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Admiral James Watkins, USN (Ret.), Chair
U.S. Commission on Ocean Policy
1120 20th Street, NW
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Washington, DC 20036

Dear Admiral Watkins:

Thank you for taking the time last month to meet with me regarding the draft report that was recently released by the U.S. Commission on Ocean Policy. I have reviewed the details of the draft report and want to commend you and the Commission for putting forward a comprehensive, thoughtful approach to managing our ocean resources.

There is a great deal of useful information in the report and the recommendations, taken as a whole, clearly map out a new strategy for federal, regional, and state ocean resource management that I strongly support. I believe we are at a critical juncture in ocean management and must take decisive action by moving forward expeditiously on implementing the recommendations in your report. The importance of our ocean and coastal resources as a driving ecological force on this planet and as an economic engine generating $800 billion in trade, services, and products deserves an immediate and sustained commitment from the federal government and the nation's states and territories.

Although I have included some recommendations to the draft report that I hope the Commission will carefully consider, it is imperative that we not lose the current momentum on this issue. Just as I have directed my Administration to implement the recommendations of our own Massachusetts Ocean Management Task Force, I hope the President and Congress will have the same trust in your hard work, insightful conclusions, and the inclusive process upon which your recommendations are based to implement the Commission's recommendations.

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I also commend the Commission for the scope and detail of its report. Over the last two years, Massachusetts has worked closely with the Coastal States Organization (CSO) in providing information and recommendations to the Commission on, in particular, ocean governance, the importance of states in managing ocean resources with federal agencies, and regional, ecosystem-based management approaches. We discussed each of these issues at our meeting last month, and I continue to support CSO's position on the overall report, including passage of a strengthened Coastal Zone Management Act. But beyond our borders and immediate interests here in Massachusetts, the Commission has done an excellent job highlighting key coastal and ocean resource issues, such as recognizing America's fourth coast along the Great Lakes and the importance of coral reefs in many southern states, Hawaii, and the island territories. Yours is very much a national report that deserves to be taken seriously.

In Massachusetts, my Administration launched its Ocean Management Initiative over a year ago with the creation of an Ocean Management Task Force, which released its report, *Waves of Change*, in March of this year. Both the Massachusetts report and the Commission's draft report cover many of the same issues and complement each other. With several new types of coastal and offshore developments proposed along the Massachusetts coast, now is the time for action.

The most prominent of these proposals is an offshore wind farm, Cape Wind, whose proponents have identified a project area in federal waters between the main landmass of the Commonwealth and its offshore islands of Nantucket and Martha's Vineyard. Even though I am a strong supporter of renewable energy generally and wind power in particular, I have opposed this proposed 130-turbine project because I believe it is planned in an area that is incompatible with such large-scale industrial development. One of the most productive locations for wind power in the Northeast is offshore where the wind is strong and the waters are shallow; we also have significant potential for deepwater offshore wind farms. However, the Cape Wind project has revealed significant gaps in state and federal authority to permit offshore uses and lease ocean space. Federal law allows projects to be sited on a "first-come, first-serve" basis rather than through competitive review of proposals, fails to provide for leases to govern wind power development or for payment of lease fees or royalties by developers, and does not require consultation with the Governors of affected states, as is required for extractive activities. Federal law also fails to assign an appropriate role to the nation's leading oceans agency, the National Oceanic and Atmospheric Administration (NOAA), and does not enable NOAA to direct wind power development to environmentally sound areas. There is an immediate need for federal and state government to take public trust responsibilities for the ocean seriously. Your report, taken in tandem with the recommendations in *Waves of Change*, will do much to clarify a process that is heavily flawed.

With the *Waves of Change* recommendations, Massachusetts has taken preliminary steps toward more effective governance of state waters. We have already been in contact with James Connaughton, Chair of the Council on Environmental Quality, and NOAA

Administrator Vice Admiral Conrad C. Lautenbacher, Jr., regarding the possible application of these recommendations elsewhere in state and federal waters. Specifically, given that federal legislation to establish regional councils may take time to pass, ecosystem-based management approaches could be advanced by developing memorandum of understanding between federal agencies and states for state waters and adjacent federal waters, in much the same way that adjacent state and federal wildlife areas on land are often managed. This type of approach is consistent with the Commission's call for regional councils and ecosystem-based management, and may in fact help promote a national system of these councils. Supported by a vibrant marine technology industry and world-class science and research facilities, such as the Woods Hole Oceanographic Institute, the Marine Biological Laboratory (MBL), the Massachusetts Marine Fisheries Institute/University of Massachusetts, and the Massachusetts Institute of Technology, the Commonwealth has the political will, public interest, and the intellectual capital to undertake a sustained effort to improve ocean management. I would appreciate any support you may provide in advancing Massachusetts and this region as a pilot ocean governance program.

The key points I want to convey are to: (1) move forward with implementing your recommendations; (2) include states as full partners in this effort; and (3) consider Massachusetts as the first pilot on ocean management and governance.

There are specific issues covered in the Commission's report for which I would like to offer comments. These suggestions should be viewed as an effort to add to an already impressive report.

Federal Leadership in Conjunction with the States

I support strong leadership on coastal and ocean issues at the federal level through NOAA and the proposed National Ocean Council and a strong, active role for states; and the two are not incompatible. Having equal, robust, focused partners at the state, regional, and federal levels enhance our ability as a nation to manage our oceans under a consistent framework that is based on regional, ecosystem needs.

At the Commission's hearing in Boston on July 23, 2002, Massachusetts offered testimony that strongly supported designating NOAA as the lead federal planning and management agency for ocean and coastal resources. I believe having NOAA conduct planning and management activities in federal waters would help prevent situations where the state's role is diminished, such as recently happened when the Minerals Management Service removed states without offshore oil and gas production from membership on the Outer Continental Shelf Policy Committee - a clear step in the wrong direction. In addition, I believe the proposed National Ocean Council (NOC) can serve the very useful function of coordinating programs among agencies.

While I generally support consolidating related programs, I have some concern about moving NOAA's Section 6217 coastal nonpoint pollution program to the U.S.

Environmental Protection Agency (EPA) or EPA's National Estuary Program to NOAA. Both of these programs have different and complementary strengths, and I would anticipate that the NOC can help further coordination without limiting policy options available to states.

My final point under this topic may come as no surprise to you or the Commission members. While states should be equal and active partners in ocean and coastal management, I do not support unfunded federal mandates. I appreciate the Commission's careful estimates of the full cost of implementing its recommendations, funded through the use of existing Outer Continental Shelf oil and gas revenues, and I believe Congress and the President should examine this recommendation closely. The need for effective governance structures and additional science and research is correctly identified by the Commission and should be adequately funded.

Regional, Ecosystem-based Management Approaches

I strongly support the Commission's focus on regional, ecosystem-based management and governance approaches. For 15 years, Massachusetts has been an active participant in the Gulf of Maine Council on the Marine Environment, a model of voluntary regional and international natural resource cooperation. New initiatives, such as the Gulf of Maine Mapping Initiative (GOMMI), the Gulf of Maine Data Partnership, the Gulf of Maine Habitat Restoration Program, and Gulf of Maine Ocean Observing System (GoMOOS) – itself a national leader in ocean observing systems – have sprung from the work of the Council.

As effective as the Gulf of Maine Council is in initiating and coordinating activities on both sides of the Hague Line, additional, more formalized approaches to regional ecosystem-based management are needed, as the Commission has clearly recognized. What is not as clear in the draft report is the need to encourage states that have not looked at ocean and coastal management from a regional perspective to participate in multi-state or international associations. I recommend that the Commission clearly articulate specific incentives that the National Ocean Council, the EPA, and NOAA should provide to ensure effective regional, ecosystem-based management.

I believe that the Gulf of Maine Council, with its long history of regional collaboration and data collection, is extremely well positioned to advance the regional council model recommended by the Commission. Combined with the ocean management strategy we are pursuing in Massachusetts, this region offers the best opportunity to promote ecosystem-based management on a regional and international basis.

Fisheries Management

The Commonwealth has long had one of the most valuable commercial fishing industries in the nation, and our state's recreational fishing industry has expanded greatly over the last ten years to become one of the nation's leading fishing regions. Our proximity to the

Gulf of Maine and Georges Bank allows the state to be a major force in fisheries, and other geographic attributes attract much of the marine industrial activity that makes Massachusetts coastal waters dynamic.

I appreciate the attention the Commission has brought to the pressing issues associated with managing marine fisheries. The report was, in general, supportive of participatory governance, better science, independent review of the science, better coordination among agencies, and increased funding. The need to strengthen and develop working partnerships has been recognized as a priority by ocean leaders in Massachusetts and lead to the creation of the newly formed Massachusetts Marine Fisheries Institute (MFI), a partnership involving the state's marine fisheries agency and University system. I believe that the MFI could serve as a commendable model for the rest of the nation.

I concur with the Commission recommendations on ensuring that: (1) fisheries research is relevant; (2) Regional Fisheries Management Council members receive adequate training; (3) steps are taken to reduce overcapitalization in the nations fisheries; (4) joint enforcement agreements are strengthened, providing more enforcement resources and encouraging the use of modern technology to improve compliance with regulations; and (5) the need to focus more on ecosystem-based management of marine resources.

Areas where I believe that more discussion is necessary include: (1) the approval of Scientific and Statistical Committee (SSC) members by the NOAA Administrator; (2) the determination of allowable biological catch by SSCs rather than by the Councils; and (3) the use of default measures to ensure timely development of fishery management plans. In addition, more information is needed on implementing ecosystem-based fisheries management at a regional level, as well as the recommendations concerning essential fish habitat, before we can fully endorse these fisheries management recommendations.

Marine Mammals

I support the Commission's recommendations for strengthening the Marine Mammal Protection Act. The Massachusetts coast supports significant, often seasonal populations of whales, including the endangered North Atlantic Right Whale. North Atlantic Right Whales are the most critically endangered mammals in our waters and one of the most endangered species in the world. Massachusetts agencies have worked closely with nonprofit organizations (such as the Center for Coastal Studies), lobstermen, and shippers to develop strategies to reduce harm to these whales. I urge the Commission to support these constructive partnerships and other efforts to increase cetacean populations.

Invasive Species

Invasive marine species are responsible for incalculable ecological and economic costs to ocean resources and activities. In Massachusetts, the introduction of the green crab and Asian Shore crab have contributed to declines in soft shell clam populations, tunicates have recently covered valuable scallop grounds on Georges Bank, and the invasive

seaweed *Codium* has appeared on Cape Cod bayside beaches in recent summers causing beach closures and tourism losses. I support the Commission's recommendation for mandatory ballast water discharge standards and encourage more proactive steps regarding the regulation and enforcement of intentional introductions of invasive species. States and regional aquatic nuisance species panels are best positioned to respond to invasions when they are first identified, are at the forefront of rapid response planning, and require adequate funding to protect oceans and coastal areas from future invasions.

Aquaculture

For more than a decade, the Commonwealth has worked toward a streamlined regulatory aquaculture process and engaged in research and industry assistance activities that promote Massachusetts aquaculture. We recognize the great potential of this industry to provide employment opportunities and to enhance our fisheries resources and harvesting capacity. To that end, I concur with the Commission's suite of recommendations aimed at expanding this industry and recommend emphasis be placed on expansion of research and development opportunities that partner state and federal agencies with industry and work toward the establishment of economically and environmentally feasible aquaculture enterprises.

Coastal and Marine Habitat Conservation and Restoration

The protection of coastal and marine habitats is of paramount importance to a heavily developed state like Massachusetts. Every day we lose coastal habitat to residential, commercial and even recreational developments. In addition, lesser-known subtidal habitats are increasingly impacted and occasionally lost to construction of infrastructure projects and other commercial, industrial, and recreational activities.

I support the Commission's call for dedicated funds for the coastal and estuarine land conservation program but urge you to consider a more ambitious minimum funding level. Coastal properties are precious ecologically as well as economically, and $60 million will allow for only minimal acquisition of these truly endangered coastal lands.

I further support the call for strengthened coastal and ocean habitat conservation and restoration. In Massachusetts, we have made great strides in restoring coastal wetlands and continue to expand our efforts. We are now developing effective ways of restoring valuable subtidal habitats, such as eelgrass beds. As successful as many of our restoration efforts have been, it is always better to avoid damaging or losing habitats than having to expend considerable expense in attempting to restore complex natural environments. I urge the Commission to focus state and federal resources on the identification of valuable coastal habitats through coordinated mapping, monitoring, development of strong management planning, and, as a last resort, restoration of lost or degraded habitats. Improving NOAA Fisheries' ability to manage essential fish habitat is a critical component of this effort, as is a commitment to utilizing marine protected areas as a potential marine conservation tool.

Water Quality

Massachusetts' success in cleaning up Boston Harbor over the past two decades is a huge accomplishment, but we continue to address a range of marine water quality issues throughout the Commonwealth. Massachusetts lacks marine monitoring for most areas outside of Boston Harbor, and as a result, we have limited information on the health of those marine systems. Within Boston Harbor, the monitoring requirements in EPA's National Pollution Discharge Elimination System (NPDES) permit for the Massachusetts Water Resources Authority outfall laid the groundwork for the extensive monitoring that we have today. Coastal water quality would greatly benefit from similar types of monitoring efforts to ensure that water quality standards are being maintained.

Another significant water quality challenge facing coastal states is non-point source pollution, particularly stormwater pollution. One of Massachusetts' particular concerns is nitrogen loading in our fragile bays and estuaries. I support the Commission's call for increased attention to the connection between land use and stormwater pollution to our waterways. In Massachusetts, we are managing stormwater on several fronts, most notably through EPA's Section 319 Clean Water Act program and NOAA's coastal non-point pollution program.

Coastal Hazards/Flood Zone Mapping

As Governor of a state with over 1,500 miles of coastline vulnerable to the damaging impacts of northeasters and hurricanes, I strongly support the Commission's recommendations that would serve to discourage development in high hazard coastal areas. While Massachusetts, like other states, uses a range of tools to manage such development and minimize its economic and environmental costs, the Commission has correctly identified that improving the collocation and utility of hazards-related data would most effectively support our efforts.

Massachusetts is currently working with partners, such as the Federal Emergency Management Agency, to develop technical resources that will support better decision-making in the future. The lure of coastal property is so strong that, without contemporary and regularly updated mapping of coastal flood zones, we will continue to see new houses built on shifting sands. Over 60% of flood maps in Massachusetts are over 20 years old. In many cases, this fact means that current maps dramatically under-represent areas that are actually subject to storm damage. The Commission's recommendations recognize that the lack of accurate maps will likely result in an underestimation of the risks from natural hazards and hinder efforts to effectively manage the impacts of development in hazard-prone areas. Homeowners in coastal towns are increasingly having trouble buying homeowner's coverage because insurance companies find it difficult to quantify the risks due to outdated floodplain mapping.

Coupled with increased financial and technical assistance for the development and implementation of hazard mitigation plans and measures to establish clear disincentives to building in coastal high-hazard areas, the Commission's work provides a strong, complementary basis for local and state hazard management efforts.

Ports and Shipping

Recommendations to support marine commerce and transportation resonate in Massachusetts, where we have taken an active role in addressing many of the issues identified by the Commission. In 1996, the Seaport Bond Bill was enacted to provide planning, technical assistance, and financial support to maintain and improve the Commonwealth's marine infrastructure. Lieutenant Governor Kerry Healey is the current chair of the Seaport Advisory Council, which works closely with local managers of our ports and harbors, marine operators, and state agencies in the implementation of such bond-supported projects as the redevelopment of the State Pier in Fall River, dredging Boston Harbor to support deep water container ships, and the reconstruction of commercial fishing facilities in Gloucester.

In support of the nation's vital interest in marine commerce and the Commission's related recommendations, and in recognition of the fact that most of the tangible products of the global economy are distributed over ocean and coastal waters, issues that impact the movement of domestic cargo, including the Jones Act, tariff laws, and the harbor maintenance tax, should be carefully considered. I also recommend steps be taken to secure federal funding for additional port security (particularly for local and state agencies responsible for managing our ports), ocean highways, and shipping terminal infrastructure.

Most recently, short sea shipping – the movement of goods by water between major and lesser ports – has emerged as a growing industry along the Eastern Seaboard, with significant economic and environmental benefits. By going 'back to the future' and replicating with modern technology the days when the coastal schooner fleet formed the backbone of industrial transportation, we can reduce transportation costs to business and industry, traffic congestion on our roadways, and emissions to the air, and revitalize underutilized urban port areas. Massachusetts is well situated to lead this effort with large and small ports and a high concentration of maritime industrial and technological companies. We are also home to the Massachusetts Maritime Academy, a leading educational institution in developing new approaches to shipping and seamanship and training tomorrow's workforce.

A reliable and well-developed marine transportation system will allow Massachusetts companies to efficiently reach their global trading partners. It is imperative that the federal government continue in its role of funding the dredging of federal channels and providing efficient intermodal connections to allow regional economies to grow.

Once again, I wish to congratulate the Commission on its excellent work and you personally for guiding this process to such a successful conclusion. Please do not hesitate to contact me, or my staff, if we may clarify these comments or otherwise assist the Commission during its final deliberations.

Sincerely,

Mitt Romney

cc: Massachusetts Congressional Delegation
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Dr. Susan F. Tierney, Analysis Group, Inc.
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