA best fits, but spend even more time on oversight of NOAA itself and most time on examining—and fixing—the statutory problems that bedevil all of us.

Again, Mr. Chairman, thank you for giving me the opportunity to present these views. I would be happy to answer any questions.

Mr. GILCHREST. I would like to ask you a quick question before we all leave, and we will come back, and everybody will be well fed and rested. What is your opinion on the Senate action, their Organic Act? Do you have an opinion on that?

Mr. MOORE. I just had the opportunity to read the marked-up version this week, Mr. Chairman. I think it has got some good points, and it has got some bad points, the good points being creating an organic act for NOAA and the way the budgetary issue is handled; the bad points, in my view, creating yet another layer of bureaucracy within NOAA. We have enough of those.

Mr. GILCHREST. If you sat on the conference committee for the omnibus appropriation bill, which is where we are heading, and someone from the Senate wanted to stick that in there, what you would say?

Mr. MOORE. I would just say no.

Mr. GILCHREST. OK. Thank you very much, Mr. Moore.

We will be back in 45 minutes. We will recess.

[Recess.]

Mr. GILCHREST. The Subcommittee will come back to order.

Again, our apologies for our schedule. We hope to be here through the end of this hearing and will expedite it, because I understand some have to catch a plane and perhaps see the autumn leaves in New England with crisp blue skies, and bright, white, billowy clouds, and the hint of ocean spray on the horizon.

Mr. ROSENBERG. I was hoping to briefly visit with my wife, but I appreciate the sentiment.

Mr. GILCHREST. You are doing that with your wife in a canoe, I would assume.

I am going—and we can sort of go back and forth here. But I have a couple of questions, and each of you, please, give your perspective on it.

Rod Moore gave his perspective on the NOAA Organic Act coming on the Senate side, and given all of the various proposals, whether it is Pew Oceans Commission, Mr. Saxton's proposal, what we see now on the Senate side, what is coming out of the Science Committee here in the House in the subcommittee, and it is likely or possible to be a suspension on the House Floor. Given all of this, is there any particular preference that each of you might have with dealing not with a full range of issues of NOAA, but dealing at this point with an Ocean Organic Act that may come out and actually be signed into law, given the variables that we have now in the House and the Senate side; or is your preference hold off, the next Congress will have the reports done, the recommendations done, hold a few hearings and do it then? Could we start with John?

Mr. PALATIELLO. Well, Mr. Chairman, I guess I have been around along enough to know that nothing good usually happens in the final days of a Congress, and I would rather step back and take a broader look at this and revisit this next year. I am not—I am not of a mind that a really deliberative, thoughtful product comes out in the final hours of a Congress.

Mr. GILCHREST. Dr. Rosenberg?

Mr. ROSENBERG. Thank you, Mr. Chairman. The Commission has been careful not to comment specifically on legislation. I will give you my personal opinion, but please understand that the Commission does not take a position as a Commission on legislation. I think Admiral Watkins was clear in the various hearings on that.

I do believe that the Senate bill is—contains a number of very important features and do hope that something along that line can move forward. It does create a council, although not a council in exactly the way that the Commission called for it. It does call for real restructuring of NOAA and then thinking through this issue of where NOAA should be placed in a phased approach. Again, a little bit different from the way the Commission called for it, but it does have that important feature, does set some overall guiding principles to try to bring together some of the conflicts in mandates and policy that we currently have.

I think that it also creates some real independence, even if NOAA remains within Commerce, by utilizing a mechanism like the independence used for FAA or PTO or one of those organizations. And that goes in, I think, in the sentiment, in the direction of Mr. Saxton's bill of trying to deal with the conflict issue.

So I think it has a lot of those features, and so I would favor moving forward with that bill personally. Again, and I would simply say that the organic act from the Administration at this point really does not make any change, it simply codifies existing practice, as far as I can see in my looking at the bill when I looked at it a little while ago.

Mr. GILCHREST. So it is more positive than negative, and it would be good, in your judgment—if I could paraphrase, a good first step in a phased approach for better ocean policy to actually sign into law the Ocean Organic Act on the Senate side?

Mr. ROSENBERG. Yes. I think that it would be an excellent first step, and I am really quite concerned, while I understand that you do not want to rush something through, I do not actually believe it was rushed, as it was pointed out in the discussion this morning. These issues have been discussed for quite a long time. If we wait until the new Congress, there will be all kinds of new issues coming up that will be new and perhaps capture interest more immediately, and I am really afraid that this will be lost.

Mr. GILCHREST. So Mr. Moore said if he was sitting at that conference for the omnibus bill, and this was to be put in, he would try to stop it. You would put it in?

Mr. ROSENBERG. Yes.

Mr. GILCHREST. Mr. Hayes?

Mr. HAYES. I think there are some good things in that bill, and I think there are some important considerations in it. The problem that I have is that a lot of recreational groups and a lot of recreational fishermen, we have participated in all of the oceans

reports. We have participated in the commissions. We have watched the study. But one does not get as focused until there is a legislative debate. And if this bill was going to pass and preclude a further legislative debate, much along the lines that Mr. Saxton suggested—and, frankly, lots of other people have suggested there are a lot of things to fix here. There is a lot more things to do than are being addressed in those bills, although those bills do address a number of the recommendations—if passing that bill precludes a debate, I would oppose it.

Mr. GILCHREST. Thank you.

Mr. Mann?

Mr. MANN. I guess I am of the view of capturing progress while you can. You know, I do not have to tell you, Mr. Chairman, how hard it is to make progress on legislation in Congress. And if a bill can be enacted that does some of these things that the two Commissions are talking about and that the community wants, I think we should lock it in.

I do share Bob Hayes' concern that we not preclude additional steps. In other words, if the bill cannot be strengthened to do what needs to be done, and its enactment would take the energy out of the system so that additional reforms could not be made, I wouldn't want to see that happen. But the bill as already reported from the Commerce Committee does make some important steps toward NOAA independence that I think are beneficial. It sets up a great structural and programmatic framework for the kinds of reform that the Oceans Commissions have proposed.

We do feel that the policy statement that it makes, the national ocean policy that it articulates, should be strengthened—that what is in there now is not really far-reaching enough to be a national ocean policy.

And I should add that we are working with the Pew Oceans Commission to prepare a more formal set of views on that bill.

Mr. GILCHREST. I thank you very much. I don't think there is any legislation that can't be reviewed or changed or modified. I understand your perspective on capturing progress while you can, and I also understand your statement about once something is done, the wind is out of the sails, and there does not seem to be motivation to do anything else about it. So we will look doubly closer at the Senate version, because we are going to have some time to make a decision on our comments, I would imagine sometime until mid-November, before this actually takes place.

The gentleman from New Jersey, Mr. Saxton.

Mr. SAXTON. Thank you. The notion of moving NOAA somewhere, whether it be Interior or to be an independent agency or even a department as some would wish, that notion is a simplistic act, and that notion is embodied itself in my bill as a simplistic act. But I think we all recognize that we ought to have a legislative debate, or as least a conversation, as Mr. Hayes put it, as to what other changes we need to make perhaps at the same time.

And if we could—for purposes of this discussion, if you could talk a little bit about your perspective of what other changes we would need to make to NOAA, but within the context of just dealing with NOAA for now, because that to me is a realistic objective, where some other objectives are maybe not as close at hand.

So let's just suppose that we were to move NOAA to Interior because of the arguments that I made earlier. What else should we do, if we can do something else, at the same time?

Mr. PALATIELLO. Mr. Chairman, I—there is an issue related to that that I think the Committee ought to keep in mind. I had an interesting conversation just a week or so ago with Congressman Frank Wolf, who, as you know, chairs the Commerce-State-Justice Appropriations Subcommittee, and we were talking about NOAA funding. And his comment was, my subcommittee, we have to fund the FBI, we have to fund the prisons, we have to fund the State Department. And with the way the budget rules and the process are here in Congress with regard to allocations to the appropriations subcommittees, NOAA becomes—the Commerce Department, and NOAA in particular representing 60 percent of the Commerce Department's budget, it becomes a relatively low priority compared to funding the FBI, funding the prisons, funding the State Department.

So if we look at where we might be moving NOAA, we ought to think about what stature and standing are they going to have with regard to funding when it comes to sustaining or improving the programs in NOAA that we all may support. I think that is an important consideration to keep in mind.

And I am not sure I have enough experience in working issues on behalf of programs that we support in USGS and other places. I am not sure that the Interior appropriations process is any better way of getting these programs funded than we have now.

Mr. ROSENBERG. Congressman, I think there are five kinds of change that are needed, irrespective of where you move the Agency. I do think that NOAA needs to have, from both the science and regulatory perspective, actually more stability in leadership, independence of leadership than it currently has, where the Administrator really is responsible for all of the programs. And that is why I mentioned the concept in the Senate bill of having a 5-year term for the NOAA Administrator, much like FAA or PTO or NSF or one of the other organizations. I think that would help quite a bit in stabilizing the sort of basis for decisionmaking within the Agency as well as crafting a longer-term plan for how you would proceed in development of programs.

I actually believe—even though I worked in NOAA for quite a while in the National Marine Fisheries Service, I believe that the line structure needs to change, as indicated in my written testimony, for two reasons. First of all, I think that the needs have changed, as I think all of our testimony has indicated. National Marine Fisheries Service no longer has the task that it originally was created to do, which is in part to Americanize fisheries. It has lots of other things it needs to do. It needs to work toward ecosystem-based management and work much more closely with NOS and NOAA research.

And so I think that rethinking the line structure is important simply because of the task. But I also think that it is very hard for people to view their jobs differently if the name is the same, the structure is the same, the offices are the same and so on. So a little bit of shakeup can sometimes be very helpful; even though I have very high regard for NOAA and the people who work there and

consider them my colleagues and friends, that shakeup is still needed. Even if I was still working there, I would think that. I just might not be able to say it.

I do think there needs to be consolidation of programs as a third element not only within NOAA, but from other places. Some of that was raised with regard to things such as marine mammal authorities. I think it also occurs with habitat programs, mapping programs, the whole estuary programs which are scattered across the government and are fragmented. And there needs to be some thinking about where the programs need to be located, how you fit them together, and who actually is going to have a primary role for a particular kinds of program. So consolidation of programs, I think, is an important element.

Conflicting mandates where you are supposed to be regulating fisheries and managing marine mammals and managing habitat all at the same time, but the mandates do not actually fit together is a big issue and a very difficult issue, and the only way that I can see that it will be solved is by partly the coordination at a national Ocean Policy Council level, and then obviously following Congress' lead in looking at some of those conflicting mandates.

And finally, on funding, I do think that there are major funding issues, particularly for the science within NOAA, that need to be stabilized and, on the science side, certainly increased. But also the way that the budgets are developed, the Commission recommends, and I happen to agree, that the review of the budgets within OMB, the management of the budgets needs to be greatly improved, and that includes external programs as well as internal programs.

NOAA granting and contracting is notoriously bad and has been notoriously bad for as long as I can remember, and it is not getting fixed, and so something needs to change, but something also needs to change in the way that the budget is managed and developed as a resource agency budget.

Mr. GILCHREST. Thank you.

Mr. HAYES. I have about five of these as well. And let me just echo this whole concept of funding. If you are going to have ecosystem management, my view of the science is that they are woefully prepared and funded to do that. The reason they are doing species-by-species management is because they have some capabilities to do species-by-species management. I don't think the scientific basis or the basic infrastructure in the science programs inside of NOAA or NMFS are capable of producing what most people would consider good ecosystem management, so I think there are some funding concerns there.

They need to rationalize their statutes. You can't have, as we have today, two separate entities essentially managing fisheries as we have in the sanctuaries program and we have in the National Marine Fisheries Service. You usually have fish. Those fish are not that smart. They tend to swim in and out of those places, and as a result you have to have a unified view as to how that management ought to occur, and you have to have a unified view as to what your basic objectives are. That is an essential of this rationalization of the statutes.

But that rationalization exists in how do you treat marine mammal endangered species, whales and coral, any other component

part of the environment? That is not to say that I have a great idea as to how that rationalization would occur. That is not going to be an easy policy job to do. But it is something that I think needs to be done if you are going to improve the management of species, and if you are going to go to ecosystem management.

The third thing I have is what I call streamlining the regulatory system. My view is the regulatory system inside the National Marine Fisheries Service is not a very streamlined activity. Let me give you one example, because I think it really describes it so well. People were concerned about ecosystem management 10 years ago, and so the South Atlantic Council went forward and said, look, there is something out here called the Sargassum Sea, so maybe we will go ahead and manage seaweed basically. There was one harvester of this stuff who used to land it in North Carolina or South Carolina, so the South Atlantic Council went through this process, forward look, they developed all of those things you are supposed to develop, the maximum sustainable yield of sargassum, and they went through this incredible process of trying to fit the statutory language into what they viewed as a problem, and at the end, they delivered a document to the National Marine Fisheries Service. I think 6 years later, those regulations were returned to the South Atlantic Council and essentially they said, we have some problems. Can you look at this?

It is an impossible process if you are trying to create councils that make policy decisions and establish objectives and then come up with what they think are good answers. The last time I looked, the statute says they are supposed to come up with good answers and then go back up through this incredible process to the National Marine Fisheries Service.

On top of the National Marine Fisheries Service—and in their defense, you, the Congress, have given them 15 other statutes that they have to deal with. You have economic analysis, you have environmental analysis, you have this analysis, you have that analysis. And I am not suggesting that those components parts are not important. What I am suggesting is that somehow we are going to have to think about unifying and rationalizing that process so that it can be responsive when the scientists come forward and say, we have a problem here. At the moment, frankly, it is such a bogged-down process, it is very difficult to work in.

The last thing I would like to suggest, which really deals with white marlin, my perception of good management, and this is the perception that is in the Magnuson Act, is that the lower you place the management of a species as far as government goes, the better. White marlin, if you sort of look at that, is as far away from the American public as it could possible get. It is done in meetings in Dublin. That is where white marlin is discussed. We discuss it at ICCAT. You were at ICCAT last year.

Mr. GILCHREST. Dublin is a fair city.

Mr. ROSENBERG. It is a wonderful city, but it is a long way from public opinion. And it is fun drinking Guinness, but it is not much fun coming back with some of the answers we get.

Mr. GILCHREST. And having to vote on the energy bill when you get here.

Mr. ROSENBERG. The process here ought to be brought down, frankly, in my view, to a council-type situation. There are advisory committees that domestically advise the Department of Commerce as to what ought to be done. Those advisory committees are treated exactly as that, advisory committees, not people who develop policy, not people that have the same clout, if you will, as a fishery management council.

Mr. GILCHREST. I really regret interrupting you, but I have to leave at 1:30.

Mr. ROSENBERG. I will make this my last point. We ought to create for HMS species a council, and that council ought to have authority.

Mr. GILCHREST. Thank you very much.

Chris?

Mr. MANN. I will be brief. The reforms in the larger sense that are needed I think I outlined in my written testimony. I think we need a larger set of reforms than just NOAA. And I would put at or near the top of the list funding. It is not the only thing, but without additional resources to address these problems, I think there is a lot of agreement at the table here we are not going to get it done. And I think Congress should take a very serious look at funding mechanisms proposed, the use of OCS revenue in a way that does not encourage unwanted OCS development.

That pot of money is—comes from the use, the development of natural resources, and I think it makes good policy sense to plug it back into the management of renewable resources. That is the only way we get a long-term benefit from that resource extraction.

You need to do more than just fund it, obviously. We need to address the mandate question, and that is at two levels. One is within NOAA. Obviously, there has been a lot of discussion about the conflicting mandates that NOAA faces in its resource management mission. You need to straighten that out. An organic act would help with that. A mission statement like we have for the Park Service, like we have for the Fish and Wildlife Service, that helps. But you are going to have to go in and amend other statutes like the Magnuson Act to make conservation a priority, and an unambiguous priority, because you know the situation was improved with the 1996 amendments, but I don't think we are there yet.

No matter how much you straighten out NOAA, and consolidation of programs is a good idea, you are not going to put all the programs in one oceans agency that have an effect on oceans. You are still going to have, you know, USDA, you are still going to have Transportation, you are still going to have defense operations. So we need coordination as recommended by both of the Commissions.

And last we need—it is not just about the Federal Government. Three miles of the ocean, in some cases 10 miles out are controlled by the States. And although the real estate, the total real estate, is less, these are some of the most important resources to the American people. Yet the marine ecosystems do not respect these boundaries. So we need to find a way to harmonize State and Federal ocean policy, a regional forum and process to come up with place-based approaches for addressing problems.

Mr. GILCHREST. Thank you very much, Mr. Mann.

The gentleman from New Jersey, Mr. Pallone.

Mr. PALLONE. I know you are all leaving at 1:30. I think I can get done in 5 minutes. At least I can.

To what Mr. Mann said, I was going to ask the other panel quickly to respond. This idea that NOAA operates under many different statutory authorities, and specific programs have their own governing statutes, like CZMA, National Marine Sanctuaries Act; the idea to actually strengthen NOAA, the Congress has to revise or revamp these other laws. If the others could just briefly respond to that what Chris said, or answer the question, you know, in order to really strengthen NOAA, do we have to revise or revamp, or should we revise or revamp these other laws?

Mr. PALATIELLO. Mr. Pallone, obviously my perspective is very narrow, and I am not—pardon the pun, I am a fish out of water with these gentlemen. But with regard to the mapping and charting, NOAA's mapping and charting, for all intents and purposes, still operates under the Act of 18—I forget the year—1883? A lot has changed in technology in the mapping and charting fields since then. So I think revisiting that organic act is very much in order.

The other thing that I would add to the equation is I believe Congress has asked NOAA to do much too much with the resources it is given, and I think we need to revisit what is the core mission of NOAA and what is it that we really want this Agency to do, and what is it that others can probably do better, and bring it back to assigning priorities and defining its core mission.

Mr. PALLONE. Mr. Rosenberg?

Mr. ROSENBERG. I do believe that the issue of conflicting mandates is a big one. To address it you need to have an overarching framework in an organic act or ocean policy act that says this is the goal that we are trying to achieve broadly with all of these various statutes, and give some ability to fit together the various solutions you come up with. I don't think any of the mandates are going to go away, and even if you move their responsibilities to other agencies, that does not necessarily help; although I agree to some extent that the mission has drifted or expanded, sometimes not because of statutory mandates, but just because of the way that policy is developed within NOAA.

But you need some kind of overarching framework such that you can resolve the conflicts when they occur between the different statutory authorities. And you do not need to do the same thing in four different places. So if you are going to manage habitat, let's have an overall habitat goal and understand how the various statutes relate to that goal so there is some specific work to be done there.

Mr. HAYES. Andy said it very well, the answer is yes.

Mr. PALLONE. Let me ask Mr. Rosenberg a couple of questions. With regard to the future of NOAA, the U.S. Commission on Ocean Policy decided that it would be the preferred course of action to authorize NOAA in statute, strengthen the Agency, but to defer for future consideration of whether to make the Agency wholly independent or relocate it within the Federal Government, as Mr. Saxton's bill would.

Did the Commission conclude there is an inherent conflict of interest due to NOAA's location in the Department of Commerce, anything of that nature?

Mr. ROSENBERG. The Commission did not specifically conclude that there was that conflict of interest. We discussed that issue, but we felt that the changes in the way that NOAA works and operates were the first priority, and then you can make the decision about structurally where does it best fit.

Mr. PALLONE. Did they consider the option proposed under Mr. Saxton's bill, and if so, was it rejected?

Mr. ROSENBERG. We did consider it at length in discussion, and we decided that while some might favor—and sometimes you might change your mind over the 3 years of the Commission—that our conclusion was we really needed to do this restructuring work. And, frankly, the concern was that NOAA was created by moving bits and pieces from other places into an agency, and they somewhat retained their features from their homes. If we move NOAA to another place without making a change in the way that NOAA operates, the danger is it would continue to do just as it is doing without real change even though it would have a different home.

Mr. PALLONE. What about the idea of the creation of a larger department-level agency focused on natural resource management? Was that rejected or just considered?

Mr. ROSENBERG. We considered it and felt that politically it would be extremely difficult to do, and, again, it should be part of that final phase once you really decide how the agency should be shaped. Is it departmental, is it an independent agency, or should it be moved from its current location.

Mr. PALLONE. The last thing, if it is OK, Mr. Chairman, the way I read section 8 of the bill, the Director of OMB would be authorized to make any subsequent incidental transfers of programs, personnel, and assets as necessary. This authority would come without any requirements for review or justification or any approval by the respective oversight committees in the Congress. So my concern is that there would be no accountability.

It is sort of a broad discretionary authority that might be abused to dismember NOAA as it currently exists. I am not saying that is the intention, but that seems like a possibility, and in a way reduces the stated purpose of the bill if you read it that way. So I just wanted to ask you if you agree with this interpretation, my fear and this interpretation.

Mr. ROSENBERG. I am afraid I am a biologist, not a lawyer, so I am not sure I understand the interpretation of that section of the bill. It would seem to me that the funding provisions for NOAA, the appropriations provisions and reprogramming authority are such that it would make that kind of a provision impossible to work, even if OMB decided to move things around. You couldn't move the funding around, because the reprogramming provision for NOAA has a very, very low ceiling.

Mr. PALLONE. In other words, I am not saying that it does that, but assuming that were the reading of the bill, you wouldn't want to delegate that kind of authority to OMB.

Mr. ROSENBERG. I certainly wouldn't want to delegate it to OMB, no.

Mr. PALLONE. Thank you very much.

Thank you, Mr. Chairman.

Mr. GILCHREST. Thank you, Mr. Pallone.

Frank made me think of a question that I will oversimplify. The wet and dry sides of NOAA, are they compatible the way they are, or could they be separated to function more efficiently and in a NOAA, in a NASA, in a separate agency?

Mr. ROSENBERG. Very quickly, I do not think they should be separated. I think they should be brought closer together, because as the science advances, we find out they are closer and closer together in terms of the actual processes and the natural processes.

Mr. GILCHREST. Any other questions, Mr. Saxton?

Mr. PALLONE. I was just going to ask if we could, with your permission, Mr. Chairman, ask some follow-up written questions.

Mr. GILCHREST. We will have follow-up written questions to each of the witnesses here today.

Mr. PALLONE. Thank you.

Mr. GILCHREST. Gentlemen, thank you so much. It has been very, very helpful. The hearing is adjourned.

[Whereupon, at 1:30 p.m., the Subcommittee was adjourned.]