



January 11, 2000

The Honorable Don Young
Chairman, Committee on Resources
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

This letter provides you with the Department of Commerce's views on H.R. 2903 entitled the "Coral Reef Conservation and Restoration Act of 1999." In general, the Department supports legislation that conserves and protects coral reefs and coral reef ecosystems, and strongly endorses supporting local efforts to achieve these purposes.

The Department is pleased to see the grants program provided for in the legislation is aimed at national, state, and local groups. While we support H.R. 2903, there are a few additions that we recommend be made to the bill to strengthen conservation of coral reefs. The grants program match requirement should be revised to provide more flexibility by providing Secretarial discretion in allowing in-kind services or matching requirements. The Department also suggests the bill include a national program under which activities could be taken directly by the Federal government, in partnership and consultation with other authorities or persons, as appropriate, to conserve and protect coral reef ecosystems on a regional, national and international scale. In addition, provisions should be added to the bill to address damage to coral reefs from abandoned vessels and other incidents, such as groundings. Details on these areas and a few additional recommendations are provided in the enclosure. The Administration looks forward to working with you to ensure that this important program is enacted to protect our valuable coral reef resources.

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,

Andrew J. Pineus

Enclosure

cc: The Honorable George Miller
The Honorable Jim Saxton
The Honorable Eni F. H. Faleomavaega

Views on H.R. 2903, Coral Reef Conservation and Restoration Act of 1999

Grant Program - Matching Requirements

H.R. 2903 could be improved by allowing more discretion for the Secretary in making decisions on matching funds for the grants, including allowing the use of in-kind services as part of the match. Requiring applicants to provide some level of matching resources (such as funds or in-kind services) helps leverage federal funding and can increase the involvement of community and other partners in the project. The National Oceanic and Atmospheric Administration (NOAA) believes that many applicants would be able to provide a 50% match using funds or in-kind services. However, even a 50% match is high for many of the localities, non-governmental organizations, and academic institutions that have access to and interest in coral reef resources. By giving flexibility to the Secretary in determining the match and the need for it, as provided for in S. 1253 and S. 725, the Committee could enhance the effectiveness of the grant program. For example, S. 1253 does not require a match for projects under \$25,000, enabling smaller, community-based groups, who may have few resources, to propose and undertake conservation of important reef resources. This important flexibility will enable wider participation and more active support at all levels.

National Program

A national program is an important part of any comprehensive approach to conserve coral resources and should be included in the bill. States, territories, and localities are counting on the Federal government to provide critical coordination and support. For example, NOAA can provide the tools for mapping and assessment, monitoring and technical assistance, management, restoration and marine protected areas, which is often not available at the local level. A national program would also enable NOAA to provide support and assistance to coral reef conservation efforts during and after an emergency and coordinate better with our Federal and international partners.

While state and local agencies have a key role in mapping, monitoring and research, they cannot begin to map or monitor the Nation's coral reefs over large areas. NOAA and other federal agencies have an essential role in linking state and local mapping and monitoring efforts together with information from coral reefs in federal waters. With adequate resources, NOAA also could help fill gaps and add powerful technologies to better track and improve coral reef health. With more detailed information, local, state and federal managers will be better able to identify the sources of reef degradation and design more effective management actions. Local, state and other partners depend on NOAA and other Federal agencies to provide information, technology and assistance in these areas.

With only a grant program, NOAA's and the Nation's ability to address these issues in a long-term and comprehensive manner will be compromised. Consequently, we will continue to lose ground against the increasing pressures our coral reefs are facing.

Damages to Coral Reefs

Abandoned Vessels

NOAA would also suggest a provision designed to help prevent the destructive and dangerous practice of abandoning vessels on U.S. reefs. There are no effective mechanisms to prevent and address such vessels. A provision, such as in S.1253 which places restrictions on the vessel owner unless the owner has reimbursed the United States for the costs of removal and for environmental damage, will help prevent vessel abandonment on coral reefs but other measures may also be necessary.

Recovery of Damages

NOAA also suggests adding important statutory authority to pursue natural resource damage claims for injury to coral reefs. This ability to recover damages is especially important where other liability statutes, such as the Oil Pollution Act, do not apply to an incident that injures coral reefs. A more comprehensive authority would enable NOAA and other natural resource trustees to recover funds to restore injured coral reefs outside of protected areas, thus providing uniform protection for all coral reefs of the United States.

Other Recommendations

NOAA also has concerns about the narrow focus of H.R. 2903 on one program office, the Office of Response and Restoration, within the National Ocean Service (NOS). NOAA has a number of comprehensive programs that contribute to coral reef activities throughout the Agency at the National Ocean Service, the National Marine Fisheries Service, the Office of Oceanic and Atmospheric Research, and the National Environmental Satellite, Data, and Information Service.

The list of coral species in the definition of "coral" is missing one of the most important and diverse groups of corals, the order Alcyonacea (soft corals), found extensively in the western Pacific. NOAA recommends this be added to the definition.

\$10 million is not sufficient to support an adequate comprehensive coral conservation program as provided in the bill with the revisions suggested above. Rather, the President's FY 2000 budget request includes \$12 million in the National Ocean Service for NOAA to support comprehensive coral conservation efforts and the bill should be amended to reflect the President's request.