

Testimony of Governor Paul R. LePage

before the
U.S. House Committee on Natural Resources
Subcommittee on Water, Power and Oceans

November 2, 2017

Chairman Lamborn, Ranking Member Huffman, and members of the subcommittee, thank you for the opportunity to speak today regarding HR 1176, the "Keep America's Waterfronts Working Act." Keeping waterfronts working is of the utmost importance to the coastal economy in Maine. Access to waterfrontage for commercial fishing, aquaculture and other water-dependent businesses is imperative if we are going to sustain and grow jobs, particularly in the more rural coastal counties of Maine. Maine voters have overwhelmingly demonstrated their support for the marine economy again and again in recent years, including a 2005 referendum that authorized a constitutional amendment allowing current use valuation for land used for commercial fishing activities. Voters have also supported four bond initiatives over the last 12 years that supported the Maine Working Waterfront Access Protection Program, which has protected 25 properties for commercial fishing access, totaling over two-and-a-half miles of coastline and benefiting over 1,100 fishermen.

Maine's coastline is over 5,300 miles long when you include all the islands and long peninsulas. But only 175 miles of the coast have sufficient water depth and protection from weather to sustain business uses. Business use is further limited by the fact that only 20 of those miles are accessible at all tides. As development pressures increase in busy harbors, such as the City of Portland, and wealthy summer visitors buy up ocean frontage in Midcoast and Downeast Maine, high property tax burdens are making it more and more difficult for fishing families to hold on to waterfront property that have been in their families for generations. Like many states, most of our waterfront businesses in Maine are small businesses, family-owned and run, and they face an ever-increasing regulatory burden of compliance from federal agencies. This bill would add to that burden. The mechanisms laid out in this bill are simply not the way to achieve the goal of keeping our waterfronts working. Reducing taxes, improving the science that underlies fisheries management, elimination of burdensome and unnecessary regulations on small businesses and fair trade policies are much more important. However, they are not addressed in this bill.

First, any work truly intended to ensure ongoing access for commercial enterprises should be led by the Department of Commerce, rather than the Department of Interior. The Department of Commerce's National Oceanic and Atmospheric Administration has responsibility for fisheries and coastal management. The Coastal Zone Management Act appropriately balances states' rights and the interests of industry with appropriate conservation of marine resources. Adding another layer of federal bureaucracy onto the states and private enterprise is unnecessary and inappropriate, especially since additional resources could already be provided through existing programs without new laws, planning or oversight from the Department of Interior. In fact, Maine recently moved our coastal program from the Department of Agriculture, Conservation and Forestry to the Department of Marine Resources to better align the needs of our coastal

industries and communities with the resources and expertise already available under our existing federal-state-local partnership. The Coastal Zone Management Act now allows states to prioritize working waterfront within their coastal management plans, as Maine has done. There is no reason why the Secretary of Interior should have a role in that, since the Department of Commerce and the State of Maine are already authorized to do so.

The proposed grant program in the bill would fund the improvements, acquisition of land, or interests in land, for working waterfront protection, which may be held by a private citizen, organization or municipality. However, the burden falls squarely on the shoulders of the state to ensure that the funding is appropriately applied at the time the award is made. Furthermore, the state would be obligated to ensure the property continues to allow public access and to monitor the covenants on the property apparently in perpetuity. If a violation of the covenant occurred a decade from now, the state would be obligated to take action. And all of this would have to be done with no more than five percent administrative costs for a one-time award. I cannot, nor should any Governor, in good conscience, accept one-time funds that will leave the state on the hook for administrative obligations and costs incurred well into the future.

Finally, creation of a multi-agency task force at the federal level may unnecessarily delay the opportunity to take meaningful actions to preserve waterfront infrastructure, and it may create the potential for agencies with tenuous connections to working waterfronts to exert even more control over private enterprise. Maine's working waterfront program focuses on implementation, rather than endless planning. According to a recent EDA report, there are already 80 federal financing programs in place under which working waterfront properties would be eligible. How many of these existing programs are adequately funded to achieve their goals? Authorization of a new, targeted competitive grant program is meaningless without funding. As written, the program only serves to layer additional planning and reporting obligations onto the state with little hope of ever receiving limited federal dollars.

As Governor, I have witnessed far too many cases of the federal government's inability to quickly address problems facing citizens across Maine. The government's delay in addressing erosion along the Saco River has caused devastation for homeowners in the area. The delay in coming to an agreement with the European Union on a trade deal is significantly hurting Maine's lobster industry by placing them at a serious disadvantage with Canada. President Obama's administration disregarded the will of Mainers and established a national monument in northern Maine at a time when Interior is strained with a \$11.3 billion maintenance backlog. Without adequate funding for maintenance, I fear the monument will be more susceptible to a forest fire similar to the "Great Fire" in Acadia National Park in 1947. These examples reflect how the federal government is unable to quickly address existing issues—it will only get worse if new programs are added.

Instead of creating this new program, our small businesses, fishing families and lobster co-ops would benefit much more from regulatory reform that reduced their costs of doing business, tax reforms that reduced their financial burden and a trade policy that protects their interests by keeping the playing field level. There will be significant regional variability regarding the challenges working waterfronts and coastal communities face, so the federal government should leave the details to the states. Instead, the federal government should focus its efforts on

streamlining environmental regulations to facilitate nimble business development in the face of changing environmental and economic conditions.