AUG 9 2001

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

Dear Mr. Chairman:

This letter provides you with the Department's views on H.R. 897, entitled the *Coastal Community Conservation Act of 2001*, introduced by Representative Saxton (R-NJ) on March 6, 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 bipartisan support in the Congress for almost 30 years and is supported by the coastal states, local governments, non-governmental organizations and the public.

The Department generally supports H.R. 897. The bill provides a solid basis for enhancing coastal communities' capabilities to address emerging and continuing issues.

The Department, however, has concerns with the changes that H.R. 897 would make to the funding match requirements for the National Estuarine Research Reserves (NERRs) under section 315 of the CZMA. Requiring this one-to-one match for NERRs would impair their ability to continue and to expand important research and educational opportunities. The Department instead supports continuation of the match requirements of the NERRs as they presently are structured.

The Department supports the funding for grants that would achieve coordination and implementation of state coastal nonpoint pollution control programs. This provision, including the proposed amounts available, is consistent with the Administration's fiscal year 2002 budget request of \$10 million to support nonpoint pollution implementation grants.

The Department would also like to work with the Committee to incorporate some new themes in response to emerging needs identified by coastal states and communities. These themes include a focus on the prosperity of coastal communities, the health of coastal watersheds, and the ability to measure the success of the CZMA.

H.R. 897 already includes components of these three concepts. We suggest the bill be further amended to expand the concepts as described in the enclosure to this letter. The Department looks forward to working with the Committee to further develop specific statutory changes for these concepts.

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,

Theodor W. Knowlger Theodore W. Kassinger

Enclosure

The Honorable Nick Rahall, II cc:

The Honorable Wayne Gilchrest The Honorable Robert Underwood

Suggested Concepts for a Reauthorized Coastal Zone Management Act (CZMA)

Initiative I - Prosperous Coastal Communities

The Prosperous Coastal Communities initiative would encourage States, communities and tribes to undertake community revitalization and restoration projects. Such an initiative would address the needs identified by coastal states and communities for revitalizing these communities including: improving access to coastal resources, protecting communities from coastal hazards, redeveloping deteriorating waterfronts and coastal brownfields. Presently, project development funding is available only through section 306A of the Act. This section is geared toward direct implementation of the approved State coastal management plan, not at dealing with the coastal management problems of individual communities. Building upon the expansion of section 306A proposed in H.R. 897 for a broader coastal community role, the Prosperous Coastal Communities initiative would help coastal communities develop plans and projects to make on the ground improvements.

Initiative II - Conserving and Restoring Coastal Watersheds

The Conserving and Restoring Coastal Watersheds initiative would support the creation of coastal watershed conservation and restoration plans by states, territories, and regional entities. Similar to those proposed in the Coastal Communities initiative but focusing on a watershed basis, projects developed under this initiative would aim to ensure adequate coastal habitat, improve coastal water quality, and promote compatible uses of lands and waters in the coastal area. Because watersheds often cross political boundaries, planning for their conservation and restoration must involve a variety of local governments, regional agencies, state government and, often, neighboring states. Thus, interagency coordination must be an essential element of this initiative. In addition, this initiative would need to be closely coordinated with programs administered by other Federal agencies, State environmental agencies, and others.

An option for effectively addressing emerging coastal issues at both the local community and watershed scales is to create new or improve existing technical assistance and education efforts, which could be achieved through changes to section 310 of the CZMA. It could also encompass other programs of the National Oceanic and Atmospheric Administration that support interagency partnerships or that provide critical tool development and technology transfer to coastal zone management programs. Education initiatives under this section could focus on the general public and the business community as well as on local decisionmakers.

This initiative would be supported by enhancing the research, outreach and education capabilities of the National Estuarine Research Reserves. These enhancements could look at expanding the Reserve system-wide monitoring program, developing new reserves to include all of the coastal bio-geographic regions, and increasing opportunities for training coastal decisionmakers in all of the coastal States. Changes to section 315(d) to support this effort would enable the reserve system to build on the successes already achieved in these areas.

Initiative III - Measuring Success - Performance Measures and Reporting

NOAA, in cooperation with our partners, has already begun a national effort to develop a set of performance measures on the effectiveness of coastal resource management programs. Providing authorization for a system of performance measures would frame and support the development of useful indicators of coastal health, the assessment of the health of natural, cultural and economic coastal resources, and the establishment of continuing programs to measure the success of a variety of Federal, state and territorial, tribal and local management efforts. The national program would need to be composed of a set of indicators and measures that could provide a national picture while being adaptable to each state's conditions and needs. This would need to be closely coordinated with existing programs to develop environmental indicators, measures, and reports.

Periodic "state of the coast" reports from each of the states could be used for a variety of purposes. This report would serve as a basis for a national report that could help Congress identify emerging issues and would help NOAA and the states and territories adapt coastal management to address these issues. A "state of the coast" report could also support a new 360° evaluation process to revitalize the evaluation process in section 312 by assessing the effectiveness of state and Federal coastal management programs and identifying technical assistance and training needs of the states and territories, tribes, and local governments. All of these uses would help in making both the state and Federal coastal management programs more responsive and adaptable.

Changes to section 315(d) strengthening activities in monitoring and reinforcing the contribution of the National Estuarine Research Reserve System to a coastal monitoring network and state-of-the-coast reporting would also support the goals of this initiative.