## STATEMENT OF

## ELDON HOUT DIRECTOR OFFICE OF OCEAN AND COASTAL RESOURCE MANAGEMENT NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION U.S. DEPARTMENT OF COMMERCE

## BEFORE THE HOUSE STATE AFFAIRS COMMITTEE ALASKA STATE LEGISLATURE

## **FEBRUARY 24, 2005**

Good morning members of the committee, officials from the Alaska Department of Natural Resources (DNR) and district representatives. I am Eldon Hout, Director of the Office of Ocean and Coastal Resource Management, within the National Oceanic and Atmospheric Administration (NOAA). Thank you for this opportunity to describe NOAA's role in the review and approval of proposed changes to the Alaska Coastal Management Program (ACMP). This is a matter of great importance for NOAA, the State and the national coastal management program.

I am also submitting for the record our January 28, 2005, letter (with enclosures) to the Alaska DNR. This letter describes in detail the remaining approval and procedural issues that need to be addressed before NOAA can make a preliminary approval finding and initiate the National Environmental Policy Act (NEPA) process.

Please let me make clear that NOAA supports Alaska's efforts to streamline and clarify the ACMP. Unfortunately, streamlining efforts have resulted in gaps that must be addressed to meet minimum Coastal Zone Management Act (CZMA) requirements. The changes mandated by Alaska's House Bill 191, and the ensuing regulations, effectively constitute the most significant change to any federally approved state coastal management program. NOAA and Alaska DNR staff have worked together and made significant progress on many of the issues

regarding approval of the ACMP amendment. NOAA's January 28 letter continues this process by providing a definitive response to the State's most recent proposal. NOAA's response is based on a careful review of the documents provided by the Alaska DNR, the approval and procedural requirements of the CZMA, and NOAA's responsibilities under NEPA. It is important to note that this has been an iterative process and our January 28 letter could not have been provided earlier because the State's regulations and descriptive documents have continued to change over the past six months. The CZMA requirements described in NOAA's January 28 letter reflect the many discussions between NOAA and Alaska DNR, and identify only a few remaining issues. NOAA's January 28 letter provides Alaska with specific recommendations to meet these remaining CZMA requirements.

Allow me to briefly address the State's July 1, 2005, deadline. NOAA and the Alaska DNR have exerted tremendous energy to meet the deadline, while recognizing that the deadline was extremely tight given CZMA and NEPA requirements. By January of this year, however, it became apparent to NOAA that the State's deadline could not be met, because Alaska has not yet submitted a program document which sufficiently clarifies and specifies several key issues, including the role of districts in the program. Also, the State has continued to propose regulatory and policy changes, preventing NOAA from initiating NEPA review, which can only begin once the program document and regulatory changes are final and their implementation clear.

Therefore, NOAA recommends the State's July 1, 2005, deadline be removed or extended until at least December 31, 2005, so that discussions can continue and afford Alaska sufficient time to meet CZMA requirements.

Finally, on the afternoon of February 23, 2005, NOAA received Governor Murkowski's

response to our January 28 letter. NOAA has not had time to sufficiently analyze the Governor's response, but we will provide a written response as soon as possible. NOAA can state at this time that we have not set aside previous positions or agreements, and have not added new CZMA criteria or mandates. NOAA's January 28 letter is based on clear directives in the CZMA and NOAA regulations regarding the content of state CZMA programs, state responsibilities for local government components, and the application of the federal consistency requirement. NOAA has not established "new national policy" regarding the CZMA federal consistency provision.

In conclusion, I continue to believe that the few remaining obstacles toward approval of the new ACMP can be resolved through further discussion and negotiation. NOAA is committed to working with the State to develop a new Alaska coastal management program that meets the requirements of the CZMA. NOAA continues to believe that the CZMA requirements and NOAA's recommendations in our January 28 letter are consistent with Alaska's objectives to streamline the ACMP and would ensure that Alaska remain part of a unique national program for managing our nation's important coastal uses and resources.

Thank you again for the opportunity to provide the committee with this statement.