Written Testimony of
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INTRODUCTION

Good morning, thank you for inviting me to testify before you today. I am Larry B. Simpson, Executive Director of the Gulf States Marine Fisheries Commission (GSMFC). I have worked for the Commission since 1978 and have served on the Gulf of Mexico Fisheries Management Council (GMFMC) as a statutorily nonvoting (but functionally active) member for 25 years. I am here to represent the five Gulf of Mexico states, the marine fisheries and coastal habitat component of the equation you will be considering in your recommendations to the President.

First let me say that in your recommendations to the President, you must consider the habitat, people, federal/state entities, and international trade interests that utilize our oceans, as well as other users of the oceans such as shipping, oil, and gas. I want to emphasize, however, that "habitat is the key," to quote the late Dr. Lyle St. Amant of Louisiana. He was saying that when dealing with our living marine resources, habitat is the most important consideration we must take into account. The things we do as humans in our work, play, and living in general, significantly affect fisheries habitat and should be our highest priority as it affects fisheries resources.

IMPORTANCE

Fish are important. In 2000, landings from 70,000 U.S. commercial fishing vessels totaled 9.1 billion pounds and had a gross revenue of $3.5 billion dockside. Fish contributed $27.8 billion to the gross national product (GNP) of this country. The commercial industry employs more than 170,000 people; the majority of these businesses are independently-owned and family operated. The U.S. commercial fishing fleet is diverse and the fourth largest in the world. In addition, ten million U.S. recreational fishers harvested 254.2 million pounds of fish and shellfish, representing 75 million fishing trips and adding $25 billion to the GNP.

In the Gulf of Mexico the following are important facts to consider when developing your final recommendations to the President.

Gulf of Mexico - Important Facts

- The Gulf of Mexico receives drainage from two-thirds of the continental United States, largely through the Mississippi River.
- The Gulf Coast boasts almost 80% of the continental U.S. coastal wetlands.
- Four of the top ten U S. fishing ports (by volume) are located within the Gulf of Mexico.
- Ten of the top twenty U.S. fishing ports (in value) are located within the Gulf of Mexico.
- Gulf shrimp are the nation's most valuable fishery.
- Seventy-two percent of the country's offshore oil and 97 percent of our offshore gas production come from rigs in the Gulf.
- Over half of the Gulf Coast shellfish growing areas have been closed due to poor water quality.
- Marine debris on Gulf Coast beaches has averaged better than one ton per mile and almost two tons per mile along some areas of the Texas coastline.
- With a coastline of approximately 1,630 miles, the U.S. Gulf Coast is longer than the U.S. Pacific Coast from California to Washington, and equivalent to the distance from Newport, Rhode Island, to Miami, Florida.
- The coastal wetlands of the northern Gulf provide habitat for four to seven million migratory waterfowl every winter.
- Nearly 50 species of fishes and shellfish are harvested for commercial and recreational consumption in Gulf waters – this includes oysters, shrimp, crabs, snapper, flounder, mackerel, tuna, and swordfish. More than 200 different species have been captured in sampling trawls.
- Nearly 40% of total U.S. commercial fisheries landings are from Gulf fisheries.
- The marshes and estuaries along the Gulf Coast serve as nurseries or spawning grounds for 98% of the fishes caught in the Gulf of Mexico.
- Nearly half of all U.S. import/export tonnage utilizes Gulf waters and port facilities.
- Four of the country's ten busiest ports are in the Gulf of Mexico – New Orleans, Houston, Corpus Christi, and Tampa. Six Gulf ports are among the top ten U.S. ports handling crude oil.
- Thirty-three major river systems drain from two-thirds of the U.S. and carry pesticides, fertilizers, garbage, and other effluents into the Gulf.
- Louisiana's wetlands are disappearing at the rate of more than 30 square miles a year.
- The human population of the Gulf Coast is growing; it is estimated that between 1960 and 2010, the population of Florida and Texas will have grown by 226% and 121%, respectively.
- Nearly half the United States population currently lives within 45 km of a coast, and recent studies have shown that coastal populations are growing faster than other populations.
- Nearly 16 million people were projected to live along the coastline of the Gulf of Mexico by 2000.
- Per capita consumption of seafood has increased to 16 pounds in 2000.
- The Gulf of Mexico, a total area of 600,000 square miles, is surrounded almost completely by the United States, Mexico, and Cuba.
- The 21 major estuaries along the Gulf Coast account for 55% of the marshes and 24% of all estuarine area in the 48 contiguous states.

- More than 50 million people visit the state of Florida each year and spend upwards of $25 billion.
- More than one million people a year visit Gulf Islands National Seashore which is located in Florida, Alabama, and Mississippi.
- In the Gulf region of the state of Louisiana, tourism expenditures amount to more than $3 billion annually.
- About $5 billion in tourism-related expenditures are made in the Texas Gulf region each year.
- Of 278 million pounds of shrimp landed in the United States in 1998, more than 82% was landed in the Gulf.
- Of 553 million pounds of crabs landed in the United States in 1998, 68 million pounds were landed in the Gulf.
- The Gulf States contributed approximately 18.1 of the 33.5 million pounds of oysters landed in 1998, and Louisiana accounted for approximately 71% of this. These 18.1 million pounds of oysters were worth $42 million, dockside.
- Off the Gulf Coast of Florida, 5.7 million pounds of grouper worth $10.9 million were landed in 1998. Florida landings also included 3.2 million pounds of snapper worth $6.0 million. Louisiana landings of snapper were 2.8 million pounds worth $5.7 million.
- In 1998, Louisiana fishers caught 2.96 million pounds of yellowfin tuna worth $7.3 million.
- In 1998, total Gulf landings of shark were 4.4 million pounds, for which fishers were paid $2.12 million.
- In 1998, Gulf landings of menhaden accounted for over 16% of all U.S. total landings of fish by weight some 1.5 billion lbs.
- In 1985, 4 million residents of the Gulf States fished the Gulf of Mexico for recreation. Texas led all other states with nearly 1.7 million residents fishing the Gulf, followed by Florida with more than 1.5 million, Louisiana with 550,000, Alabama with 130,000, and Mississippi with 80,000. Residents and nonresidents took more than 24 million fishing trips in the Gulf. More than 80% of the recreational catch was in inland waters or within territorial state waters.
- The economic outputs associated with saltwater recreational angling expenditures in the Gulf (excluding Florida) were $2.9 billion in 1996
- It is estimated that 3.7 million Gulf States' anglers fished in saltwater a total of 43.3 million fishing days in 1996.
- In 1996, 1.9 million resident and nonresident saltwater licenses were sold to fishermen in the five Gulf States.
- On November 11, 1947, the Kerr-McGee Oil Company completed the first commercial well drilled completely beyond the sight of land. Today, the Gulf of Mexico is the most active area in the world for offshore oil and gas activities, and the industry has placed more than 4,400 platforms on the Gulf of Mexico Outer Continental Shelf.
- In the next two decades, the population in almost one-third of the Gulf Coastal counties will increase by more than 30%.

INTERRELATIONSHIPS

In the Gulf of Mexico, marine fish have an especially interrelated existence with their environment and man's influence. Whether disrupted freshwater inflow or recent problems with too little inflow, allocation of the available resource for use among commercial and recreational users poses a complicated equation – not to mention the other varied users such as commercial trawlers and hook and line commercial fishers. The recreational sector is also complicated by charter boats and private boat users having different needs and desires. Marine fish live in a dynamic aquatic environment which has many users other than fishermen. Most notable is oil and gas, shipping, the military, protected marine areas, boaters, tourism, and coastal, as well as upland industry. The farmers of the Midwest have an influence on marine resources and their environment as a result of sediment and fertilizer runoff. Hydroelectric dams and dams for water control and impoundment impact the recovery effort on species such as striped bass in the Southeast.

I have devoted my entire, adult career to the conservation of renewable natural resources – as have so many state and federal personnel I have worked with. I once made a comment to the Gulf Council while we were struggling with the difficulty of the development of an original and very complex fishery management plan (FMP), that "The hard work is yet to come with implementation and amendments". How true that statement was. We are now on Amendment 13 of the Shrimp FMP and Amendment 20 of the Reef Fish FMP, and the difficult, contentious issues are still compounding. Proper management of the Gulf of Mexico's living marine resources is truly a difficult and complicated task; however, there are great opportunities. The States are not exempt either, they have had years of experience dealing with marine waters, estuaries, and competing user groups.

The Ocean Policy Commission must (and should) with sound background, knowledge, and experiences provide recommendations to the President on future, large-scale policies for all of our nation's oceans. I realize I am stating the obvious; this is the existing charge to the Ocean Policy Commission. I empathize with the gravity and daunting task before you. In that regard, I offer for your consideration the following for your recommendations to the President.

RECOMMENDATIONS

1. Develop a National Fresh Water Inflow Policy

Our bays and estuaries are complex systems of interconnected parts, adding up to more than their mere sum. They are our most valuable natural resource. This resource depends directly on inflows of fresh water. Sufficient freshwater inflow is necessary to dilute seawater and create a series of gradients, where salinity increases progressively with distance toward the sea and away from the mouths of rivers. Freshwater transports nutrients to the coast and then distributes them into estuaries, where they fuel production of fish, shrimp, and other organisms. Freshwater also carries and distributes sediment into estuaries to maintain their shallow-water characteristics and native submerged and emergent vegetation. Water withdrawals, dams, diversions, construction, and maintenance of levees, navigation channels, and other activities, including those that are located far upstream, can affect estuarine and nearshore habitats. Water managers must realize the importance of estuaries to living marine resources. Water managers should also recognize that estuaries and the coastal environment are legitimate water users; the environmental water demand of estuaries must be met in all water management plans.

A national freshwater inflow policy should be developed that has as its main goal ensuring an ample supply of freshwater inflow, applied at the appropriate times, in order to maintain appropriate salinity regimes and concentrations of nutrients and sediments to sustain the function and productivity of estuaries.

2. Implement a Coordinated Data Collection and Management System for Fisheries

Notice that I did not say a federal system. State/federal systems such as FIN and SEAMAP coordinate collection and management activities among both state and federal partners and provide data for all interested parties to use. The need for comprehensive and cooperative data collection programs has never been greater due to the magnitude of the commercial and recreational fisheries and the differing roles and responsibilities of the agencies involved. Many southeastern stocks targeted by anglers are now over harvested, due primarily to excessive harvest, habitat loss, and degradation. The information needs of today's management regimes require data which are statistically sound, long-term in scope, timely, and comprehensive. Systems such as FIN and SEAMAP coordinate collection and management activities among both state and federal partners and provide data for all interested parties to use. These state/federal programs address various problems such as lack of coordination, methodological differences among existing programs, duplication of effort, insufficient sample sizes, variability in quality control standards, limited access to fisheries data, and other technical questions. In today’s climate of limited resources and funding, cooperative partnerships between state and federal agencies are the most appropriate mechanism to address these issues and assist in accomplishing the goals and objectives of fisheries management.

3. Programs to Increase Public Awareness of Ocean Issues and How Living Marine Resources Interact and are Affected by Man's Actions

Farm runoff affects hypoxic areas in the Gulf of Mexico. Eutrophication, resulting from the addition of nutrients, has been greatly accelerated by human activity. Eutrophic waters are characterized by frequent algal blooms and periodic hypoxia or low levels of dissolved oxygen. There is evidence that eutrophication has increased in recent decades in the Barataria and Terrebonne estuaries of Louisiana, and anoxic bottom conditions have been reported in Mobile Bay; Mississippi Sound; and Tampa, Sarasota, and Florida bays. Extensive areas (1,650,000 ha) (4,092,000 acres) of low bottom oxygen levels (<2 ppm) occur annually during the summer in waters off Louisiana and Texas known as 'the dead zone'. Land-use practices and man's manipulation of the Mississippi River play a major role in the formation of this "dead zone." Algal blooms are a frequent occurrence throughout most estuarine systems including those in the Gulf of Mexico and can affect marine organisms in adverse ways both indirectly (contributing to hypoxia and habitat changes) and directly (toxification). While the causes of these environmental disturbances are not clear, a number of researchers have shown evidence that phosphorus-rich water being transported through advective processes from the Gulf of Mexico into Florida Bay are at least partially responsible for the loss of sponge communities over hundreds of square kilometers. The results of these changes to the environment have profound effects on the organisms that live there. Sponge and seagrass habitats in the Florida Bay have been documented as nursery and foraging grounds for shrimp, lobster, fish, sea turtles, and wading birds.

Marsh loss has reached crisis levels in some Gulf of Mexico wetlands. This loss occurred due to both natural (subsidence, sea level rise) and man-induced (reduction in freshwater and sediment input, dredging of transportation channels and location canals for oil exploration, saltwater intrusion, pipeline construction, etc.) factors. Biological productivity tends to increase temporarily in deteriorating marshes due to increased shallow marsh-water interface habitat and increased detrital input associated with deteriorating marshes. Marine biologists generally acknowledge that estuarine carrying capacity, however, will eventually decrease as the conversion of marsh to open water continues and edge habitats in suitable salinity regimes decline below a critical point.

North Dakota and other non-coastal states have a stake, as well as rights to living marine resources of this nation and are equally responsible to pay their part for proper management and stewardship costs. When examined in the cumulative, bulk heading and marsh loss and alteration have negative effects on fisheries resources. Therefore, even non-fishers in the coastal areas are part of the total dynamic that makes up fisheries. Early degradation of Gulf Coast estuarine habitat can be traced to the early 1900s, when exploration for and exploitation of oil and gas, with its concomitant development of refineries and chemical companies, began in the northern Gulf (Texas and Louisiana) along major rivers and bays. In the 1930s and 1940s, alteration of marshes and coastal waters for oil exploration included seismic blasting; dredging of canals; construction of pipelines, storage tanks, and field buildings; and other types of development. These activities caused a number of problems including saltwater intrusion into brackish water areas and direct reduction in the amount of marsh habitat.

Flood control levees protect people and property but have an effect on salinity regimes. In addition, levees built in the early 1900s to protect urban and agricultural areas from flooding along the

Mississippi River have deprived marshlands the replenishment of needed water and sediments. Agricultural development and urban expansion in Florida have caused similar negative effects on the Everglades that may have negatively affected Florida Bay. Urban centers such as Orlando, Tampa, and Miami have tapped water from the Everglades system to the point that freshwater run-off into Florida Bay has decreased significantly. Fluctuations in salinity as a result of these alterations may have caused the die-off of many seagrass beds in Florida Bay.

4. Consider New or Modified Oil and Gas Policies

Oil and gas exploration and production has a cost to living marine resources, both beneficial and detrimental. While we need oil and gas in this country, we need healthy fisheries as well. For many years the Gulf and a few other regions have shouldered the lion's share of the environmental and fisheries concerns as a result of both resources being extracted from the same place. With concentration of anything, problems occur. Other areas of the country should open up to mineral extraction so effects may be distributed rather than concentrated in the Gulf of Mexico.

5. Foster New and Improved Relationships with State Partners

It should no longer be us (states) versus them (federal agencies). We must work cooperatively if we are to achieve what is best for fisheries, the habitat, and the users of these resources. Marine resources are shared with regard to jurisdiction and authority between federal and state agencies. I have experienced a marked lack of the full-partnership philosophy within federal agencies toward the states. This is not to say there is no cooperation at all – certain individuals and agencies have worked well together to advance our common issues regarding fisheries. Cooperative agreements, full sharing of data, and federal encroachments on and in states' areas of responsibility have been problems which have been addressed to some degree. However, the impetus of true partnership has come more from the states and interstate commissions than from the federal agencies. The newest administration within NOAA fisheries has made this issue one of their focuses, but only time will tell if that philosophy will filter down into the rank and file. The formal way the states and federal governments work together comes to a nexus with cooperative agreements. Here, the who, what, when, where, and how are delineated in detail. Timeliness and uninterrupted coverage of joint agreements are a must. Personnel and programs for core elements of our cooperative work depend on it. In times of budget contraction this continuity is of heightened importance to the states but is most lacking in priority from the federal perspective. The states have a long history of dealing with all aspects of fisheries; therefore, all knowledge does not emanate from Washington, D.C.

Increased state and federal management concerns over living marine resources, coastal habitat conservation, and international concerns over highly-migratory species have lead to a dramatic increase in law enforcement responsibilities throughout the Gulf of Mexico. The role of law enforcement in the fishery management process is to ensure compliance with adopted regulations. Compliance, which enhances the success of management plans, is achieved with an effective enforcement program.

Joint Enforcement Agreements between NOAA Fisheries Enforcement and the Gulf States provide bi-partisan cooperative enforcement. These agreements maximize the effectiveness of law enforcement efforts by defining gulf-wide priorities, supporting comprehensive cooperative planning

efforts, and enabling interjurisdictional fisheries enforcement operations. Without sound compliance programs obtained through marine enforcement efforts, marine resources will not be adequately managed and protected. Funding for these agreements also provides an additional benefit to the nation – an increased presence of law enforcement officers who are federally-commissioned to patrol the United States' border in the Gulf of Mexico.

6. Elevate Living Marine Resources' Status in International Issues

Much, much too often fisheries are not even considered (by the State Department) in international issues. Fisheries are important nationally and internationally and need to be put on a level playing field with other domestic issues.

7. Consider Consolidation of all Fisheries Agencies in the Federal Government Under a Single Agency

In the states, for the most part, all fisheries duties are under one agency. Since this is currently being done at the state level and is workable, I feel it is worth pursuing at the federal level. Our goal (in light of limited funds) is to seek efficiency while providing better service to our customers. If consolidation is to be done, it must not be accomplished by further distancing users and partners. We must maintain accountability by individuals and not additional layering to plow through in order to effect change.

8. Support an Economic Stimulus Package for Living Marine Resources under the Conservation and Reinvestment Act

I strongly urge you to support a program whereby a portion of Outer Continental Shelf (OCS) revenues go to the states for fisheries and coastal wetlands activities. Federal legislation of the type considered last year under the Conservation and Reinvestment Act (CARA) would provide dedicated, much needed funds for fishery and habitat work. These funds must be permanent and automatically appropriated for uninterrupted activities. The standard practice is to share federal revenue from mineral extraction with the state in which it occurs. Federal revenue from onshore drilling is shared 50/50 with the state where it occurs, and yet 100% of the revenue from OCS oil and gas development leases is sent to the U.S. Treasury. It makes sense to reinvest funds from nonrenewable resources like oil and gas revenues into renewable resources like fisheries, habitat, and wildlife. Given the diversity of states and their conservation needs, the states are better positioned to play a role in reinvesting these proceeds wisely. Therefore, the federal government should invest in state conservation programs, not just federal programs.

CONCLUSION

You have a difficult but highly important task to perform. The past efforts of the Stratton Commission, which your Commission was patterned after, provided the impetus for some far-reaching laws and policies that affect living marine resources today. It is my understanding that the creation of NOAA, Coastal Zone Management, Marine Mammals Commission, Magnuson-Stevens Fisheries Conservation and Management Act and others were results of these past recommendations.

You hold in your hands the potential to shape fisheries policy for decades to come. We stand ready to assist you in this effort anyway we can. Thank you for the opportunity to provide testimony today. I will answer any questions you may have.