



Official Written Testimony for programs under the National Oceanic and Atmospheric Administration (NOAA) for Fiscal Year 2014

**Submitted To
Subcommittee on Commerce, Justice, Science and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington, DC**

**Submitted By
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The Coastal States Organization (CSO) is a nonpartisan, nonprofit organization in Washington, DC that represents the interests of the Governors of the 35 coastal states, territories and commonwealths. Established in 1970, CSO focuses on legislative and policy issues relating to the sound management of coastal, Great Lakes, and ocean resources and is recognized as the trusted representative of the collective interests of the coastal states on coastal and ocean management. For fiscal year 2014, CSO supports the following coastal programs and funding levels within the National Oceanic and Atmospheric Administration (NOAA):

Coastal Zone Management Program (§§306/306A/309)	\$67 million
Coastal and Estuarine Land Conservation Program	\$20 million
Regional Ocean Partnerships	\$10 million
National Estuarine Research Reserve System	\$22.3 million

The U.S. economy is an ocean and coastal economy. Although federal investment does not reflect it, the oceans and coasts provide an irreplaceable contribution to our nation's economy and quality of life. While only accounting for 18% of the U.S. land area, coastal areas are home to 163 million people and almost 5 million businesses. Home to coastal and ocean dependent industries including marine transportation, tourism, marine construction, aquaculture, ship and boat building, mineral extraction, and living marine resources, coastal counties contribute \$8.3 trillion to U.S. GDP and employ 66 million people. If these coastal counties were their own country, they would have the world's second largest economy. Coasts and oceans are visited by nearly half of all Americans, adding to their health and quality of life. The non-market value of recreation alone is estimated at over \$100 billion. Every American, regardless of where they live, is fundamentally connected to U.S. coasts, oceans, and Great Lakes. These valuable resources are a critical framework for commerce, public recreation, energy, and environmental health and merit robust investment.

Today, our nation's coasts are as vital for our future as they are vulnerable. As a result of their increasing recreational, residential, and economic appeal, we are exerting more pressure on our coastal and ocean resources. This demand, combined with an increase in natural hazards such as sea level rise, extreme weather and other flooding events, highlight the danger of losing these invaluable national assets. Despite the difficult budgetary times, adequate and sustained funding is needed to support the key programs that are on the front lines of this daily battle, the programs utilizing the advances in coastal and ocean science, research, and technology to manage our coastal and ocean resources for current and future generations.

Programs engaged in these important efforts and working to balance the protection of coastal and ocean resources with the sustainable development of the coasts include the Coastal Zone Management Program, Coastal and Estuarine Land Conservation Program, Regional Ocean Partnerships and National Estuarine Research Reserves. These programs reside within the National Oceanic and Atmospheric Administration (NOAA) and provide *direct* funding or services to the states, territories and regions to implement national coastal and ocean priorities at the state, local and regional level. These types of partnership programs account for only a small portion of the total NOAA federal budget, but provide dramatic results in coastal communities. Funding for these programs is very cost-effective, as these grants are matched by the states and are used to leverage significantly more private and local investment in our nation's coasts. Maintaining funding for these programs that provide on-the-ground services to our local communities and citizens is well worth the federal investment.

Coastal Zone Management Program (§§306/306A/309)

CSO recommends that these grants be funded at \$67 million, a consistent level with FY 2012 funding with a small increase to account for Illinois' entrance into the program. This funding will be shared among the 34 states and territories that have approved coastal zone management programs. Pursuant to the Coastal Zone Management Act (CZMA), states partner with NOAA to implement coastal zone management programs designed to balance the need to maintain productive coastal and ocean resources with the need for the sustainable development of coastal communities. States have the flexibility to develop programs, policies and strategies targeted to their state priorities while concurrently advancing national goals. Under the CZMA program, the states receive grants from NOAA, which are then matched with state funding and then often further leveraged with private and local funds. These grants have been used to support and enhance coastal economies by resolving conflicts between competing coastal uses, reducing environmental impacts of coastal development, and providing critical assistance to local communities in coastal planning and resource protection.

The CZMA state grants have essentially remained at an even funding level for a decade, resulting in decreased capacity in state coastal zone management programs and less funding available to communities. An increase to more than \$91 million would be necessary to reach *actual* level funding that accounts for inflation since 2001 and would provide an additional \$300,000 - \$800,000 for each state and territory. However, CSO recognizes that the current fiscal climate makes such an increase challenging. By maintaining current funding levels, states and territories would receive between \$850,000 and just over \$2,000,000 to carry out their coastal management programs based on a formula that considers shoreline miles and coastal population. Any increased funding would account for the addition of Illinois in January 2012 as a state with an approved coastal program. Under the CZMA grants formula, Illinois will be eligible to receive the maximum allotted funds of \$2,000,000. With an increase, states would not be penalized for the addition of Illinois into the national program and could focus on activities that support healthy coastal communities and economies such as responding to extreme weather, focusing on resilient recoveries to coastal hazards, addressing coastal water pollution, protecting and restoring habitat, planning with and educating communities, providing public access to the shore and adapting to changing sea and lake levels and the threat of increasing storms. The following are a few examples of activities in Virginia and Pennsylvania that CZM state grants have recently funded. These types of contributions, and more, can be found around the nation.

Virginia

- In 1999, Virginia CZM initiated oyster restoration efforts using over \$1.5 million and additional leveraged funds to construct more than 80 sanctuary reefs and 1,000 acres of harvest area. In 2007, as pressure mounted to open the sanctuary areas to harvest, Virginia CZM reconvened its partners and created an innovative rotational harvest and buy-back program for large oysters that were returned to the sanctuaries. The yield for this investment has been huge – 23,000 bushels worth \$575,000 in 2001 to 236,000 bushels worth \$8.26 million in 2011.
- The Virginia CZM Program has developed, produced and marketed a comprehensive map (Coastal Virginia Ecologically Valuable Areas) of ecologically valuable lands and waters to aid Virginia's coastal localities and partners in targeting high value areas for protection – focusing on those natural features of water and land critical to coastal ecosystem health and supports robust seafood production.
- Along the Eastern Shore, Virginia CZM is restoring eelgrass and reintroducing bay scallops to the 80-mile long barrier island lagoon system from which they had been extirpated since the 1930s. Reintroduction of bay scallops has and will continue to bolster the coastal economy through highly lucrative eco-tourism and recreational fishing. The eelgrass restoration provides habitat for crab, flounder and other commercially valuable species, contributes to improving water quality, and stabilizes the entire system by dampening incoming wave energy - all of which contribute to a healthier support system for commercially and recreationally valuable fish populations in this area.

Pennsylvania

- Pennsylvania continues to open its coastline to public access through CZMA funding. In Philadelphia, rehabilitation was completed on the previously dilapidated Race Street Pier to provide a new public access; an average of 1,800 weekly visitors have enjoyed its multi-purpose lawn, sky promenade, native plantings, and seating. Additional public access is being realized through CZMA funding of the expansion of the nearby Schuylkill River Trail. The Schuylkill Banks section of the anticipated 130 mile trail sees an average 19,000 user trips per week. Upcoming expansions will open access to new neighborhoods, residents, and visitors of Philadelphia. In Pennsylvania's Lake Erie Coastal Zone, CZMA is funding construction of Liberty Park fishing pier in Presque Isle Bay. The new steel pier, deck, and walkway will enhance Erie's \$36+ million sport fishing industry and provide new recreational opportunities for local inner city youth. An initial coastal program investment of \$45,000 to expand the new Washington Avenue Green Park leveraged over \$1 to develop the adjacent pier into a boardwalk, kayak launch, and enhance intertidal wetlands.
- CZMA funding supports the annual International Coastal Cleanup. An estimated 85,000 pounds of trash was collected in the Delaware Estuary and Lake Erie Coastal zones in 2011 alone. For the past six years, Pennsylvania has funded debris removal and outreach activities. Since then, over 3,000 concerned citizens have removed 257,878 pounds of trash from Pennsylvania land and streams that flow into the Delaware River. In the past decade, over 6,000 volunteers have collected more than 100,000 pounds from the Lake Erie shoreline and watershed.

Several years ago, a grant cap of approximately \$2,000,000 per state was instituted to allow for funding to be spread more evenly across the states and territories, so as to prevent most of the

funding from going entirely to the larger, more heavily populated states. Now, however, over half of the states have met the cap and no longer receive an increase in funding, despite increased overall funding for CZMA state grants since that cap was introduced. Since the cap was never intended to serve as a barrier to states receiving reasonable increases intended for all states, CSO recommends that the Subcommittee include language in the appropriations bill report that allows the cap to be exceeded when it is fair and consistent with the original purposes of the cap. To that end, CSO suggests language declaring that each state will receive *no less than 1% and no more than 5% of the additional funds over and above previous appropriations*. As was provided previously by the Committee, CSO also requests that language be included in the appropriations bill report that *directs NOAA to refrain from charging administrative costs to these grants*. This is to prevent any undue administrative fees from NOAA from being levied on grants intended for states.

Coastal and Estuarine Land Conservation Program

CSO requests the Coastal and Estuarine Land Conservation Program (CELCP) not be terminated, as has been previously proposed in the President's Budget. Authorized by Congress in 2002, CELCP protects "those coastal and estuarine areas with significant conservation, recreation, ecological, historical, or aesthetic values, or that are threatened by conversion from their natural or recreational states to other uses." To date, Congress has appropriated approximately \$255 million for CELCP. This funding has allowed for the completion of over 150 conservation projects, with more ready to go. CELCP projects in 27 of the nation's 35 coastal states have already helped preserve approximately 50,000 acres of the nation's coastal assets. All federal funding has been leveraged by at least an equal amount of state, local, and private investments, demonstrating the broad support for the program, the importance of coastal protection throughout the nation, and the critical role that federal funding plays in reaching the established goals of our coastal communities.

The conservation of coastal and estuarine areas is critical to both humans and the environment. These natural areas shield communities from devastation brought by coastal storms, protect coastal homes and businesses from sea-level rise and flooding, and filter pollutants to maintain water quality. These areas also provide shelter, nesting and nursery grounds for commercial and ecologically important fish and wildlife, protect rare and endangered species and allow access to beaches and waterfront areas. CELCP is the *only* federal program entirely dedicated to the conservation of these vital coastal areas.

The need for CELCP funding far exceeds federally appropriated funds in recent years. In the last three years, NOAA, in partnership with the states, has identified, deemed eligible, and ranked over \$270 million in projects with willing sellers and state funding match available. As demand for CELCP funding has grown, federal funding has not kept pace. Adequate and sustained support is needed to meet the demand of the increasingly high-quality projects developed by the states and submitted to NOAA. The importance of CELCP and natural barriers in preventing and reducing storm impacts was recognized in the wake of Superstorm Sandy, when these types of areas provided buffers and increased coastal resiliency in the face of storm surge, and ultimately included in the response packages from both the Administration and Senate. Eliminating an important and successful coastal conservation tool does not make sense. Therefore, we **request your support for minimally restoring funding at the FY 2012 enacted level for CELCP.**

Regional Ocean Partnerships

There is an ever-growing recognition that multi-state, regional approaches are one of the most effective and efficient ways to address many of our ocean management challenges. These approaches are producing on-the-ground results that are benefitting both the economy and the environment.

Federal investment in Regional Ocean Partnerships—representing every coastal state in the continental US and the Pacific and Caribbean islands—will enhance economic development, leverage state and non-governmental investments, increase employment opportunities in green technology, and foster sustainable use of our oceans, coasts and Great Lakes. To meet our ocean and coastal challenges, Governors have voluntarily established Regional Ocean Partnerships and are working in collaboration with federal agencies, tribes, local governments and stakeholders. Although their methods and approaches may differ, Regional Ocean Partnerships are working to address similar challenges and to enhance the ecological and economic health of the regions, and ultimately the nation. These bodies provide a vehicle to engage in multi-sector, multi-state decision making to benefit the ocean environment and our coastal and ocean-related economy.

\$10 million in grants for Regional Ocean Partnerships is needed as a step toward an adequate funding level. These competitive grants provide essential support for the development and implementation of Action Plans within each region. Regional Ocean Partnerships also request appropriation language stating that *10% of the total funding be divided equally among existing Partnerships for operating funds*. CSO feels that it is important to support the fundamental framework of these Partnerships to ensure that the Regional Ocean Partnerships become enduring institutions that can guide regional efforts over the long-term.

ROP funds allocated through the competitive grants process will support projects that address the priorities identified in the regions, and should be awarded and administered by NOAA. CSO and the Partnerships are in agreement that **this funding, however, cannot be at the expense of the Coastal Zone Management Act program funding**. The CZMA grants to the states provide the infrastructure and support that is foundational to the work of the ROPs. Any decreases to CZM funding for the purposes of increasing that of the ROPs, will only hamper the states' ability to implement national priorities as well as address regional priorities. As partnerships mature and form where needed, funding should increase to \$60 million as soon as possible in order to fully meet regional needs.

National Estuarine Research Reserve System

The National Estuarine Research Reserve System (NERRS) partners with states and territories to ensure long-term education, stewardship, and research on estuarine habitats. Atlantic, Gulf, Pacific, Caribbean and Great Lakes reserves advance knowledge and stewardship of estuaries and serve as a scientific foundation for coastal management decisions. This unique site-based program around the nation contributes to a systemic research, education and training on the nation's estuaries.

CSO greatly appreciates the support the Subcommittee has provided in the past. Its support has assisted these programs in working together to protect our coasts, support coastal economies, and sustain our local communities. We appreciate your taking our requests into consideration as you move forward in the FY 2014 appropriations process.