



Highlights of [GAO-08-1045](#), a report to the Subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard, Committee on Commerce, Science, and Transportation, U.S. Senate

Why GAO Did This Study

In 1972, Congress enacted the Coastal Zone Management Act (CZMA) to protect the nation's coastlines from growing demands associated with residential, recreational, commercial, and industrial uses. The act encourages coastal states and territories to develop programs to manage and balance economic development and coastal protection. The National Oceanic and Atmospheric Administration (NOAA) administers the program and provides financial and technical assistance to participating states.

GAO was asked to provide information on (1) NOAA's methodology for awarding CZMA grants to the states, (2) the extent to which NOAA has processes for ensuring that grants are used in a manner that is consistent with the CZMA, and (3) the extent to which NOAA's state program evaluations and performance measurement system enable the agency to assess the effectiveness of the National Coastal Zone Management Program. GAO reviewed relevant laws, regulations, and documents and interviewed NOAA and the 34 state coastal program officials.

What GAO Recommends

GAO suggests that Congress clarify whether CZMA grants should reflect state coastal variations and that NOAA address a number of weaknesses in its current processes for awarding grants, evaluating state performance, and assessing the effectiveness of the program. NOAA agreed with the majority of our recommendations.

To view the full product, including the scope and methodology, click on [GAO-08-1045](#). For more information, contact Anu Mittal at (202) 512-3841 or mittala@gao.gov.

COASTAL ZONE MANAGEMENT

Measuring Program's Effectiveness Continues to Be a Challenge

What GAO Found

NOAA awards coastal program grants to states generally according to the requirements of the CZMA and congressional direction provided through the annual appropriations process. For the majority of grant funding awarded by NOAA, CZMA regulations require the agency to provide each state a base amount and a proportional share of funding based on a state's shoreline miles and coastal population. For more than 20 years, because of a congressionally mandated cap of \$2 million per state, NOAA has had to redistribute funds from those states whose proportional share would have exceeded the cap to other states whose grant amount is under the cap. As a result, states with longer shorelines or larger coastal populations have essentially received a static level of funding, while states with shorter shorelines or smaller coastal populations have seen increases greater than they likely would have received without the cap. In addition, NOAA's present practices for awarding coastal zone grants deviate somewhat from its regulations. For example, NOAA is not using a competitive process for awarding coastal zone enhancement grants as required.

NOAA has established processes to ensure that state grant activities comply with the requirements of the CZMA. Specifically, NOAA requires states to submit draft grant proposals each year that include a detailed narrative and budget for each project proposed for funding. NOAA reviews the states' grant applications and negotiates the terms of work and management of the projects before awarding the grant. NOAA officials told us that, as part of this review, they ensure that the states' grant requests are consistent with the goals outlined in the CZMA. After the funds are awarded, NOAA monitors the states' progress through semiannual reports that the states must submit.

NOAA's periodic evaluations of states' coastal management programs and its performance measurement system have weaknesses that limit the agency's ability to determine the effectiveness of the National Coastal Zone Management Program. NOAA's evaluations of state programs are of limited value because they do not provide the agency with independent information to assess program performance against performance goals. NOAA's recently developed performance measurement system is also of limited value because it lacks measurable targets, a process for ensuring data reliability, or measures for assessing state programs' effectiveness in meeting all CZMA goals. Furthermore, although NOAA plans to use both the results from its periodic evaluations of state programs and its new performance measurement system to determine the effectiveness of the National Coastal Zone Management Program, the agency has not yet developed an approach that would allow it to integrate the information from these sources to assess progress at the national level.