



February 7, 2002

The Honorable James V. Hansen
Chairman, Committee on Resources
House of Representatives
Washington, D.C. 20515-6201

Dear Mr. Chairman:

This letter provides you with the Department's views on H.R. 3577, entitled the *Coastal Resources Conservation Act of 2001*, introduced by Representative Gilchrest and Delegate Underwood on December 20, 2001. The reauthorization of the Coastal Zone Management Act (CZMA) is of great importance to the Nation and provides an unique opportunity to guide coastal and ocean resources management in the new century. The CZMA has enjoyed bi-partisan support in Congress for almost 30 years and is supported by the coastal states, local governments, non-governmental organizations and the public.

The Department supports H.R. 3577 as it provides a good basis for enhancing state and local governments' capabilities to address emerging and continuing issues.

The Department does have several suggestions for improvements. First, the Department believes that the coastal program assessment initiative created under the existing Section 309, coastal zone enhancement grants, is an important tool. Section 309 challenges states to address emerging coastal issues that are of national importance, and gives the states the incentives and flexibility needed to develop innovations for addressing complex coastal issues. Although the coastal zone enhancement section is proposed to be repealed by Section 10 of the bill, we believe that the assessment process established under the existing provisions is very beneficial to both the states and to the Department in achieving the goals of the Act. The Department recommends that the enhancement and improvement language be retained and that eligible funding in Section 306A, coastal resource improvement grants, or Section 306, administrative grants, include state coastal program assessments.

The Department also supports more closely linking the outcome indicator system described in Section 18 of the bill to both the program evaluation requirements in Section 312 of the Act and the reporting system in Section 316 of the Act. We also believe that the program review and reporting requirements for National Estuarine Reserves, described in Section 315, should be moved to appropriate places in Section 312 and Section 316, respectively (16 U.S.C. §1458; 16 U.S.C. §1462). The result of these two changes will be a more comprehensive and efficient means of reviewing and reporting the entire national impact of the CZMA.

The Department also suggests retaining some of the current language found in the first part of Section 310(a) of the existing Act, specifically, the Secretary's authority to conduct a program of technical assistance and management-oriented research. This would be in addition to the language in the proposed amendments authorizing the Secretary to provide other entities with

training, education, and technical services. If they do not retain the existing Section 310(a) language, the proposed amendments to Section 310(a) would severely impact our ability to implement current programs of management-oriented research.

The Department also requests that language be added to Section 15 of the bill (amending Section 316(c) of the Act) providing for the Department to consult with other appropriate Federal, state, and local agencies in the development of the State of the Coast report.

In response to a recommendation of the *National Energy Policy, Report of the National Energy Policy Development Group* to review certain deadlines during the CZMA process, the Department is currently reviewing Section 319 of the Act.

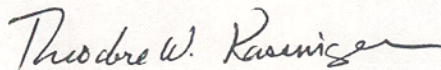
Additionally, the Department proposes the following language to afford clear authority to the interagency Coastal America program to undertake its interagency partnership. We would recommend amending Section 11 of the bill, where the section proposes amendments to Section 310(c) (2) of the Act, to read as follows (new language in bold):

“(2) The Secretary may enter into, contracts or other arrangements with other Federal agencies (**including interagency financing of Coastal America activities**) and any other qualified person for the purposes of carrying out this section.”

The Coastal America program is a successful interagency partnership that has aided in furthering the policies and purposes of the CZMA programs.

The Office of Management and Budget has advised the Department that there is no objection to the submission of this letter to the Congress from the standpoint of the Administration's program.

Sincerely,



Theodore W. Kassinger
General Counsel

cc: The Honorable Nick J. Rahall II
The Honorable Wayne T. Gilchrest
The Honorable Robert A. Underwood