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HEARING

BEFORE THE

COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION

UNITED STATES SENATE

NINETY-FIFTH CONGRESS

SECOND SESSION

ON

S. 2224

TO ESTABLISH A NATIONAL OCEAN POLICY, TO SET FORTH
THE MISSIONS OF THE NATIONAL OCEANIC AND ATMOS-
PHERIC ADMINISTRATION, AND FOR OTHER PURPOSES

APRIL 6, 1978

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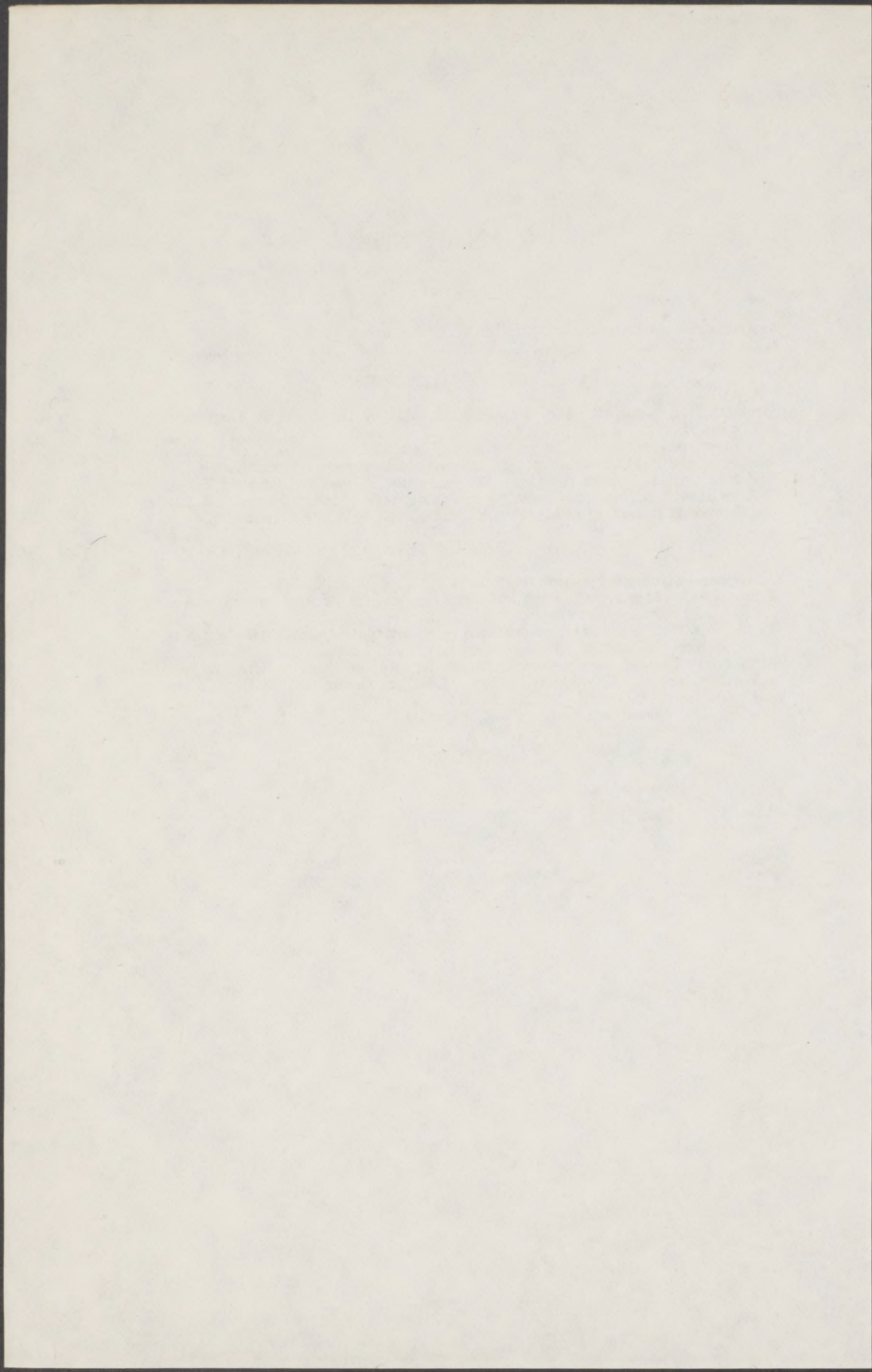
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NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION ORGANIC ACT

THURSDAY, APRIL 6, 1978

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, D.C.

The committee met at 9:45 a.m. in room 318, Russell Senate Office Building, Hon. Ernest F. Hollings presiding.

OPENING STATEMENT BY SENATOR HOLLINGS

Senator HOLLINGS. Good morning.

This committee and the national ocean policy study have become very interested in how well Federal ocean agencies are organized for the purposes of making policy and implementing new oceans legislation.

In our view, updating the management side of such agencies as the National Oceanic and Atmospheric Administration (NOAA) is as vital as insuring that our laws are updated to deal with new issues.

As a result of this interest, I and others in Congress have raised questions about the present organizational arrangements and have suggested ways to improve the management of our ocean effort. And I have been encouraged to see the new administration begin to address this subject.

At the suggestion of this committee and others, the Commerce Department has reorganized its policy office and given it the responsibility of preparing a comprehensive ocean policy study. The President has called for a policy review memorandum on oceans policy. And NOAA has been reorganized internally.

I want to say at the very beginning here that I had occasion, first along with Senator Magnuson and, later in a separate meeting, to discuss with the President at the very early stages of the administration the frustrations that we have had in the past over the development of oceans policy. Now, the President is a former Navy man and is very, very enthused and vitally interested in the oceans development for this Nation. And he thought a new administration initiative could be done. We discussed the organization of the effort at that time, and that it could be done under the direction of Secretary Kreps.

So he gave us a little memo last year, handwritten, which I will make part of the record. It's to Senator Magnuson and myself:

I will ask Secretary Kreps to begin carrying out your suggestion concerning an oceans policy. Thank you. Signed, Jimmy.

[The letter follows:]

6-15-77

To Sen Magnuson
Sen Hollings

I will ask Sec. Krebs
to begin carrying out your
suggestion concerning an
ocean policy -

Thank you -

Jimmy

Senator HOLLINGS. I make note of that for the simple reason that I keep hearing rumblings that OMB and others who have never been in the oceans field in their lives may begin to try to tell us how to organize oceans policymaking. Senator Magnuson, former Senator Norris Cotton and others here have worked to build up NOAA and the rest of our oceans effort. And here come some wandering Indians into town, and all of a sudden you get some fellow from up north saying, "We are going to have a review and here's what we're going to do."

That is about the most disorganized, disruptive way that I know of to develop governmental policy. Now because of some poor administration staff work we've had to come from behind on the neutron bomb, the Panama Canal, the coal strike, and everything else that we've worked on up here. Well, we are not going to start coming from behind on oceans policy.

On the contrary, we are going to build on the good work that is being done by those who know about oceans, and we commend Secretary Kreps and Mr. Frank for their leadership in this field.

This morning we want to receive a status report on the recent developments in the Commerce Department, as part of our continuing review of oceans policymaking.

We also want to hear from our colleague on the House side.

We also want to discuss S. 2224, the proposed organic act for NOAA and a new congressional proposal for further improving NOAA's oceanic and atmospheric efforts.

The question before us today is whether those efforts would benefit from an organic act.

S. 2224 would do several important things. It would create a much needed single reauthorization process for all programs and responsibilities carried out by NOAA. This would allow the Congress to get out of the present fragmented reauthorization cycle and would help us carry out our oversight responsibilities in a more systematic manner. It should help the constituencies and public interest groups interested in NOAA to have one complete reauthorization to review and more lead time to do that review. And it should help the agency itself in planning and carrying out its responsibilities.

The organic act also would fill gaps in NOAA's basic authority, such as giving it clear authority to purchase property on its own behalf. And by designating NOAA as lead civilian oceans agency and providing a clear statutory statement of its mission, the bill would pinpoint responsibilities and bring more coherence to NOAA's activities.

As we all know, NOAA has been operating since its creation in 1970 under only the vague policy statement that accompanied Reorganization Plan No. 4, even though important legislative duties have continued to be added.

Moreover, if anything, this bill should complement the current work of the President's reorganization project. That group's natural resources and environment team is studying three main options, and I have been assured that NOAA will remain intact whatever the final recommendation. This is vital if the Nation is to keep a clear focus on civilian ocean efforts.

[The bill follows:]

1 enormous value to the United States and to the world
2 because of the availability of ocean and coastal resources,
3 the capacity of the ocean for transporting commerce, the
4 relationship between the oceans and weather systems,
5 the need for national security, the necessity of protecting
6 the environment, as well as other significant uses of the
7 ocean.

8 (2) The oceans and coastal resources could, through
9 the development and wise application of management
10 skills, science and technology, and effective policy, satisfy
11 many human needs and contribute to national and inter-
12 national goals and aspirations.

13 (3) Marine science activities and oceanic affairs are
14 being conducted by twenty-one organizations in six de-
15 partments and five agencies, which results in inadequate
16 cooperation and coordination of national programs and
17 plans.

18 (4) Most civilian ocean, coastal, and atmospheric
19 programs and functions of the Federal Government
20 should be the responsibility of a single lead agency with
21 adequate authority and resources to develop and carry
22 out sound national policies for such activities.

23 (5) The ocean and coastal activities, programs, and
24 functions of the Federal Government should be con-

1 ducted so as to contribute materially to one or more of
2 the following objectives:

3 (A) The enhanced management, conservation,
4 protection, development, and utilization of ocean
5 and coastal resources.

6 (B) Protection of the ocean and coastal en-
7 vironment, and the prevention, control, and reduc-
8 tion of pollution.

9 (C) The wise management of marine fisheries
10 and development of the Nation's commercial and
11 recreational fishing industries.

12 (D) The expansion of knowledge of the ocean
13 and coastal environment, its processes, and the
14 effects of man-induced changes upon that environ-
15 ment.

16 (E) Close consultation and cooperation with
17 State and local governments in dealing with prob-
18 lems associated with coastal zone management.

19 (F) Providing quality oceanic and atmospheric
20 services to all user groups efficiently and econom-
21 ically.

22 (G) The establishment of a Federal policy-
23 making process which avoids duplication of effort

1 and insures cooperation among all interested Federal
2 agencies.

3 (H) Wide dissemination of information about
4 the ocean, its resources and coastal margins through
5 advisory services, education, and public information.

6 (I) Advancement of education and training in
7 marine science and technology, ocean policy, and
8 other specialized areas relating to ocean manage-
9 ment or development.

10 (J) Cooperation by the United States with
11 other nations and groups of nations and international
12 organizations in ocean policy when deemed to be
13 in the interest of the Nation.

14 (K) The strengthening of national well-being
15 and security.

16 (b) PURPOSES.—It is therefore declared to be the pur-
17 pose of the Congress in this Act—

18 (1) to set forth a clear statement of national objec-
19 tives in regard to the ocean and the Nation's coastal
20 margin;

21 (2) to designate the National Oceanic and Atmos-
22 pheric Administration as the lead civilian agency with
23 responsibility for coordinating and carrying out national
24 ocean policy in order to improve the understanding,
25 assessment, development, utilization, conservation, and

1 protection of ocean and coastal resources, and the
2 atmosphere.

3 (c) POLICY.—It is further declared to be the policy
4 of the Congress in this Act that—

5 (1) the Federal Government, in cooperation with
6 State and local governments, foreign states, and public,
7 private, and international organizations, utilize its capa-
8 bilities to create and maintain conditions under which
9 ocean and coastal, and the atmosphere resources may
10 be utilized without harming the environment so as to
11 fulfill the needs of present and future generations.

12 (2) the ocean and coastal resources within the sov-
13 ereign jurisdiction of the United States, being common
14 property resources, are held in trust by the Federal
15 Government for the benefit of all the citizens of the
16 United States;

17 (3) Federal programs which relate directly or indi-
18 rectly to the allocation, use, management, conservation,
19 protection, or enhancement of ocean and coastal re-
20 sources, and the atmosphere must be consistent with one
21 another in application, and coordination and cooperation
22 among administering agencies is vital;

23 (4) the national interest will be best realized if the
24 ocean and coastal resources and the marine environment
25 are periodically and systematically inventoried and

1 assessed and their present and future uses projected
2 through a scientific planning process; and

3 (5) results of civilian and unclassified military at-
4 mospheric and oceanographic research and technology,
5 which is supported by Federal grants, loans, or con-
6 tracts, should be made promptly available to other Fed-
7 eral agencies, State and local government, and the private
8 sector in a manner which will hasten and promote the
9 utilization of such knowledge and technology for the
10 benefit of the United States.

11 **SEC. 102. DEFINITIONS.**

12 Without altering in any way the meaning of the follow-
13 ing terms as used in any other statute (whether or not such
14 statute is referred to in, or amended by, this Act), as used
15 in this Act, unless the context otherwise requires:

16 (1) The term "activities, programs, and functions"
17 means all responsibilities for the administration of laws
18 and programs assigned to the National Oceanic and
19 Atmospheric Administration by statute, reorganization
20 plan, delegation, or by this Act.

21 (2) The term "Administration" means the National
22 Oceanic and Atmospheric Administration.

23 (3) The term "Administrator" means the Admin-
24 istrator of the National Oceanic and Atmospheric
25 Administration.

1 (4) The term "coastal environment" means the
2 coastal zone as defined in section 304 (2) of the Coastal
3 Zone Management Act of 1972 (16 U.S.C. 1453 (a)).

4 (5) The term "coastal resource" means any living,
5 nonliving, or manmade resource of, or any other tangible
6 or intangible, actual or potential, resource located in,
7 derived from, or traceable to, the coastal environment.
8 Such term includes the habitat of any such living re-
9 sources, the coastal space, the ecosystems, the nutrient-
10 rich areas, and the other components of the coastal
11 environment which contribute to or provide (or which
12 are capable of contributing to or providing) recreational,
13 scenic, esthetic, historic, cultural, ecological, habitational,
14 commercial, economic, or conservation values. Living
15 resources include natural and cultured plant life, fish,
16 shellfish, marine mammals, and wildlife. Nonliving re-
17 sources include energy sources, minerals, and chemical
18 substances.

19 (6) The term "marine environment" means the
20 coastal environment, the seabed, subsoil, and waters of
21 the territorial sea of the United States; the waters of the
22 fisheries conservation zone of the United States; the
23 waters of the high seas; and the seabed and subsoil of
24 and beyond the Outer Continental Shelf.

25 (7) The term "ocean resource" means the marine

1 environment and any living, nonliving, or manmade re-
2 source of, or any other tangible or intangible, actual or
3 potential, resource located in, derived from, or traceable
4 to, the marine environment. Such term includes the habi-
5 tat of any such living resources, the coastal space, the
6 ecosystems, the nutrient-rich areas, and other com-
7 ponents of the marine environment which contribute to
8 or provide (or which are capable of contributing to or
9 providing) recreational, scenic, esthetic, historical, cul-
10 tural, ecological, habitational, commercial, economic, or
11 conservation values. Living resources include natural
12 and cultural plantlife, fish, shellfish, marine mammals,
13 and wildlife. Nonliving resources include energy sources,
14 minerals, and chemical substances.

15 (8) The term "Secretary" means the Secretary of
16 Commerce.

17 TITLE II—THE NATIONAL OCEANIC AND
18 ATMOSPHERIC ADMINISTRATION

19 SEC. 201. ESTABLISHMENT.

20 There is hereby established in the Department of Com-
21 merce an agency which shall be known as the National
22 Oceanic and Atmospheric Administration.

23 SEC. 202. OFFICERS.

24 (a) ADMINISTRATOR.—There shall be at the head of
25 the Administration an Administrator who shall be appointed

1 by the President, by and with the advice and consent of the
2 Senate, and shall be compensated at the rate provided for
3 level III of the Executive Pay Rates (5 U.S.C. 5314). The
4 Administrator shall have a broad background, professional
5 knowledge, and substantial experience in ocean or atmos-
6 pheric affairs, including, but not limited to, any field relat-
7 ing to marine or atmospheric science and technology, bio-
8 logical sciences, engineering, as well as education, eco-
9 nomics, government affairs, planning, law, or international
10 affairs.

11 (b) DEPUTY ADMINISTRATOR.—There shall be in the
12 Administration a Deputy Administrator who shall be ap-
13 pointed by the President, by and with the advice and consent
14 of the Senate, and shall be compensated at the rate now or
15 hereafter provided for level IV of the Executive Schedule
16 Pay Rates (5 U.S.C. 5315). The Deputy Administrators
17 shall perform such functions as the Administrator shall from
18 time to time assign or delegate, and shall act as Administra-
19 tor during the absence or disability of the Administrator or
20 in the event of a vacancy in the office of Administrator.

21 (c) ASSOCIATE ADMINISTRATOR.—There shall be in
22 the Administration an Associate Administrator who shall be
23 appointed by the President, by and with the advice and con-
24 sent of the Senate, and shall be compensated at the rate now
25 or hereafter provided for level IV of the Executive Pay Rates

1 (5 U.S.C. 5315). The Associate Administrator shall perform
2 such functions as the Administrator shall from time to time
3 assign or delegate, and shall act as Administrator during the
4 absence or disability of the Administrator and Deputy Ad-
5 ministrator.

6 (d) ASSISTANT ADMINISTRATOR FOR COASTAL ZONE
7 MANAGEMENT.—There shall be in the Administration an
8 Assistant Administrator for Coastal Zone Management who
9 shall be appointed by the President by and with the advice
10 and consent of the Senate, and shall be compensated at the
11 rate now or hereafter provided for level V of the Executive
12 Schedule Pay Rates (5 U.S.C. 5316). Such assistant ad-
13 ministrator shall be an individual who is, by reason of back-
14 ground and experience, especially qualified to direct the
15 implementation and administration of the Coastal Zone Man-
16 agement Act of 1972 (16 U.S.C. 1451 et seq.).

17 (e) ADDITIONAL ASSISTANT ADMINISTRATORS.—
18 There shall be in the Administration four additional Assistant
19 Administrators who shall perform such functions as the Ad-
20 ministrator shall from time to time assign or delegate. Each
21 such Assistant Administrator shall be appointed by the Pres-
22 ident, by and with the advice and consent of the Senate, and
23 shall receive compensation at the rate now or hereafter
24 provided for level V of the Executive Schedule Pay Rates
25 (5 U.S.C. 5316).

1 (f) GENERAL COUNSEL.—There shall be in the Ad-
2 ministration a General Counsel appointed by the President,
3 by and with the advice and consent of the Senate, who shall
4 be compensated at the rate now or hereafter provided for
5 level V of the Executive Pay Rates (5 U.S.C. 5316). The
6 General Counsel shall serve as the chief legal officer for all
7 legal matters which may arise in connection with the conduct
8 of the functions of the Administration.

9 (g) COMMISSIONED OFFICERS.—(1) The President
10 may appoint in the Administration, by and with the advice
11 and consent of the Senate, two commissioned officers to serve
12 at any one time as the designated heads of two principal con-
13 stituent organizational entities of the Administration, or the
14 President may designate one such officer as the head of such
15 an organizational entity and the other as the head of the
16 commissioned corps of the Administration. Any such desig-
17 nation shall create a vacancy on the active list and the officer
18 while serving under this subsection shall have the rank, pay,
19 and allowances of a rear admiral (upper half).

20 (2) Any commissioned officer of the Administration
21 who has served under subsection (c) or paragraph (1)
22 and is retired while so serving or is retired after the com-
23 pletion of such service while serving in a lower rank or
24 grade, shall be retired with the rank, pay, and allowances
25 authorized by law for the highest grade and rank held by

1 him; but any such officer, upon termination of his appoint-
2 ment in a rank above that of captain, shall, unless appointed
3 or assigned to some other position for which a higher rank
4 or grade is provided, revert to the grade and number he
5 would have occupied had he not served in a rank above
6 that of captain and such officer shall be an extra number
7 in that grade.

8 **SEC. 203. TRANSFERS TO THE ADMINISTRATOR**

9 The following are hereby transferred to the Adminis-
10 trator:

11 (a) All functions vested by law in the Bureau of Com-
12 mercial Fisheries of the Department of the Interior or in its
13 head, together with all functions vested by law in the Secre-
14 tary of the Interior of the Department of the Interior which
15 are administered through that Bureau or are primarily re-
16 lated to the Bureau, exclusive of functions with respect to
17 (1) Great Lakes fishery research and activities related to the
18 Great Lakes Fisheries Commission, (2) Missouri River
19 Reservoir research, (3) the Gulf Breeze Biological Labora-
20 tory of the said Bureau at Gulf Breeze, Florida, and (4)
21 Trans-Alaska pipeline investigations.

22 (b) The functions vested in the Secretary of the
23 Interior by the Act of September 22, 1959 (Public Law
24 86-359, 73 Stat. 642, 16 U.S.C. 760e-760g; relating to
25 migratory marine species of game fish).

1 (c) The functions vested by law in the Secretary of the
2 Interior, or in the Department of the Interior or in any
3 officer or instrumentality of that Department, which are
4 administered through the Marine Minerals Technology
5 Center of the Bureau of Mines.

6 (d) All functions vested in the National Science Foun-
7 dation by the National Sea Grant College and Program Act
8 of 1966 (80 Stat. 998), as amended (33 U.S.C. 1121
9 et seq.).

10 (e) Those functions vested in the Secretary of Defense
11 or in any officer, employee, or organizational entity of the
12 Department of Defense by the provision of Public Law 91-
13 144, (83 Stat. 326), under the heading "Operation and
14 maintenance, general" with respect to "surveys and charting
15 of northern and northwestern lakes and connecting waters,"
16 or by other law, which come under the mission assigned as of
17 July 1, 1969, to the United States Army Engineer District,
18 Lake Survey, Corps of Engineers, Department of the Army
19 and relate to (1) the conduct of hydrographic surveys of the
20 Great Lakes and their outflow rivers, Lake Champlain, New
21 York State Barge Canals, and the Minnesota-Ontario border
22 lakes, and the compilation and publication of navigation
23 charts, including recreational aspects, and the Great Lakes
24 Pilot for the benefit and use of the public, (2) the concep-
25 tion, planning, and conduct of basic research and develop-

1 ment in the fields of water motion, water characteristics,
2 water quantity, and ice and snow, and (3) the publication of
3 data and the results of research projects in forms useful to the
4 Corps of Engineers and the public, and the operation of a
5 Regional Data Center for the collection, coordination, anal-
6 ysis, and the furnishing to interested agencies of data relating
7 to water resources of the Great Lakes.

8 (f) So much of the functions of the transferor officers and
9 agencies referred to in or affected by the foregoing provisions
10 of this section as is incidental to or necessary for the per-
11 formance by the Administrator of the functions transferred
12 by those provisions or relates primarily to those functions.
13 The transfers to the Administrator made by this section shall
14 be deemed to include the transfer of authority, provided by
15 law, to prescribe regulations relating primarily to the trans-
16 ferred functions.

17 **SEC. 204. RESPONSIBILITIES OF THE ADMINISTRATOR.**

18 The responsibilities of the Administrator shall include,
19 but are not limited to—

20 (1) such functions, powers, and duties as are trans-
21 ferred to him under section 203;

22 (2) activities, programs, and functions relating to
23 ocean and atmospheric monitoring and prediction,
24 weather forecasting, and storm warnings, pursuant to
25 chapter 9 of title 15, United States Code;

1 (3) administering all activities, programs, and
2 functions assigned to the Administration;

3 (4) providing charts for the safety of marine and
4 air navigation, a network of geodetic control, and ob-
5 serve, chart, and measure the marine environment and
6 ocean resources;

7 (5) preparing and maintaining on a continuing
8 basis an inventory of ocean and coastal resources;

9 (6) undertaking a program of ocean and atmo-
10 sphere research and development;

11 (7) collecting and disseminating information relat-
12 ing to the oceans and the atmosphere, and their use and
13 protection, to all interested parties;

14 (8) undertaking activities involving the integra-
15 tion of domestic and international policy relating to the
16 oceans and the atmosphere, including the provision of
17 technical advice to the President on international nego-
18 tiations involving ocean resources, ocean technologies,
19 and climate matters;

20 (9) assure incorporation of national environ-
21 mental goals in the formulation and implementation of
22 ocean and atmospheric programs;

23 (10) provide for, encourage, and assist public par-
24 ticipation in the development and implementation of
25 ocean and atmospheric programs;

1 (11) environmental research and development ac-
2 tivities that are necessary to advance the Nation's ocean
3 engineering and technology expertise, including the de-
4 velopment and operation of manned research submersi-
5 bles, underwater laboratories, data buoys, and improved
6 instruments and calibration methods, and the advance-
7 ment of undersea diving techniques;

8 (12) encouraging progress in ocean engineering
9 activities, in order to implement a wide ranging program
10 to meet basic ocean engineering needs;

11 (13) developing and improving geodetic and map-
12 ping methods and studies of geophysical phenomena
13 such as crustal movement, earth tides, and the circula-
14 tion of water in estuarine and coastal waters;

15 (14) collecting, analyzing, and disseminating en-
16 vironmental data, in support of environmental research
17 and development, including data in the fields of clima-
18 tology, oceanography, geology, geophysics, and solar-
19 terrestrial relationships; and

20 (15) administering satellite systems, with coopera-
21 tion of the National Aeronautics and Space Administra-
22 tion, that can monitor global and regional atmospheric
23 weather conditions and related oceanic, solar, hydrologi-
24 cal, and other environmental conditions, collect informa-
25 tion required for research on weather, climate and re-

1 lated environmental matters, and monitor the extent of
2 man-induced changes in the lower and upper atmosphere
3 and the related environment.

4 **SEC. 205. GENERAL POWERS.**

5 (a) **PERSONNEL AND SERVICES.**—The Administrator
6 is authorized—

7 (1) in addition to the officers provided for by sec-
8 tion 202, and subject to the applicable provisions of
9 title 5, United States Code, governing classification and
10 general schedule pay rates, to select, appoint, employ,
11 and fix the compensation of such other assistant adminis-
12 trators, officers, and employees, including attorneys, as
13 are necessary to perform the functions now or hereafter
14 vested in him and to prescribe their powers and duties;

15 (2) to obtain expert and consultant services as pro-
16 vided by section 3109 of title 5 of the United States
17 Code;

18 (3) to pay transportation expenses, and per diem in
19 lieu of subsistence expenses, in accordance with chapter
20 57 of title 5 of the United States Code;

21 (4) to utilize, on a reimbursable basis, the services
22 of any personnel made available by any department,
23 agency, or instrumentality, including any independent
24 agency of the Government;

1 (5) to establish advisory boards, in accordance with
2 the provisions of the Federal Advisory Committee Act
3 (Public Law 92-463), to advise with and make recom-
4 mendations to the Administrator on legislation, policies,
5 administration, research and other matters;

6 (6) to employ persons who are not citizens of the
7 United States in expert, scientific, technical, or profes-
8 sional capacities whenever he deems it in the public
9 interest; and

10 (7) notwithstanding any other provisions of this
11 Act, including paragraph (1) of this subsection, to
12 establish and fix the compensation for eight new posi-
13 tions within the Administration without regard to the
14 competitive provisions of chapter 51 of title 5, United
15 States Code, at rates not in excess of the maximum
16 rate for GS-18 of the General Schedule under section
17 5332 of such title. Any persons appointed to such
18 positions shall serve at the pleasure of the Administrator.
19 Positions authorized by this paragraph shall be in addi-
20 tion to the number of positions otherwise authorized
21 by law.

22 (b) FACILITIES.—Except for public buildings as de-
23 fined in the Public Buildings Act of 1959, as amended, and
24 with respect to leased space subject to the provisions of

1 Reorganization Plan Numbered 18 of 1950, the Adminis-
2 trator is authorized to acquire (by purchase, lease, con-
3 demnation, or otherwise), construct, improve, repair, oper-
4 ate, and maintain facilities and real property as the Admin-
5 istrator deems to be necessary in and outside of the District
6 of Columbia. Such authority shall apply only to facilities re-
7 quired for the maintenance and operation of laboratories,
8 research and testing sites and facilities, quarters, and re-
9 lated accommodations for employees and dependents of em-
10 ployees of the Administration, and such other special-pur-
11 pose real property as the Administrator deems to be neces-
12 sary in and outside the District of Columbia. Title to any
13 property or interest therein, real, personal, or mixed,
14 acquired pursuant to this section, shall be in the United
15 States.

16 (c) EMPLOYEE SERVICES.—(1) The Administrator
17 is authorized to provide, construct, or maintain, as necessary
18 and when not otherwise available, the following for em-
19 ployees and their dependents stationed at remote locations:

- 20 (A) Emergency medical services and supplies.
21 (B) Food and other subsistence supplies.
22 (C) Messing facilities.
23 (D) Audiovisual equipment, accessories, and sup-
24 plies for recreation and training.

1 (E) Reimbursement for food, clothing, medicine,
2 and other supplies furnished by such employees in emer-
3 gencies for the temporary relief of distressed persons.

4 (F) Living and working quarters and facilities.

5 (G) Transportation for school-age dependents of
6 employees to the nearest appropriate educational
7 facilities.

8 (2) The furnishing of medical treatment under sub-
9 paragraph (A) of paragraph (1) and the furnishing of
10 services and supplies under paragraphs (B) and (C) of
11 paragraph (1) shall be at prices reflecting reasonable value
12 as determined by the Administrator.

13 (3) Proceeds derived from reimbursements under this
14 section shall be deposited in the Treasury and may be with-
15 drawn by the Administrator to pay directly the cost of such
16 work or services, to repay or make advances to appropri-
17 ations or funds which do or will bear all or a part of such
18 cost, or to refund excess sums when necessary; except that
19 such payments may be credited to a service or working
20 capital fund otherwise established by law, and used under
21 the law governing such funds, if the fund is available for
22 use by the Administrator for performing the work or serv-
23 ices for which payment is received.

24 (d) COPYRIGHTS AND PATENTS.—The Administrator
25 is authorized to acquire any of the following described rights

1 if the property acquired thereby is for use in, or is useful to,
2 the performance of functions vested in him:

3 (1) Copyrights, patents, and applications for pat-
4 ents, designs, processes, specifications, and data.

5 (2) Licenses under copyrights, patents, and appli-
6 cations for patents.

7 (3) Releases, before suit is brought, for past in-
8 fringement of patents or copyrights.

9 (e) GIFTS AND BEQUESTS.—The Administrator is au-
10 thorized to accept, hold, administer, and utilize gifts, and
11 bequests of property, both real and personal, for the purpose
12 of aiding or facilitating the work of the Administration. Gifts
13 and bequests of money and proceeds from sales of other prop-
14 erty received as gifts or bequests shall be deposited in the
15 Treasury and shall be disbursed upon the order of the Admin-
16 istrator. For the purposes of Federal income, estate, and gift
17 taxes, property accepted under this section shall be consid-
18 ered as a gift or bequest to the United States.

19 **SEC. 206. WORKING CAPITAL FUND.**

20 (a) ESTABLISHMENT.—There is hereby established a
21 working capital fund (hereinafter referred to as the "fund")
22 for the purpose of carrying out the activities of the National
23 Oceanic and Atmospheric Administration. This fund shall be
24 available without fiscal year limitation for expenses necessary
25 for furnishing, in accordance with the Federal Property and

1 Administrative Services Act of 1949 (63 Stat. 377, as
2 amended), and regulations promulgated thereunder, supplies
3 and equipment services in support of the activities of the
4 Administration, including but not limited to, the purchase
5 or construction of facilities, equipment, and services within
6 the limitations set forth in appropriations made for the
7 Administration.

8 (b) CONTENTS.—(1) The initial capital of the fund
9 shall consist of appropriations made for the purposes specified
10 in subsection (a) together with the fair and reasonable value
11 at the fund's inception of the inventories, equipment, receiv-
12 ables, and other assets, less liabilities, transferred to the fund.
13 The Secretary is authorized to make such subsequent transfers
14 to the fund as may be deemed appropriate in connection with
15 the activities to be carried on through the fund.

16 (2) The fund shall be credited with payments from
17 appropriations and funds of the Administration, other agen-
18 cies of the Department of Commerce, other Federal agencies,
19 and other sources, as authorized by law, at rates approxi-
20 mately equal to the cost of furnishing the facilities, supplies,
21 equipment, and services (including depreciation and accrued
22 annual leave). Such payments may be made in advance in
23 connection with firm orders, or by way of reimbursement.

1 **SEC. 207. STUDIES, COOPERATIVE AGREEMENTS, AND CON-**
2 **TRIBUTIONS.**

3 (a) **IN GENERAL.**—The Secretary may conduct such
4 activities, including investigations, studies, and experiments,
5 as may be necessary within the Administration, in cooper-
6 ation with other Federal agencies or other persons for the
7 purpose of complying with the requirements of this Act.

8 (b) **COOPERATIVE ARRANGEMENTS.**—Subject to the
9 provisions of applicable law, the Secretary may enter into
10 contracts and cooperative agreements involving the activi-
11 ties of the Administration as authorized by law.

12 **SEC. 208. RULES AND REGULATIONS.**

13 The Secretary, with respect to the activities of the Ad-
14 ministration, shall promulgate rules and regulations to carry
15 out the purposes of this Act. The promulgation of such rules
16 and regulations shall be governed by the provisions of chap-
17 ter 5 of title 5, United States Code.

18 **SEC. 209. ANNUAL REPORT.**

19 (a) The Secretary shall submit to the President a re-
20 port each year which shall include but not be limited to—

21 (1) a comprehensive description of the ocean pro-
22 grams and the accomplishment of all agencies and de-
23 partments of the United States;

1 (2) an evaluation of such ocean programs and
2 accomplishments in terms of the objectives set forth in
3 the Program and Statement of Policy provided for in
4 sections 302 and 303 of this Act, respectively;

5 (3) an analysis of the Federal budget allocated to
6 ocean programs including estimates of the funding
7 requirements of each such agency or department for
8 ocean programs during the succeeding fiscal year; and

9 (4) recommendations for legislation that is neces-
10 sary or desirable for the attainment of the objectives set
11 forth in the Program and Statement of Policy provided
12 for in sections 302 and 303 of this Act respectively.

13 (b) The President shall transmit the annual report pur-
14 suant to this section to the Speaker of the House of Repre-
15 sentatives and the President of the Senate not later than
16 December 31 of each calendar year.

17 (c) Each Federal agency and department shall coop-
18 erate by providing such data and information without cost
19 as may be requested by the Secretary for the purpose of this
20 section. Each Federal agency and department shall provide
21 services and personnel on a cost reimbursable basis at the
22 request of the Secretary for the purpose of accomplishing the
23 requirements of this section.

24 **SEC. 210. AUTHORIZATION OF APPROPRIATION.**

25 (a) **IN GENERAL.**—There are hereby authorized to be

1 appropriated such sums as are necessary to carry out the
2 purposes and provisions of this Act. After October 1, 1978,
3 no sums shall be appropriated to carry out any activity,
4 program, or function under this or any other Act unless—

5 (1) such sums are specifically authorized to be
6 appropriated as of the date of the enactment of this Act;
7 or

8 (2) are authorized to be appropriated in accordance
9 with subsection (b).

10 (b) BIENNIAL AUTHORIZATION.—Consistent with sec-
11 tion 607 of the Congressional Budget Act of 1974 (31
12 U.S.C. 1301) and beginning May 15, 1978, the Secretary
13 shall submit to the Speaker of the House of Representatives
14 and the President of the Senate a request for the authoriza-
15 tion of funds for all activities, programs, and functions of the
16 Administration for the 2 fiscal years beginning October 1,
17 1979, and shall submit similar requests every 2 years after
18 such date.

19 TITLE III—MISCELLANEOUS PROVISIONS

20 SEC. 301. TRANSFERS.

21 All personnel, positions, records, and unexpended bal-
22 ances of appropriations, allocations, and other funds em-
23 ployed, used, held, available, or to be made available in
24 connection with the functions specified by the Reorganiza-

1 tion Plan Number 4 (84 Stat. 2090), or subsequent
2 delegations by the Secretary of Commerce, are hereby trans-
3 ferred to the Administration established by this Act. The
4 personnel transferred under this subsection shall be so trans-
5 ferred without reduction in classification or compensation
6 except, that after such transfer, such personnel shall be
7 subject to reductions in classification or compensation in the
8 same manner, to the same extent, and according to the same
9 procedure as other employees of the United States classified
10 and compensated according to the General Schedule in title
11 5, United States Code.

12 **SEC. 302. INTERIM APPOINTMENTS.**

13 In the event that one or more officers required by this
14 Act to be appointed by and with the advice and consent of
15 the Senate shall not have entered upon office on the effective
16 date of this Act, the President may designate any officer,
17 whose appointment was required to be made, by and with
18 the advice and consent of the Senate, and who was such an
19 officer immediately prior to the effective date of the Act,
20 to act in such office until the office is filled as provided in
21 this Act. While so acting such persons shall receive com-
22 pensation at the rates provided by this Act for the respective
23 offices in which they act.

24 **SEC. 303. SAVINGS PROVISIONS.**

25 (a) **CONTINUE EFFECT.**—All orders, determinations,

1 rules, regulations, permits, contracts, certificates, licenses,
2 and privileges—

3 (1) which have been issued, made, granted, or
4 allowed to become effective by the President, any
5 Federal department or agency or official thereof, or by a
6 court of competent jurisdiction, in the performance of
7 functions which are transferred under this Act to the
8 Administration after the date of enactment of this Act,
9 and

10 (2) which are in effect at the time this Act takes
11 effect,

12 shall continue in effect according to their terms until modi-
13 fied, terminated, superseded, set aside, or revoked in accord-
14 ance with law by the President, the Administrator or other
15 authorized officials, a court of competent jurisdiction, or by
16 operation of law.

17 (b) PENDING ACTIONS.—(1) The provisions of this
18 Act shall not affect any proceedings or any application for
19 any license, permit, certificate, or financial assistance pend-
20 ing at the time this Act takes effect before any department,
21 agency, commission, or component thereof, functions of
22 which are transferred by this Act; but such proceedings
23 and applications, to the extent that they relate to functions so
24 transferred, shall be continued. Orders shall be issued in such
25 proceedings, appeals shall be taken therefrom, and payments

1 shall be made pursuant to such orders, as if this Act had not
2 been enacted; and orders issued in any such proceedings
3 shall continue in effect until modified, terminated, superseded,
4 or revoked by a duly authorized official, by a court of com-
5 petent jurisdiction, or by operation of law. Nothing in this
6 subsection shall be deemed to prohibit the discontinuance or
7 modification of any such proceeding under the same terms
8 and conditions and to the same extent that such proceeding
9 could have been discontinued or modified if this Act had
10 not been enacted.

11 (2) the Administrator is authorized to promulgate reg-
12 ulations providing for the orderly transfer of such proceed-
13 ings to the Administration.

14 (c) EFFECTS ON SUITS.—Except as provided in sub-
15 section (e) —

16 (1) the provisions of this Act shall not affect suits
17 commenced prior to the date this Act takes effect, and,

18 (2) in all such suits, proceedings shall be had,
19 appeals taken, and judgments rendered in the same
20 manner and effect as if this Act had not been enacted.

21 (d) ABATEMENT.—(1) No suit, action, or other pro-
22 ceeding commenced by or against any officer in his official
23 capacity as an officer of any department or agency, functions
24 of which are transferred by this Act, shall abate by reason of
25 the enactment of this Act. No cause of action by or against

1 any department or agency, functions of which are transferred
2 by this Act, or by or against any officer thereof in his official
3 capacity shall abate by reason of the enactment of this Act.

4 (2) If, before the date on which this Act takes effect,
5 any department or agency, or officer thereof in his official
6 capacity, is a party to a suit, and under this Act any function
7 of such department, agency, or officer is transferred to the
8 Administrator or any other official, then such suit shall be
9 continued with the Administrator or other official, as the
10 case may be, substituted.

11 **SEC. 304. SEVERABILITY.**

12 If any provision of the Act or the application thereof
13 to any person or circumstance is held invalid, the validity
14 of the remainder of the Act and of the application of such
15 provision to other persons and circumstances shall not be
16 affected thereby.

17 **SEC. 305. CONFORMING AMENDMENTS.**

18 (a) Title I of the Marine Resources and Engineering
19 Development Act of 1966 (80 Stat. 203) is hereby
20 repealed.

21 (b) Reorganization Plan Numbered 4 of October 3,
22 1970 (84 Stat. 2090) is hereby superseded.

23 (c) Section 5316 of title 5, United States Code, is
24 amended by striking "associate" in paragraph 140 and in-
25 serting "assistant" in lieu thereof.

1 (d) Section 1511a of title 15, United States Code, is
2 deleted.

3 **SEC. 306. SUNSET PROVISIONS.**

4 (a) **COMPREHENSIVE REVIEW.**—Not later than May
5 15, 1979, and every 5 years thereafter, the President shall
6 prepare and submit to the Congress a comprehensive review
7 of each program of the Administration. Each such review
8 shall be made available to the committee or committees of
9 the Senate and House of Representatives having jurisdiction
10 with respect to the annual authorization of funds for each
11 program for the fiscal year beginning October 1, 1979.

12 (b) **DETAIL.**—Each comprehensive review prepared
13 for submission under subsection (a) shall include—

14 (1) the name of the component of the Administra-
15 tion responsible for administering the program;

16 (2) an identification of the objectives intended for
17 the program and the problem or need which the pro-
18 gram was intended to address;

19 (3) an identification of any other programs hav-
20 ing similar or potentially conflicting or duplicative
21 objectives;

22 (4) an assessment of alternative methods of achiev-
23 ing the purposes of the program;

24 (5) a justification for the authorization of new
25 budget authority, and an explanation of the manner

1 in which it conforms to and integrates with other
2 efforts;

3 (6) an assessment of the degree to which the
4 original objectives of the program have been achieved,
5 expressed in terms of the performance, impact, or ac-
6 complishments of the program and of the problem or
7 need which it was intended to address, and employing
8 the procedures or methods of analysis appropriate to
9 the type or character of the program;

10 (7) a statement of the performance and accom-
11 plishments of the program in each of the previous four
12 completed fiscal years and of the budgetary costs in-
13 curred in the operation of the program;

14 (8) a statement of the number and types of bene-
15 ficiaries or persons served by the program;

16 (9) an assessment of the effect of the program on
17 the national economy, including, but not limited to, the
18 effects on competition, economic stability, employment,
19 unemployment, productivity, and price inflation, includ-
20 ing costs to consumers and to businesses;

21 (10) an assessment of the impact of the program
22 on the Nation's health and safety;

23 (11) an assessment of the degree to which the over-
24 all administration of the program, as expressed in the
25 rules, regulations, orders, standards, criteria, and deci-

1 sions of the officers executing the program, are believed
2 to meet the objectives of the Congress in establishing
3 the program;

4 (12) a projection of the anticipated needs for ac-
5 complishing the objectives of the program, including
6 an estimate if applicable of the date on which, and the
7 conditions under which, the program may fulfill such
8 objectives;

9 (13) an analysis of the services which could be
10 provided and performance which could be achieved if
11 the program were continued at a level less than, equal
12 to, or greater than the existing level; and

13 (14) recommendations for necessary transitional
14 requirements in the event that funding for such program
15 is discontinued, including proposals for such executives
16 or legislative action as may be necessary to prevent such
17 discontinuation from being unduly disruptive.

18 **SEC. 307. SUNSHINE IN GOVERNMENT.**

19 (a) **CONFLICTS.**—Each officer or employee of the Ad-
20 ministrators who—

21 (1) performs any function or duty under this Act;
22 and

23 (2) has any known financial interest in any person
24 who (A) applies for or receives any permit, lease, right-
25 of-way, or contract under, or (B) applies for or ac-

1 quires any land or interests therein under, or (C) is
2 otherwise subject to the provisions of, this Act,
3 shall, beginning on February 1, 1977, annually file with the
4 Administrator a written statement concerning all such in-
5 terests held by such officer or employee during the preceding
6 calendar year. Such statement shall be available to the
7 public.

8 (b) DEFINITIONS.—The Administrator shall—

9 (1) act within 90 days after the date of enactment
10 of this Act—

11 (A) to define the term “known financial in-
12 terests” for the purposes of subsection (a) of this
13 section; and

14 (B) to establish the methods by which the
15 requirement to file written statements specified in
16 subsection (a) of this section will be monitored and
17 enforced, including appropriate provisions for the
18 filing by such officers and employees of such state-
19 ments and the review by the Administrator of such
20 statements; and

21 (2) report to the Congress on June 1 of each
22 calendar year with respect to such disclosures and the
23 actions taken in regard thereto during the preceding
24 calendar year.

25 (c) EXEMPTIONS.—In the rules prescribed in sub-

1 section (b) of this section, the Administrator may identify
2 specific positions within the Administration which are of a
3 nonregulatory or nonpolicymaking nature and provide that
4 officers or employees occupying such positions shall be
5 exempt from the requirements of this section.

6 (d) PENALTY.—Any officer or employee who is sub-
7 ject to, and knowingly violates, this section, shall be fined not
8 more than \$2,500 or imprisoned not more than 1 year, or
9 both.

STATEMENT OF HON. JUANITA KREPS, SECRETARY, DEPARTMENT OF COMMERCE; ACCOMPANIED BY DR. JAMES CURLIN, DEPUTY ASSISTANT SECRETARY FOR POLICY; AND RICHARD FRANK, ADMINISTRATOR, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Secretary KREPS. Thank you, Mr. Chairman, and my thanks also to Congressman Breaux for yielding his No. 1 position.

I am happy to discuss with you the achievements the Department has made in the past year in ocean areas, and to mention some of the recent strides taken by the Administration in the development of ocean policy.

You will recall, Mr. Chairman, that shortly after my confirmation as Secretary, I made a personal commitment to this committee that the Commerce Department would improve its leadership capacity in the national ocean effort.

Working with the staff of the Senate national ocean policy study and its House counterparts, we began a systematic appraisal of the status of U.S. ocean policy, and an assessment of departmental ocean programs and budget. This was begun 1 year ago and we are now finishing this self-assessment.

What I would like to do today is to review our year's activities. They include the first reorganization of the NOAA, about which Mr. Frank will speak in more detail. Second, the Department's ocean policy, program, and budget development process. And finally, the status, organization, and preliminary findings of the Commerce ocean policy study.

In addition to our Department's efforts, it should be noted that the Carter administration plans to review the ocean policy study and to identify new policy directions.

Our initial efforts were to reorganize NOAA into a more effective organization for dealing with its expanded responsibility for resource management, which is in addition to its original mission as a science-service organization.

The changing role of NOAA, which was largely brought about by the initiatives of your committee, necessitated a major overhaul in NOAA's administrative structure.

I believe that the new organization, which clarifies the lines of administrative responsibility, will enable it to perform much more effectively.

NOAA's new Office of Policy and Planning serves a need which has been lacking for sometime.

Mr. Frank, the administrator of NOAA, will describe the Office of Ocean Management, another new development.

I have great hopes for the future role of NOAA and the Department of Commerce in ministering to the needs of the Nation's ocean and coastal resources.

We will continue to work with this committee to insure that the Department's ocean organization is responsive to the Nation's ocean problems.

However, NOAA is not the only agency within our Department which has ocean-related programs. There are at least five other agencies which have some such responsibilities. They are: The Maritime Administration; the Economic Development Administra-

tion; the National Bureau of Standards; the Industry and Trade Administration; and the U.S. Travel Service.

And in recognition of this, the Office of Ocean, Resource, and Scientific Policy Coordination has been established in our Office of Policy. This office has the responsibility for coordinating ocean policy throughout the Department.

Beginning with the 1980 to 1982 budget projection, the Department is initiating a new policy, program, and budget development process. This process will unify the Department's ocean activities with respect to ocean resources into one coordinated, efficient system for policy planning and budgeting.

Thus, the fishery and aquaculture development activities of EDA can be meshed of the programs of the National Marine Fisheries Service. The export of fish and fish products from presently underutilized species can be promoted through the programs of ITA. Port planning and development can be coordinated among MARAD, EDA and NOAA's Office of Coastal Zone Management.

Coastal recreation is a dimension of tourism that should be the concern of the U.S. Travel Service and to the Office of Coastal Zone Management.

The Department's ocean science and engineering activities can draw from the science and engineering talents of NOAA, MARAD, and the National Bureau of Standards.

It is also important to insure that policy and budget are fully coordinated. Policy must provide the guidance against which we can measure our ocean resource programs. Budget must continue to evaluate the capacity of our proposed programs to carry out the goals that we set. We have taken steps to link the policy and budget process in a way that will provide a rational basis for management decisions. NOAA will, of course, play a role as lead agency in bringing the departmental resources together.

As you mentioned, the President has stated his position on the importance of ocean policy. Last June, I met with him on this point, and as a result partly of that meeting, the Department of Commerce was charged with the responsibility for undertaking a study of the status and issues of U.S. ocean policy.

We are now nearing the completion of this comprehensive study and I should like to brief you on the objectives and preliminary findings of the study, a study which we have entitled, "U.S. Ocean Policy in the 1970's: Status and Issues."

It should be noted that while the study has been a Commerce responsibility, we have had the cooperation and participation of staffs from the USCG, Navy, NOAA, MARAD, OMB, NACOA, the Department of the Interior, and the Library of Congress.

Other agencies were extremely cooperative in providing information and critiquing drafts of the manuscripts. Drafts were circulated for technical comment freely among agency staff, congressional committees, and nongovernmental interests.

This study is, thus, a broad assessment of Government-wide policy and not merely a review of the programs within our department. Although other departments have reviewed the working drafts, interested Cabinet members have not yet had a full opportunity to review the study.

The report discusses fisheries conservation and development; coastal zones, wetlands, coastal recreation, energy facilities siting, and natural hazards; marine transportation; marine environment; marine science and technology; marine education and training; and ocean organization.

Included as an appendix to the study will be a subject-classified compilation of the statutes which make up the framework of U.S. ocean policy.

I should like to comment briefly on what the study is. Our intent was to produce a balanced assessment of current ocean policy. The study provides some background, identifies the legislative authorities, and describes the Federal programs, and reviews the recommendations and criticisms made by various advisory groups, congressional committees, and academe.

Not being a blue-ribbon committee, as was the Stratton Commission, we did not set out to make high flown recommendations or develop a long-term ocean strategy.

What, then, are our findings?

Most importantly, we found that although our coastal region, as delineated by the Continental Shelf and the 200-mile fishery conservation and management zone, and covers over 2 million square miles equal to two-thirds of the land area of the continental United States, we lack a system to manage our ocean and coastal resources in a rational, scientific, systematic manner.

This area is held in trust for the American people by the Government. Yet, the study has identified the absence of any means to plan for the future, to allocate the use of the ocean resources and ocean space, or to resolve conflicts among competing users. The future will undoubtedly bring increased pressures on these resources, especially as land-based resources dwindle.

It is clear that this country's ocean policy over the next several years must focus on the management of our domestic ocean resources in order to permit their development and use, while at the same time conserving and protecting the marine environment.

We find more than 50 issues and subissues involved in ocean management which, in summary, reveal several deficiencies.

A lack of overall sense of direction in the current laws which govern the use and protection of ocean and coastal resources.

A division of responsibility for administering ocean and coastal programs among numerous Federal agencies.

The making of decisions without adequate consideration of the cumulative effects both onshore and offshore.

Absence of a process for resolving conflicts among competing users for ocean space.

And absence of clear overall responsibility for ocean resource planning for the future.

The substantive chapters of the study are completed and are currently being typeset. The executive summary will be available by the last of April, soon to be followed by the full printed report. We hope that this document will serve to focus the debate in ocean policy on the critical issues which we have identified to which you referred earlier.

But we have seen studies come and go and vanished, most of them, to their place on dusty shelves. We are determined, as I'm

sure this committee is, to insure that this study is one that will not go unused. The White House has announced that ocean policy will be the subject of a policy review memorandum, a PRM. The PRM process is used by the domestic policy staff to produce options and recommendations for action by the President, in much the way that they are used by the National Security Council.

Through the use of the PRM process, the findings of the study will be translated into policy options and, ultimately, I trust, into ocean initiatives.

The domestic policy staff has suggested that the Commerce study be used as the basis for identifying the issues that are to be resolved in the PRM process. We are presently developing plans for the review in collaboration with the White House, and we hope to complete the process with a decision memorandum for the President in the fall.

Finally, let me note that the Congress has carried the burden of ocean initiatives in the past. Thanks to the work of this committee and your colleagues, we do have a framework upon which to build a system for future management of the Nation's oceans and coastal resources.

You will now find, I think, increased participation of the executive branch which should be helpful in seeking new directions and initiatives in ocean and coastal matters in the years to come.

As I did a year ago, I should like to reaffirm to you my commitment to make the Department of Commerce an effective leader in ocean activities. I am looking forward to working with your committee and others in the Congress as we move into this new era, an era of the utmost significance to our ocean programs.

Thank you, Mr. Chairman.

Senator HOLLINGS. Madam Secretary, I am going to just ask a couple of questions. Then we will hear from Congressman Breax and then come back to Dick Frank and Jim Curlin. I know the Congressman has expressed to us that he has other engagements.

In your statement you mention that the responsibility for administering ocean and coastal programs is divided among numerous Federal agencies. In the early days, I remember the Marine Council that the Vice President chaired was coordinating these agencies. And we did have very, very active support and direction from our great friend, Hubert Humphrey, when he was Vice President. But the ensuing Vice President did not take an interest, and when we got NOAA we just abolished the Council on the premise that NOAA would do the coordinating.

And we realized in the days of the Marine Council that we needed some coordinating authority, because, as you indicate, there is this division of responsibility in ocean policy. But what can be done? In other words, how do you find the policies? Where do you go?

And I would like to hear you discuss this, particularly with, respect to the preliminary findings from your ocean policy study.

Let me first ask this first, though: Who is coordinating general ocean policy? Are you coordinating ocean policy in the executive branch?

Secretary KREPS. Well, we are coordinating a number of the activities, but I think that we should be very clear that there are

certain kinds of policy decisions that are made outside of the Department of Commerce which we do not have authority to coordinate.

Obviously, you take the broad question of the multiple uses and conflicting demands for ocean resources, those problems are the responsibilities of a number of agencies within the Government. They come from offshore drilling leases as well as demands for fisheries. We have responsibilities for fisheries but not for oil. That is the kind of coordination which we would find difficult to establish under the terms of NOAA's present mandate.

Senator HOLLINGS. Do you think the coordinating role would be more easily performed in a different department?

Secretary KREPS. I missed that. In a different department?

Senator HOLLINGS. Yes—than the Department of Commerce.

In your broad review, do you find that perhaps NOAA is misplaced and could be better placed in another department?

I would think, being the Secretary of Commerce you would think it is well placed. But I'm just wondering. From the findings of that general study and given the lack of any executive focus, could it be placed in a different department to bring about a greater effectiveness?

Secretary KREPS. No, sir. I think the problem is not with the location of NOAA but rather with what it includes and does not include.

I would, as you know, resist strongly transferring NOAA to another department.

First of all, I don't think that would solve the problem that I am alluding to. Second, I think that as a department we have done a great deal and come a long distance toward increasing the extent to which NOAA has a capability for coordinating ocean activities.

I don't really think that that is the ultimate solution to the coordination question. Moreover, I think that the Department of Commerce has more ocean-related activities than any other department, which, again, argues that it is well placed where it is.

The nature of the problem is not NOAA's placement.

Senator HOLLINGS. Tell me something about the policy review memorandum process. How does that work?

You say that it is going to be completed by the fall, by September. Now, what is to be done?

Secretary KREPS. This process is designed to insure that the full resources of the Government are brought to bear on a particular domestic issue of significance, and it provides for the properly staffed series of steps and laying out of options for the President to make policy decisions, and then it provides for a systematic follow-up of the President's decisions and implementation.

Those steps do not necessarily take a long time, but they do require the basic study and substance, which we now have available before us as a basis for discussion.

Senator HOLLINGS. Does this basic ocean policy study include any input from the Department of Interior and Secretary Andrus?

Secretary KREPS. Yes. We worked with all of the other departments. They have seen all of the drafts. They have commented on them.

Senator HOLLINGS. And you do have comments from the Secretary of Interior?

Secretary KREPS. It has been a staff study throughout, but we have had comments right along from the staff of Interior.

Senator HOLLINGS. Well, have there been any unusual suggestions from either the Department of Interior staff or any other staffs with respect to the location of NOAA or the organization structure of NOAA within the Department?

Has the Navy said, look at all the money we have, and since we have all the money, let's put NOAA in the Pentagon? Or has Interior said, look, this whole oceans thing is mainly oil drilling, and since we've got all the drilling out there, let's put NOAA in Interior?

Have you had any suggestions like that from any staff of the different departments?

Secretary KREPS. I have to say, Mr. Chairman, that nobody would dare make that suggestion to me. However, they may have made it to the staff. Let me ask Mr. Curlin.

Senator HOLLINGS. Mr. Curlin, what would you say about that?

Mr. CURLIN. Senator, we received surprisingly good participation and cooperation from virtually all of the departments, and never was there a staff fight, so to speak, with regard to a topic of that sort.

It has been a substantive study. It has been one that dealt with the issues. We have avoided any kind of infighting about the issue of organization.

I would have to answer that no, sir, we have not received that kind of an overture from any of the departments.

Senator HOLLINGS. Well, very good.

Then Madam Secretary, finally, on the subject of an Organic Act: As everyone realizes, the key word in Washington is "planning," and the key word in the Carter administration is "comprehensive." For example, in public broadcasting they change those television programs from year to year, but they tell us when they submit a budget that the Corporation for Public Broadcasting just can't operate unless it has a 5-year budget. It has got to plan ahead.

Obviously, then, with Mr. Frank trying to bring on board the expertise necessary to help develop oceans policy, the better brains and talent of the country would not want to just follow along as part of an ad hoc operation.

But with the vague NOAA Reorganization Plan No. 4 as now exists, don't you think that an Organic Act is in order?

Secretary KREPS. I think there would be a very real advantage to an Organic Act, Mr. Chairman. It would give us, I think, clearer direction than we now have.

As you know, the administration has not adopted a formal response to this yet, but my own feeling in the Department is that we would like to work with you on the concept and that as a concept, it has great merit.

Senator HOLLINGS. Very good.

Do you wish to add anything before I hear from Congressman Breaux? Because I don't want Mr. Curlin and Mr. Frank to leave, but I want to take Mr. Breaux, who has to get back over on the House side.

Mr. BREAUX. Mr. Chairman, I would just as soon, if you would like to go ahead and take these two gentlemen's testimony, my time allows me to go ahead and stay, so you can complete their testimony if you'd like.

Senator HOLLINGS. Very good. Thank you a lot.

Secretary KREPS. Could I make just one last point, Mr. Chairman.

Your questions about reorganization prompt me to make just one point.

I think the greatest tragedy we could have would be action, either from an act or the reorganization team, that would in any way dilute the strength of NOAA as a unit. That is a separate question from where it is located, although I feel strongly about its location, as well. But I do think that our Department has taken the unfaltering and strong position that NOAA as a unit must be retained and strengthened, and we must be very careful not to take action which would damage that.

Thank you.

Senator HOLLINGS. Well, I appreciate that. The point is that whether or not we chose wisely in the original instance back in 1970 with Reorganization Plan No. 4, the fact of the matter is that over the years now we have educated various Secretaries of Commerce and have built up a pretty good ocean effort in the Commerce Department. For instance, Pete Peterson originally had no idea of NOAA and oceans programs. He was vitally interested in foreign trade and that element of the Department of Commerce. But later he became an enthusiast and a very strong supportive Secretary for oceans policy and for protecting the marine mammals. And the same with Secretary Richardson and Secretary Dent, just coming right on down the line.

They started out thinking of Commerce as a commercially oriented operation and a department of business and not thinking of science policy, and certainly not of anything with respect to the oceans. But now they have, over these several years, changed that view materially, and today I think the Commerce Department has come to support oceans programs, and now the oceans have gained, I believe no better expression of visibility and identity.

My apprehension is not over the Secretary of Interior. I happen to have his budget over in the Appropriations Committee. And I am an admirer of Cecil Andrus. I think he is doing an outstanding job of trying to bring balance to a department that over the years could have cared less about oceans, you, me, the country, or anybody else. It just cared about oil. That is all there has been. Cecil Andrus is interested in environmental things whatever such as fish and wildlife. And that has caused him a lot of problems.

Now, whether that is deserved or undeserved I'm not going to put NOAA in the Department that could just get a new Secretary and then revert to its old ways, not when we've just received ocean policy support from the President, and have brought into NOAA the outstanding personnel necessary to develop policy. NOAA is doing well now, and I for one, do not want to see this hard-won progress disrupted. Just to call something natural resources and then say look, we have done—we have reorganized—is not good enough. And unless there are clear benefits to oceans efforts, I

can't see any advantage to a large reorganization. I can't see any advantage to it at all.

There seems to be a feeling in OMB that they've got to do something. They went up the road on natural resources and tried to get forestry out of the Agriculture Department and ran into Herman Talmadge. Well I want them to know that they're going to run into us over here on oceans right now and they might as well publicly know it because I have not found anybody that has supported the idea that we ought to go over into the Department of Interior just to constitute a Natural Resources Department.

Today there is not any greater interest, or responsibility, or leadership anywhere in this particular field. Frankly, in my opinion, reorganization would diminish the mood that we have evolved over the last few years where we have begun to get interest and attention and reliability in the oceans field. Heretofore if you really were an expert in the ocean and marine science field you might be wary about going to the Commerce Department and to NOAA.

You have changed that. Mr. Frank has changed that. And we don't want just now, having got these good changes in the field, to destroy them.

I would be glad to hear your comments on this. If that provokes any comment from you, I would be glad to hear it.

Secretary KREPS. Well, I first of all would like to say that I'm delighted you are where you are, and I applaud that strong statement.

I do think, although it is self-serving for me to say so, that we have come a distance in the year that we have had. But even before I became Secretary, I think the Commerce Department has been an excellent home for NOAA.

It has been supportive, as you say. It has other agencies in it that are also supportive. And we in the Commerce Department view NOAA with the greatest enthusiasm and concern.

It is not a minor part of what we do; it is a very, very major part.

Speaking, however, as a Secretary of Commerce, I must stress one further aspect of the need to go with it as we are planning, and that is that if you look at the problems and the issues and the policies that we will have to evolve to have a coherent ocean policy, they are, in substance and in nature, very largely commercial. The whole fisheries set of questions is a commercial set of questions—if we are going into deep seabed mining—that is basically economic and commercial.

And so you can go down the list—coastal zone management, as well.

So it makes a great deal of sense from my point of view for NOAA to grow in strength and in Government-wide capacity and also for it to stay where it has done extremely well.

Senator HOLLINGS. With respect to the Law of the Sea: the State Department, I take it, is of course the lead agency, the Ambassador Richardson is handling that, but NOAA is definitely included is it not? Don't you have an input?

Secretary KREPS. Yes; we have a representative in that conference.

Senator HOLLINGS. Is that working well?

Secretary KREPS. It is working well, in the sense that the discussions continue. In terms of actually achieving its initial goal, that continues to be very slow.

Senator HOLLINGS. We just could not get the 200-mile limit through the Conference so we had to do it unilaterally. Now that is beginning to work.

Incidentally, what are the revenues that we receive from foreign countries that use our fisheries? Mr. Frank, do you know? Is it something like \$51 million, already?

Mr. FRANK. During 1977 and so far in 1978 we have received in excess of \$22,400,000. However, some of this revenue will be returned to those countries which were not able to catch the amount of fish they had been allocated. It has been an amount sufficient to cover expenses.

Senator HOLLINGS. In other words, they have accepted it, and it is working?

Mr. FRANK. Absolutely. It is working; every country has accepted it.

Senator HOLLINGS. And we are beginning to develop fisheries management plans and programs, I hope?

Mr. FRANK. Yes, sir.

Senator HOLLINGS. I know we have been working on that.

Now what do you mean when you say "ocean management"? Tell me, exactly. That is a new term. It is a little vague. What does "ocean management" mean to you?

Mr. FRANK. Senator, in a sense it means to us what it has meant to you, and what you have been advocating for quite some time. I would like to be able to take credit—and I'm sure Secretary Kreps would also—for conceiving "ocean management," but I'm afraid that you were speaking about it before we were.

We believe, simply, that we need a system for planning and allocating the use of the Nation's coastal and offshore areas. We need a means for resolving conflicts among competing users for these areas. We need to merge coastal land management systems with a system for managing waters within the 20-mile economic zone.

We need a coordinated system for Federal and State planning and control in the territorial sea and the resource zone.

In essence, it is land use planning applied to the oceans. I cannot now tell you what the precise concepts will be, or how it will work, because I do not know that answer.

Mr. Curlin is working on the subject, now, and Sam Bleicher, who runs our Office of Ocean Management, is also working on it. We expect to refine the concept and have some further suggestions for the Congress within a year.

Senator HOLLINGS. Well, will you or Mr. Curlin tell us now the details of the internal reorganization you have started in NOAA, how that works, and how that is a change of goals from the former administration of NOAA? I am just trying to get for the record the changes that have been made.

Also, you have submitted a request for additional supergrades. And I know some of the folks that you have hired have come onboard, but tell us exactly how that works. Tell us about the

various roles and offices, and the administrative breakdown and how it functions.

Mr. FRANK. I would be happy to, sir.

Would you like the Secretary to remain while we go into that?

Senator HOLLINGS. No. I appreciate very, very much your coming here this morning. Thank you, ma'am.

Secretary KREPS. Thank you.

Mr. FRANK. Mr. Chairman, you are asking a fundamental question about what new areas are we embarking upon, how our new structure is set, and what it really means.

I will focus on specific and important issues.

I believe NOAA was intended to be the primary civilian agency for ocean R. & D. Yet, we did not have an R. & D. office nor did we have a person responsible for R. & D. We now have an Assistant Administrator for Research and Development. We have been able to attract an outstanding oceanographer, Dr. Ferris Webster, who comes to us from Wood's Hole. I think it is to our credit that we were able to attract someone of his talent and background. He will be the highest ranking oceanographer that NOAA has had.

Our R. & D. program needs to be looked at, so that we can move forward with a very clear-cut and focused thrust in the oceans R. & D. area. I think in the atmospheric R. & D. area we have done an excellent job over the years, and I would like to repeat that with respect to the oceans.

In connection with ocean management, as you know, we have established the Office of Ocean Management in order to run the marine sanctuaries program, and to establish the concepts and policies for ocean management for the future. Again, I cannot tell you what those concepts will be, and precisely what we will be doing. We are developing that right now. I think we have taken the first and most formidable step of recognizing that we do need a program of ocean management in the Federal Government. We will work with other agencies in establishing such a program.

We have combined our fishery responsibilities within NOAA, and are moving to make our fisheries organization modern and responsive to the 1976 Fishery Conservation and Management Act. Other countries have accepted our 200-mile zone. We did not have the bureaucratic mechanism to make it work, but we are now moving forward to have such a mechanism.

We have combined two offices. We have elevated the principal person responsible for fisheries to the Assistant Administrator level. It is a political position now filled by Terry Leitzell, who is knowledgeable in the area, and I believe he will do an excellent job. He is reorganizing his fisheries staff so that, for example, the areas which are extremely important under the 200-mile law can be emphasized—enforcement, being one.

There are other areas in which we will become involved. Let me mention some of those. You have been one of those most responsible for the coastal zone management program. We are moving into a critical phase in that program. The States have formulated their plans, and now we will decide whether to accept them or not; and then, subsequent to that decision we will have to determine the future of the coastal zone management program. That is, after State programs come into force, what should happen? What should

the Federal role be? Should that Federal role be merged with ocean management? We are starting to look into that subject, and we want to discuss it with you more fully as this year progresses.

There are areas of special interest, such as Antarctica, where resources are now becoming important. We have been involved in Antarctica for some time as a scientific base. And we, along with other agencies, such as the National Science Foundation, operate there. However, krill is located in vast quantities in Antarctica. Krill is harvestable. It might well be used for food if we could make it tasty. It has a good deal of protein. We are negotiating an international regime for the utilization of that resource. Thus, Antarctica has become not just a subject of scientific study but a subject which the rest of the Government needs to focus on.

We are focusing on other subjects, and other parts of our organizational structure. That is spelled out in my written testimony.

Senator HOLLINGS. Very good.

We want your written testimony included in its entirety for the record.

Now, what you have summarized we could just entitle "reorganization" and you could go down and tell Ham Jordan and Jody Powell what has happened, and then get them down there to get a picture of you with President Carter's reorganization of oceans policy.

It seems that we have a hangup on pledges made during the campaign, and some of those down there don't know what is going on. Just tell them that what you've done is "reorganization," will you? And go down there and get the award, and have a picture, and publish it, and then we will let that OMB crowd that is lost leave us alone for a while so we can get moving in the oceans, and can quit worrying about that.

I hope you will go down there.

Now, Mr. Curlin, on your newly reorganized Departmental Office of Policy, can you tell us a little bit about that and how it works?

Mr. CURLIN. Yes, sir. That was a new development, as well as the reorganization of NOAA. It was in response to the Secretary's pledge to you to see that the Department of Commerce would become responsive to the needs of the ocean.

It is my understanding that there had not been a policy level office in the Department with specific responsibility for oceans as a generic subject. In many ways, the loose ends of ocean activities within the Department flagged in the wind.

NOAA carried out its responsibilities, but we must acknowledge that there are other activities within the Commerce Department that are indeed ocean related.

My office was created under the Department's Office of Policy, and given a rather lengthy title which pretty well describes its function. It is the Office of Ocean, Resource and Scientific Policy.

This is an effort to bring a policy coordination focus on the ocean activities which comprise both NOAA and the Maritime Administration and the resource activities that are equally pervasive that are found in EDA with regard to Regional Economic Development and within ITA with regard to foreign trade aspects and minerals, commodities and materials, and the scientific component which is a responsibility of the National Bureau of Standards, and many sci-

entific developments in the broader activities of science and technology within the Department.

We have also inherited a new responsibility that you are certainly aware of. And that is, the National Telecommunications and Information Administration. That is also part of our responsibility for policy oversight in the office that I direct.

Senator HOLLINGS. Very good, sir.

We have a conflict with an executive session of the full committee downstairs.

Finally, Mr. Frank, let me ask a question relative to the Organic Act. And I ask the obvious: namely, do you support it? It goes without saying that your task in planning and carrying forward these responsibilities as the Administrator of NOAA you could work far more effectively under an Organic Act, rather than just under the simple reorganization plan which has been added on.

It looked like a gerrybuilt operation. You need to have a fundamental legislative enactment, don't you believe?

Mr. FRANK. An Organic Act certainly may have many advantages, Senator. It could have certain disadvantages, too. I'm not in a position, now, to talk about the specific elements of the Organic Act which is before us.

As our testimony has indicated, we believe that the subject of the Organic Act should be focused on after the President's reorganization project has had an opportunity to consider what reorganizations ought to take place in Government. It seems to me that then the Organic Act would have more relevance because we would know what the President's inclinations are in the natural resources area.

Senator HOLLINGS. What disadvantages do you see at this time?

Mr. FRANK. I'm not sure. It would depend entirely upon the specifics of the Organic Act itself.

Senator HOLLINGS. It's just the disadvantage that somebody else in the administration might not like it?

Mr. FRANK. Well, that could certainly be someone else's disadvantage. It would depend upon the specific language of the Organic Act, Sir. I think the important thing now is that reorganization is being considered by the President's reorganization project, and it will be considered by the President. I hope that that process will come to fruition soon. It would be after that occurs that it would be most sensible to focus on the Organic Act.

Mr. CURLIN. Senator, if I may, I don't have a written statement, but I would like to add another dimension which I don't think we have explored fully yet—this is public knowledge—but in our response to the options paper that was produced by the President's reorganization project in OMB we responded in this way:

That we have identified a number of policy issues which are critical to the future of ocean activities; and, that we feel that these must be resolved before we know where this Nation's programs are going. They have to be resolved in the context of the present to deal with the future; and we see that as a necessary linkage, a connection between what the reorganization team proposes in the way of reforming the Government to pursue these ocean goals, and the development of these goals which are to be pursued through a Federal ocean organization.

And we see this as really an integral activity, and we can't let one really outdistance the other. Because I believe that policy must dictate what kind of organization is needed to achieve these goals, and indeed an organization will be needed to carry out the conduct of this policy.

We haven't discussed it in that context at this hearing. I just thought I would offer that as an observation.

Senator HOLLINGS. Very good, sir.

I think we have representatives from the National Advisory Committee on Oceans and Atmosphere and the National Fisheries Institute, but before them we will hear from Congressman Breaux.

We appreciate both of your appearing here this morning.

Senator HOLLINGS. Is there anything you wanted to add?

Mr. FRANK. Senator, when we talk about the Organic Act and reorganization, I want to emphasize one element.

It seems to me critical that whenever we are talking about oceans policy, an Organic Act, and reorganization of the Government, we need to remember that we do need an oceans focus, so that we can have good coordinated ocean programs. I believe it is something the committee believes in strongly. It is something that the Secretary has emphasized here today.

I tend to believe—although I am in no position to prejudge—that the President's reorganization project will ultimately conclude that an oceans focus is very important. In sum, if we are going to move forward in the oceans, and the oceans are becoming an ever increasingly important area, we must have an oceans and atmospheric focus.

Senator HOLLINGS. Well, I think this was the original finding of the Stratton Commission. They wanted an independent oceans agency. There's no question about that—that it is desirable—but many who have worked in the field are not interested in that. They're not interested in that focus.

It takes them a long time to learn. Too many have come onboard who think the Government has just started since they came to town. They have heard about this Department of Natural Resources idea and having heard that they are trying to fill in parts to make it happen.

And they're just tinkertoying around. Over time an institution evolves, and a constituency develops, and everything else, as it has occurred with NOAA. Maybe legislatively NOAA should not have started out the way it did but now it is working.

I think reorganization is to smooth, and streamline, and better administer. Now, you get no focus by just taking it from the Department of Commerce and putting it in the Department of so-called "Natural Resources." That doesn't give ocean any more focus.

If they really want to give it more focus, let's go for an independent agency. But I can't find a President who would support that. And then the OMB crowd says: With this approach you get separate agencies, and we don't want any more people hanging around the Cabinet room; we've got enough people to talk to.

Don't you remember President Nixon said he was going to have a "super-Cabinet," and he was going to talk to only four or so Cabinet members? The responsibilities in the Office of the President

have become so burdensome that you can understand why a President feels that way.

So being realistic, the, about ocean organization let's take what we have and quit dillying with studies, and focuses, and all of those other things, and say it is focused. It is like old George Aiken in the Vietnam war said: We have had victory, now let's act like it.

Say we've already got a reorganization—and you've got most of what you are going to get out of this administration and the Congress, I can tell you that—and then act like it. And then people will begin to accept it. That is my point.

Mr. FRANK. I understand that, Senator.

By the way, you mentioned earlier the possibility of NOAA's becoming part of the Pentagon, or the Department of Defense. That is an intriguing idea. I had not thought of it before. We are very honored to be in the Department of Commerce, but, if we have to move, that isn't a bad idea.

We do miss our military capability. If our ships did have armament, I think we could get into Sand Point at Lake Washington without any trouble at all.

Senator HOLLINGS. Well, all of this is sort of like discussions about the USCG. I talked to my friend Secretary Volpe. I knew he would give a straight answer, and I asked him if he were reorganizing Transportation where would he put the USCG? Would he give up the USCG? And he said, "Absolutely not."

Now every Secretary who gets over there likes the uniforms and those two jet planes.

You can't get it away from them. They have no interest in the oceans, and they try to tell us the Coast Guard role is "transportation." We get the USCG admirals to come up, and then ask them why they went to the Coast Guard Academy? To study transportation?

It just makes them look silly. So, if you can get any reorganization in focus—and, Mr. Curlin, if you do any coordinating, just tell them: Give us the Coast Guard, and put it in an independent agency. Then we will have all of the oceans focus needed, and we will really have the oceans personnel needed to police that 200-mile limit. That is what is really needed, but you can't move that group.

So, anyway, you've done a good job, and we appreciate your appearance here this morning.

Mr. FRANK. Thank you, Senator.

Mr. CURLIN. Thank you.

[The statement follows:]

STATEMENT OF RICHARD A. FRANK, ADMINISTRATOR, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, DEPARTMENT OF COMMERCE

Mr. Chairman and members of the committee, thank you for inviting me to appear before you today to comment upon S. 2224, a bill which would establish a national ocean policy and define the mission of NOAA.

Because of the nature and quantity of NOAA's various responsibilities, we operate under or are affected by over 100 different statutes. In addition, Reorganization Plan No. 4 of 1970 sets forth NOAA's responsibilities under these statutes in terms of the various functions transferred to NOAA from other agencies. However, neither these statutes nor the Reorganization Plan provide NOAA with a comprehensive organizational framework. As NOAA becomes more involved in conservation programs, regulation of various activities, resource management, and environmental planning, our authorities will have to be reviewed to ensure that they are adequate

to meet our needs. This need is visible, for example, in areas where NOAA interfaces with other governmental units. NOAA interacts with, among others, the Department of Energy on coastal energy impact and other ocean-energy programs; the Department of Interior on OCS leasing of oil and gas and other minerals; the Coast Guard on fishery law enforcement, weather monitoring, and oil spills; the Department of Interior's Fish and Wildlife Service on fishery, marine mammal, and endangered species programs; and the State Department in negotiation of international fishing, whaling, and ocean conventions and agreements relating to other resource and environmental concerns.

We share your concerns that our ocean and coastal resources should be managed, protected, and utilized in a sound and balanced manner. As you are aware, the Administration presently (1) is conducting a comprehensive natural resource reorganization study which includes NOAA, and (2) is preparing to undertake a comprehensive review of Federal ocean policy late this spring. Accordingly, we believe that it would be premature for us to take a position on the ocean policies and organizational structure of NOAA set forth in S. 2224, the proposed NOAA Organic Act. Therefore, we strongly recommend that your Committee defer action on this bill until the Administration has completed its reviews. During this process the Administration will take the findings and proposals put forth in S. 2224 into careful consideration.

In my testimony this morning, I will discuss the following issues:

- (1) NOAA's present capabilities, existing authorities, and changing role; and
- (2) An internal restructuring of NOAA which I instituted as Administrator.

PRESENT CAPABILITIES AND EXISTING LEGISLATIVE AUTHORITIES

I would like to begin by discussing our present capabilities and existing legislative authority since NOAA's changing role has a direct bearing on the organizational/mission issues raised in this proposed Organic Act.

NOAA was created in 1970 by Reorganization Plan No. 4 in recognition of the need to undertake a comprehensive and unified approach to the problems confronting both the use and preservation of the oceans and atmosphere. Under the terms of the Reorganization Plan the following organizations were moved into NOAA:

The Environmental Science Services Administration, including the Weather Bureau, the Coast and Geodetic Survey, the Environmental Data Service, the National Environmental Satellite Center, and the ESSA Research Laboratories.

From the Department of the Interior, the marine sport fish program of the Bureau of Sport Fisheries and Wildlife, and elements of the Bureau of Commercial Fisheries.

From the Department of the Interior, the Marine Minerals Technology Center of the Bureau of Mines.

From the National Science Foundation, the Office of Sea Grant Programs.

From the Department of the Army, elements of the United States Lake Survey.

In addition, by executive action, the programs of the National Oceanographic Data Center, the National Oceanographic Instrumentation Center, and the National Data Buoy Project were transferred to NOAA.

Much of the impetus for the creation of NOAA came from the recommendations contained in the 1969 report of the Stratton Commission which was established by President Johnson. The report, "Our Nation and the Sea," recommended, among other things, that an independent ocean and atmospheric agency be created. In addition, as Chairman of the National Council on Marine Resources and Engineering Development, Vice President Humphrey played a strong leadership role in marine sciences, and was responsible for a number of recommendations from that Council concerning the Federal effort in ocean related programs. These recommendations were also considered in the formulation of NOAA. Those responsible for the creation of NOAA—scientists, engineers, environmentalists, legislators, and public officials—wanted to bring the problems of oceans and atmosphere to the national prominence that other scientific and technical fields had attained during the 1960's.

In the last seven years, under the leadership of Dr. Robert M. White, a distinguished scientist and able administrator, NOAA moved increasingly toward becoming more than just a science service organization and became a more broadly-based resource management, environmental planning organization.

The principal legislative additions to, or changes in, NOAA's responsibilities over the last few years have been the following laws:

The Marine Mammal Protection Act of 1972

Under this Act, NOAA and the Fish and Wildlife Service administer programs designed to conserve the many species of marine mammals.

The Marine Protection, Research, and Sanctuaries Act of 1972

Under Titles II and III of this Act, NOAA is responsible for various programs designed to find out more about ocean pollution and minimize pollution problems, and to protect certain ocean areas through the establishment of Marine sanctuaries.

The Coastal Zone Management Act of 1972, as amended in 1976

This Act gives NOAA the authority and responsibility to protect our Nation's coastal zone through joint Federal-state efforts.

The Endangered Species Act of 1973

NOAA and the Fish and Wildlife Service jointly administer this Act to ensure protection of fish, wildlife, and plants which have been declared to be either endangered or threatened species.

The Fishery Conservation and Management Act of 1976

This Act gives NOAA the responsibility for the protection and management of the fishery resources found off our coasts.

The 1976 Amendments to the National Sea Grant College and Program Act

Under the Sea Grant Program authorized by this Act, NOAA supports research projects throughout the Nation designed to learn more about the marine environment and the rational use of our marine resources.

In addition to these legislative expansions of NOAA's role, NOAA has undertaken other significant activities in oceanic and atmospheric sciences. For example, NOAA conducts for the Department of the Interior's Bureau of Land Management the Alaskan Outer Continental Shelf Environmental Assessment Program, in support of OCS energy development. To support these energy-related studies, the Energy Research and Development Act of 1975 provided for the reactivation of NOAA vessels. Also, the Law of the Sea negotiations, a direct responsibility of the Department of State, have involved NOAA support in areas of marine pollution control and abatement, fisheries, and environmental effects of seabed mining.

REORGANIZATION OF NOAA

In order to integrate NOAA responsibilities in a logical manner, and in order to improve NOAA's operating effectiveness generally, I initiated the task of restructuring the organization upon my arrival at NOAA. At the outset, I received a comprehensive reorganization Option Paper that had been prepared by the Assistant Secretary for Policy of the Department of Commerce. That paper had been stimulated by reorganization proposals suggested by Senator Hollings and the National Ocean Policy Study, and included options suggested by others, including Secretarial officers of the Department of Commerce, Dr. Robert M. White, and other NOAA personnel. I distributed the Option Paper to senior NOAA personnel, asked their views about reorganization, and met with them in groups and individually. Furthermore, I met with all potentially interested Members of Congress, Congressional committee staffs, interested persons in the Department of Commerce, White House staff, OMB staff, the scientific community, constituencies, and others in the ocean and atmospheric communities. During these meetings, I discussed several possible reorganization plans and solicited views.

The overwhelming majority of individuals with whom I spoke believed that a reorganization was advisable, to make NOAA more cohesive and efficient, to improve specific aspects of the agency's operations, or simply to revitalize NOAA.

On the basis of these discussions, and with the approval of Secretary Kreps, a new structure was adopted which includes the following changes.

We created the position of Assistant Administrator for Research and Development to provide a focus for our R. & D. activities and to become a national center for oceanic atmospheric science and technology. The Office of Research and Development has under its jurisdiction our Environmental Research Laboratories, the Sea Grant Program, the Office of Ocean Engineering, the National Climate Program, and such other matters as U.S. participation in the Global Atmospheric Research Program. I believe this Office will provide NOAA with the means to coordinate our many different research and development activities. As with all of our programs, I hope that by centralizing these various efforts under an Assistant Administrator we will be able to provide a better, more cost effective service to the Nation.

In the 1977 NOAA reorganizations, we also established an Office of Ocean Management which brings together a number of NOAA programs and formulates decisions on priority needs for ocean needs for ocean use both with NOAA elements and, to the extent required by law, with the ocean-related programs of other Federal agencies. When conflicts are identified between users of ocean resources or between

conservation needs and resource uses, interagency management strategies will be developed to resolve these conflicts. As a synthesizer of information, that office will seek improved methods for analysis and assessment of socio-economic and environmental impact evaluation, resource use planning, and decisionmaking. Where further research and development is required to improve the decision process, the Office of Ocean Management will help identify priority areas.

NOAA is a major repository for information, and scientific and technical skills concerning ocean resource management. Of course, for some areas, such as the leasing of minerals on the OCS, the Government's expertise is in other agencies. Through implementation of our responsibilities under such acts as Title III of the Marine Protection, Research, and Sanctuaries Act, the Deepwater Port Act, the Coastal Zone Management Act, and the Fish and Wildlife Coordination Act, we have acquired considerable experience for making ocean resource management evaluations. I believe that effective assessments by NOAA of proposed ocean activities is essential for the development of rational ocean management programs.

In other areas, NOAA's major service functions such as the National Weather Service, National Environmental Satellite Service, National Ocean Survey, and Environmental Data Service, have been combined under as Assistant Administrator for Oceanic and Atmospheric Services. As with our R. & D. programs, I believe that we will be able to provide better services by having these several programs coordinated by a single office. These activities must become more integrated and mutually supportive.

NOAA has become more responsive to its fishery responsibilities through the merger of the National Marine Fisheries Service and Office of Marine Resources into the Office of Fisheries under an Assistant Administrator. The complex issues which we deal with involving our Nation's fisheries resources demand our constant attention. For example, the development of rational fishery management plans and programs should be facilitated by bringing together the expertise which we have in these two offices. Our important marine mammal and endangered species programs will be given more emphasis and should become more effective. The Assistant Administrator for Fisheries will be in a better position to ensure that our fisheries programs are coordinated with the activities of NOAA carried out by the other Assistant Administrators. Thus, we believe that for the first time we will have a truly NOAA wide effort which we can bring to bear on these crucial fisheries issues.

Finally, prior to the reorganization NOAA lacked a long-range planning capability designed to coordinate NOAA policy with other agencies and Congress. An office has been established under the Assistant Administrator for Policy and Planning, which has primary responsibility for developing long-range NOAA policies, designing programs to implement these policies in conjunction with the other Assistant Administrators, and coordinating NOAA policy development and implementation with the Office of Policy of the Department of Commerce, other Departments, the Congress, and the public. This Office includes a separate office responsible for working on issues about ocean minerals policy and planning in conjunction with the Department of the Interior.

This restructuring has improved our internal coordination and enhanced our policy and planning activities, as well as our ability to carry out our statutory mandates. It is too soon, of course, to make meaningful judgments about the success of this reorganization, and experience may ultimately dictate modifications. I am quite hopeful, however, that with the outstanding individuals we have been fortunate to bring into NOAA, the reorganization will substantially improve our operating effectiveness.

CONCLUSION

I appreciate this opportunity to discuss with the Committee NOAA's activities, the opportunities we have, and the efforts we are making to assist in solving some of the critical social, economic, and environmental problems our Nation is faced with today.

STATEMENT OF HON. JOHN B. BREAU, U.S. REPRESENTATIVE FROM THE SEVENTH DISTRICT OF LOUISIANA

Mr. BREAU. Thank you very much, Mr. Chairman.

I have often heard, when you come over to the other body that you should allocate more time, because there are no time restrictions on how long you can talk over here. So, I was prepared to allocate a little extra time.

It is my pleasure. I do have a statement, which I have submitted, and I would like to briefly summarize the contents of it, and perhaps we could have a discussion on some of the concepts and ideas that are contained in the statement.

No 1, I introduced a bill, along with Chairman Murphy of our full Merchant Marine and Fisheries Committee, on the other side, and I think it's very timely, and I think anybody can recognize that it has been timely, for the last decade or so, that we talk about reorganization.

The Stratton Commission was talking about it in the 1960's, and we are still talking about it today, in 1978, and yet we still have about 6 departments fooling around with ocean policy, and some 9 agencies and about 30-some-odd different subagencies, trying to formulate ocean policy for our Government.

Heaven knows, we have studied it, we have talked about it, we have planned for it, we have had task forces look at it, and we have had experts submit papers on it. I think it is now time to start taking some action on all of the recommendations and plans that we have had over the last decade or so, or even before that.

I also think it's time that Congress take the initiative and make some steps to formulate a coordinated policy as far as ocean development and ocean policy is concerned and get some initiative coming from the Congress, rather than just waiting for it to happen by some magical interest.

I think the executive branch is taking an interest in it. They have a plan that's being presently studied and is being looked at by everyone. But I think, also, it is important that we have a legislative vehicle to look at, and that is what I interpret H.R. 9708 and the Senate companion bill, S. 2224, as a vehicle for us to get involved in the process which is so important.

But even if reorganization is accomplished by the executive branch, even if they go ahead and do a beautiful job and write a paper of the best plan we could envision, I think it is still necessary for us in the legislative branch to establish a very thorough, a very clear set of responsibilities for NOAA.

The agency that this gentleman represents, sitting here before me, has something like—what, 30,000 employees? Yet, they don't really have any specific direction from the Congress as to what they should be doing. Most of their tasks that they have are the results of other acts that we have passed and sent over there, like coastal zone management and like the aquaculture legislation that we are both working on and like sea grant programs and fisheries functions that have been sent over to their shop. But they don't really have a specific set of clear-cut mandates coming from the Congress as to what NOAA should be. They have become an agency of 30,000 employees, and they are doing an excellent job, and it has kind of become an assimilation of other acts of Congress that have been tossed over there.

Now, the bill that we have, that is before your committee, is not going to accomplish all of the objectives that I think we are looking for, but it is certainly going to set and establish a set of responsibilities for the Administrator of NOAA, to give him some concrete directives of where they should be moving toward.

But, while we talk about S. 2224 and the House bill, I think it is important, also, to look at what the executive branch is doing in their reorganization plan. The proposed plan has been published. We have looked at it over on our side, and I know you have commented over here.

I think basically right now the executive branch proposal boils down to about three different options, the first one being a coordination mechanism that they are recommending at a high level within the executive branch, to establish policy, resolve conflicts on natural resources questions. Basically, that option would be no reorganization. This establishes a coordinating mechanism. I think we've got too many coordinating mechanisms already. We've got too many task forces that have been established to look at particular special problems.

We have a problem on ocean mining. Who sets the policy for that? There was no one to set the policy for it. They had to establish a task force on ocean mining to come up with a national ocean mining policy. No agency was able to say, "This is what our Government's policy is going to be." We put together a task force.

The same thing on the 200-mile oil pollution zone bill. We passed one version on the House side. It got over here. We didn't really have any agency in the Government talking about something as critical as an ocean pollution bill. No one could say what the policy was. We had EPA saying one thing; we had the State Department saying, "No, it's not that." We tried to put another task force together to come up with what the policy should be.

So, their first option, that says, "Well, let's set up a coordinating mechanism—no changes, just set up these coordinating mechanisms," I think, is defective.

The second option is a Department of Resource Conservation, a DRC, which would combine the bulk of Interior with NOAA, parts of Agriculture, and the Army Corps of Engineers.

And the third option is the Department of Agriculture and Renewable Resources, which would establish a similar department as the second option but would use the Department of Agriculture, rather than Interior, as the focus.

We have looked at these three options very carefully, as I know you have, Mr. Chairman, and I would like to just submit for inclusion in your record a copy of a letter that we have, from our side, submitted to the President, commenting on the options that they have presently pending.

Senator HOLLINGS. That will be included in the record.¹

Mr. BREAUX. Now, we understand that the staff on the President's reorganization project are reacting negatively to our proposal. They don't think it's a good idea. But I think that your committee would be interested in ours, and I know you have submitted some comments, too.

Essentially, what our proposal, what I'm submitting for the record, is—the creation of an independent ocean agency. I think that an agency under our proposal would include all of the present NOAA structure, as well as the environmental assessment program

¹ See p. 78.

of OCS and certain marine mammal, fisheries, and endangered species programs with the Department of Interior.

I believe very strongly that ocean-based resources should be dealt with separately, separately from land-based resources. I don't know who has the bright idea somewhere that: "Well, we have one department that handles all land matters; let's throw in all water and ocean matters, too." Why don't we just extend that to its ridiculous conclusion and throw in air and call it the "world department," and take care of land, water, and air, take care of all resources?

I don't think they fit together, and I will tell you why I do not.

Ocean resources, No. 1, are in the public domain. No one owns them. It is not like private land that we have in the interior part of our country. It is in the public domain, so you have special decisions that have to be looked upon from a public-policy standpoint, since it is owned by all citizens and, indeed, all nations of the world.

A second point that I think—and a reason why ocean-based resources should be kept together—is because there is a very close interrelationship between ocean activities and other ocean activities, and actions affecting them—what I'm saying, it is much more interdependent when you're looking at ocean resources than it really is with land activities. Activities affecting one ocean resource can easily—and generally do have—impact, direct impact, on other ocean resources. And that is not necessarily true when you're talking about land decisions. One decision can be separate that can affect only this particular tract of land as to how it is going to be used. It doesn't necessarily affect something in an adjacent state, or even in an adjacent county.

Ocean resources are all interrelated. We have to maintain that focus.

A third problem I have with their proposal is that technology for marine resources is different from land resource technology. It requires a particularly special expertise and application of a very special knowledge.

In addition, a final comment I have on why I think ocean resources should be separate is, quite frankly and clearly, that most ocean decisions affect international policy, and they cannot be made only from a domestic standpoint, considering domestic factors only, as we can with many of our land-based decisions.

A great example is a conflict we had this year in the Public Works Committee, on which I'm a member on the House side. We got into a conference with the Public Works Committee over here on the Senate side, and all of a sudden, we have a bill to set up a 200-mile pollution zone.

Well, that whole bill was considered from domestic considerations. We passed a 200-mile pollution zone in the Public Works Committee, affecting international waters, affecting every country is the world that has anything to do with shipping.

I went to Japan a week after that, and they wanted to hang me in effigy, and I told them I did not have anything to do with it.

But Here's an example of a decision that we are making with regard to ocean management and ocean resources, but we looked at it only from our own domestic considerations.

Again, an example of the Department not having their act together is the fact that we have EPA saying one thing and the State Department saying another thing, and everybody else scrambling and running around and trying to put together yet another task force to come up with what the policy should be. Before they got the task force completed and made any recommendations, the bill was already passed by the Senate and the House and sent over to the President and he signed it.

That is a classic example, I think, of making ocean-based decisions, when we should be considering international decisions, and yet we want to look at it from the domestic standpoint only.

It appears that the President's reorganizational proposal does not really take these factors into consideration. I do not think that the creation of some monolithic, large Department of Natural Resources is going to accomplish very much for ocean policy.

The oceans cover two-thirds of the Earth's surface. We get energy, we get transportation, we get food, fiber, and who knows what all, as the future develops, what we are going to be able to get from the oceans.

To put it as a stepchild under some other department which has a different emphasis, which conflicts, quite frankly, with the decisions that have to be made as far as ocean management is concerned, I am afraid will not do the job.

I think the vehicle that your committee has and that we have is a good starting point, and I would urge that your committee favorably move forward on that particular task.

Thank you, Mr. Chairman, that's all that I have.

Senator HOLLINGS. Well, that is an excellent statement and a very cogent and stimulating one. I was amazed, too, that the 200-mile pollution zone idea got through. That shows a lack of organization and how they just move in.

I think that one of our problems with NOAA has been that we did not get NOAA itself and its act together.

For a long time if you wanted a job with weather, you'd go down to NOAA. But if you wanted a job in oceans, you did not go to NOAA. And that was a frustration of mine for many years, because we had many good people but many others were in something else other than in NOAA because of problems in the agency.

I can tell you that. And that is why I salute the initiative taken by Secretary Kreps and Mr. Frank to try to develop a policy and talent within this Department.

Now on the organization itself. Do you think an organic act is really what we need now, and that we should go ahead and try to keep NOAA moving and embellish it, as indicated, without all of these task forces and everything else like that?

Maybe we can finally, by legislation, get an organic act to help the initiative that now is displayed over on the executive side.

Do you think we can do that?

Mr. BREAUX. Mr. Chairman, I think that it is vitally important that Congress should be interested in what happens with ocean programs and reorganization efforts. I think it is incumbent upon us not to just sit back and wait for somebody else to do something. I think that we have to participate in the process. I think that we

have to be involved in that process to the maximum extent possible.

I think, after all, it does fall upon us, who have the duty of making the laws, to see that they are carried out in a structure which is compatible with the mandate that we give them.

I think, quite frankly, many times we have done a disservice to NOAA by just throwing at them more and more programs, and yet, not really giving them the authority to become the lead agency and just adding tasks upon tasks on their shop.

That is why they have so many employees today.

But I think that it is absolutely essential that we move forward with the cooperative spirit with the executive branch, but also show them that we are going to have something to say about those final decisions.

Senator HOLLINGS. What is your reaction to a Department of Natural Resources, or not the Department itself, but rather, the inclusion therein of NOAA?

Do you think that would improve the effectiveness of NOAA or help us better in our oceans efforts to devise a policy and program within the Government? Would putting it into the Department of Natural Resources to these things?

Mr. BREAUX. Mr. Chairman, the comment I have is that I just have a fear that when you have competing resources, and they are competing in the sense that they have so many different applications and one is basically a domestic issue and the other one more so as an international issue, that I just do not want to see ocean programs get lost in a very large agency, that somehow would see to it that NOAA or ocean programs would take a backseat.

I think we do need that independent agency. I think the essential thing is that we make it an independent agency that has authority to make decisions about the matters that they are going to have jurisdiction over and not have to call in a task force every time a policy decision is to be made.

I would not recommend that it be put into the Department of Interior because I think obviously, the land and ocean resources have too many different criteria that have to be considered in making the proper decisions.

Senator HOLLINGS. Very good, sir. We appreciate very, very much your taking the time to come over this morning and present this statement to us.

Mr. BREAUX. Thank you, Senator.

[The statement follows:]

STATEMENT OF HON. JOHN BREAUX, U.S. REPRESENTATIVE FROM LOUISIANA

Mr. Chairman and members of the committee, I am pleased to be invited to comment on the bill which we jointly cosponsored during this session of congress. I introduced this bill for several reasons—

(1) It is timely to take a serious and comprehensive look at our present Federal oceans structure to determine whether it is working properly to achieve desired results.

(2) It is now clear that the Congress must take the initiative to formulate a coordinated, comprehensive, and meaningful national oceans policy to direct appropriate agencies and departments of our Government

(3) Now that the executive branch has taken some interest in addressing reorganization, it is appropriate to have a legislative vehicle under consideration in the Congress which could be molded to accomplish reorganization effectively.

(4) Even if reorganization is accomplished by the executive branch or by the Congress, it is necessary to establish a thorough and specific set of responsibilities to give NOAA proper guidance and direction to implement policies and planning.

The bill before our Committees would obviously not accomplish all of the objectives which I have enumerated. As a matter of fact, it would only establish a set of responsibilities for NOAA and the Administrator of NOAA.

While this only addresses one of the many problems facing ocean policy formulators, it is important. When NOAA was created by the 1970 Reorganization Plan, no specific mandates or responsibilities were spelled out. All that was done was to shift boxes around in the Federal organizational flow chart.

Since 1970, quite a few individual laws have been enacted by Congress which established separate program requirements. These separate laws have not always been coordinated among one another to assure consistency of approach and policy. I admit that part of this blame rests with those of us in the Congress who have enacted these laws, but I, for one, expected the executive branch and NOAA to be able to formulate and coordinate a reasonable set of policies and plans from the guidance which the laws contained. Since this has not been accomplished, it is now our job to make sure that it occurs.

The hearings which you are holding and those that my subcommittee will hold will benefit us in providing the basic data and guidance to refine the NOAA Organic Act. The final product will be a bill which goes a long way toward accomplishing the goal of a stated national ocean policy. I look forward to working with your committee in developing this legislation.

I cannot mention the NOAA Organic Act without also saying something about the ongoing efforts and recommendations of the President's Reorganization Project regarding natural resources and the environment. This project has been formulating recommendations concerning the reorganization of various major departments within the executive branch. Their recent proposals seem to conclude that three options are worth consideration.

A coordination mechanism at a high level within the executive branch to establish policy and resolve conflicts on natural resources questions.

A Department of Natural Resources Conservation (DNC) which would combine the bulk of Interior with NOAA, parts of Agriculture, and the Army Corps of Engineers.

A Department of Agriculture and Renewable Resources which would establish a similar department as option 2, but use the Department of Agriculture rather than Interior as the focus.

Members of our committee have reviewed the series of options and recommendations of the PRP carefully and have submitted separate conclusions to them. I would like to include those conclusions in the record, with your permission, Mr. Chairman.

While we understand that the staff of the PRP has reacted negatively to our proposals, I believe that your committee would be interested in studying them. Essentially, our proposal would recommend the creation of an independent ocean's agency. The agency would include all of NOAA as well as the OCS environmental assessment program and certain marine mammal, fisheries, and endangered species programs of the Department of Interior.

We believe strongly that ocean-based resources should be dealt with separately from land-based resources because of the following reasons:

Ocean resources are in the public domain not owned or controlled by private persons. Decisions should be public policy oriented.

There is a closer interrelationship between ocean activities than land activities. Actions affecting one ocean resource can easily have impact on other ocean resources. This is not so with respect to land-based resources.

The technology for marine resources is different from land resource technology formulation. It requires a special expertise and application of knowledge.

Most ocean decisions affect international policy, they cannot be made from a domestic perspective only.

It appears to us that the PRP has not taken the above factors into consideration in formulating recommendations to the President. We do not believe that the creation of a monolithic Department of Natural Resources will accomplish much for ocean policy. What it will do is serve to eventually erode NOAA's present structure and place ocean resource management at a subservient and competitive situation with land resource management.

The President's Reorganization Project will have to rationalize their proposals much better before we will be able to support them. There are no acceptable reasons for their proposal other than "reorganization for reorganization sake" at the present time.

Thank you, Mr. Chairman, I would be pleased to answer any questions you might have at this time.

Senator HOLLINGS. I will have some questions for the record for the remaining two witnesses. I'm sorry we can't hear their testimony, but I have to get down to that executive session. Their statements will be included in the record.

So the committee will be in recess.

Thank you very, very much.

[Whereupon, at 10:50 a.m., the committee recessed.]

ADDITIONAL ARTICLES, LETTERS, AND STATEMENTS

STATEMENT OF DONALD L. MCKERNAN, DIRECTOR, INSTITUTE FOR MARINE STUDIES, UNIVERSITY OF WASHINGTON, AND CHAIRMAN, NATIONAL ADVISORY COMMITTEE ON OCEANS AND ATMOSPHERE

I am Donald McKernan, Director, Institute for Marine Studies, University of Washington, and Chairman, National Advisory Committee on Oceans and Atmosphere.

I appreciate this opportunity to testify on behalf of NACOA on S. 2224, the National Oceanic and Atmospheric Administration Organic Act, and to provide a progress report on our thinking about national policy formulation and organization within the Federal Government for carrying out its responsibilities for marine and atmospheric affairs.

THE NOAA ORGANIC ACT

The bill which is under consideration today is S. 2224, the NOAA Organic Act. We agree that there is a need to establish a single, comprehensive statute from which the National Oceanic and Atmospheric Administration can derive basic authority for its operations.

Questions have been raised about the timing for the legislation under consideration. Some have asked if it would not be better to wait until some of the ocean policy issues and some of the reorganization issues dealing with ocean affairs are resolved prior to passage of an Organic Act for NOAA. It is our view that the resolution of these policy and organization issues may take some time and that in the interim, NOAA operations would be strengthened by an organic act. Accordingly, we support the bill in general.

I have some questions to raise with regard to details. As now written the bill aims at two related but quite distinct purposes, (1) that of establishing an overall national ocean policy, and (2) that of creating a comprehensive law which brings together all the basic and routine authorities that the National Oceanic and Atmospheric Administration now has, or should have.

NACOA supports the declaration of national policy contained in Section 101 of the bill. However, we would suggest the addition in Section 101(a)(5) of a statement recognizing the importance of marine transportation, noting the state of the U.S. merchant marine and expressing national policy with regard to it. We would suggest the addition of a paragraph (L) to Section 101(a)(5), "Foster the development and encourage the maintenance of a U.S. merchant marine, both for the national defense and for the development of foreign and domestic commerce."

Title I would designate NOAA lead civilian agency for coordinating and carrying out national ocean policy. NACOA believes that NOAA is not now, or likely to be, structured to assume such a responsibility without the material assistance of other agencies. This should be clearly recognized in the language of the bill. For example, Section 204(8) appears to give NOAA an international role that would impinge unnecessarily on the State Department's role, and could raise unproductive jurisdictional conflict. We suggest splitting (8) into two parts:

Cooperating with the Secretary of State in the integration of domestic and international policy relating to the oceans and the atmosphere;

Providing technical advice to the Secretary of State on international negotiations involving ocean resources, ocean research and technology, and climate matters.

On the other hand, two additional items could well be listed in Section 204 to emphasize NOAA's authority to participate in international activities:

Cooperating with foreign scientists in bilateral and multilateral research programs, formal or informal, in consultation with the Secretary of State;

Participating with foreign nations, particularly developing ones, in bilateral and multilateral programs of technical cooperation and technology transfer, formal or informal, in consultation with the Secretary of State.

The annual report required by Section 209 of the bill is a very important activity. It is somewhat analogous to the annual Federal Ocean Program report which was required by Section 7 of the Marine Resources and Engineering Development Act of 1966. Section 209 of S. 2224 would require that the Secretary of Commerce prepare a comprehensive description of the ocean programs and the accomplishment of all agencies and departments of the United States, an evaluation of such programs in terms of program objectives, and a budget analysis covering the programs and overall ocean program legislative recommendations. This is an extremely difficult, if not impossible, role for any single agency to play, in spite of the fact that Section 209(c) provides some legislative language which is intended to assure cooperation

from the agencies and departments with ocean programs. Recent history with such processes, as exemplified by the Interagency Committee on Marine Science and Engineering (ICMSE), highlights the difficulties that can be encountered. Therefore, in NACOA's view, a higher level body such as a marine council in the Executive Office of the President would be required for such a responsibility.

Section 210(b) provides for biennial authorizations. We consider this to be highly desirable. Annual authorizations of all programs so load the legislative calendar that there is a tendency not to review the programs in the detail that could be accomplished if more time were available.

NATIONAL POLICY AND ORGANIZATION FOR MARINE AND ATMOSPHERE AFFAIRS

Turning now to national policy and organization, NACOA has from its beginning advocated a coherent national ocean policy and a strong NOAA. It has been difficult to find the right lever to bring this about. Now, however, there seems to be a new opportunity. In addition to the continuing efforts of the Congress, we now have a new Administration, a new leadership in National Oceanic and Atmospheric Administration, a new National Advisory Committee on Oceans and Atmosphere, and a new policymaking process in the White House all engaged towards this end. Now seems the right time to try again to find the means. A NOAA Organic Act, and these hearings, is a good place to start.

Although it is clear that many issues are still in need of resolution, the situation in marine and atmospheric affairs is, in my opinion, far better than it would otherwise have been were it not for the many significant items of legislation resulting directly or indirectly from the efforts of the National Ocean Policy Study and other Senate activities under your leadership and that of Senators Magnuson and Stevens. I have in mind such examples as the Coastal Zone Management Act, the Ocean Dumping Act, the Ports and Waterways Safety Act, all of 1972, the Endangered Species Act of 1974, and the Fisheries Conservation and Management Act of 1976, among others. Even these, vital though they have been, add to the patchwork quality of the Federal program in the absence of an overall policymaking and coordinating activity.

Accordingly, NACOA is encouraged that both oceans policy formulation and reorganization are under active consideration within the executive branch. I am of course thinking of the Department of Commerce Ocean Policy Study triggered by your letter to the President in June of last year and of the recently initiated Presidential Review Memorandum on ocean policy being carried out by the Domestic Policy staff in the White House. Federal organization is being handled within the context of the President's Reorganization Project's study on Natural Resources and Environmental Protection.

NACOA has kept informed regarding these efforts, and has made staff available to participate in both the Department's study and the President's Reorganization Project study. During this time, I have been struck again by the fact that the multiple purposes and compartmentalized nature of what can only loosely be called the ocean community in and outside Washington makes it extremely difficult for it to mobilize for action either to make its purposes known or to carry them out in a coherent and coordinated way.

This poses a major challenge to any approach to the overall goal of assuring the status of the United States as a major maritime power.

Whatever means is chosen to provide an oceans focus must be protected somehow by size, prestige, visibility, position—in short, the properties covered by the term "clout"—to hold its own until the significance of the changes now taking place so rapidly around the globe affecting the importance and complexity of our involvement in the oceans can be perceived by the bulk of the Nation, in or out of Washington, in its true light.

In addition to "clout," an ocean resource management organizational solution must of course promise to solve a number of existing problems resulting from dispersal, fragmentation, and lack of coordination at an acceptable cost in disruption and delay inevitable in any agency realignment.

NATIONAL GOALS AND OBSTACLES

Before reviewing our organizational ideas in general, I think it important to consider the policy gaps to be filled and the ends to be served for which reorganization of the Federal Government for marine and atmospheric affairs is an appropriate tool.

The evolution of national oceanic needs, and obstacles to their satisfaction, are succinctly stated in Senator Hollings' first Doherty Lecture for the Center for Oceans Law and Policy last May. To paraphrase that resume, and starting with the global

scale, the nations of the world appear to be struggling, or stumbling, towards "promoting humanity's well-being tomorrow by taking steps today to protect and develop the resources of the Seven Seas."

This perspective is new, even to the United States. To quote, "until the close of World War II, we thought of the oceans only in terms of national defense and international commerce."

"The 1950's brought a greater emphasis on marine science and technology, taking these as the key to economic growth and economic growth as the key to social progress."

It is an important fact that the post-World War II years saw an unprecedented and exponential growth in the use of the sea. Not only the traditional maritime nations but the new and developing nations of Africa and Asia have turned to the sea for food, transport, and energy. This increased use of the ocean by all nations, including our own, has placed new stresses on ocean resources and on the ocean environment. We must be prepared to use the ocean resources and ocean environment off our coasts wisely and to join with others in conserving and managing this vast and productive frontier of our planet. Our interests are broad. We use the ocean for national defense, international commerce, food, energy, recreation, and yes, as a receptacle for our wastes. An apt label for such a comprehensive approach to multiple ocean use is Ocean Resource Management.

NACOA, like many others, has reported on a number of marine and atmospheric programs whose objectives are sometimes in conflict, and sometimes vague.

The ocean mining area is one. Here jurisdictional battles between NOAA in the Department of Commerce and various elements of the Department of the Interior, including the Ocean Mining Administration, the Bureau of Mines, and the Geological Survey have stood in the way of establishing a clear national policy for ocean mining. The difficulty in preparing an adequate environmental impact statement is one symptom of this situation. Hampered growth and eroding competitive advantage of an otherwise ready U.S. industry is one consequence.

Another example is the inordinate delay in the exploration for and development of new domestic petroleum sources, particularly in the highly promising areas of the Outer Continental Shelf. The Bureau of Land Management, the Geological Survey, the U.S. Coast Guard, the Corps of Engineers, the Department of Energy, and others are involved. Delays in the establishment of offshore deepwater terminals (not superports, which are a different story) capable of handling supertankers beyond the present and prospective capacity of existing ports is another. Running the gauntlet of regulatory agencies for permission to locate power plants, conventional or nuclear, offshore has proved virtually impossible. This is not intended as criticism of the individual agencies as much as evidence that the system has too many bottlenecks built in.

The U.S. merchant marine has since World War II eroded to the point where it fails to meet our commercial, national security, and defense goals as stated in legislation amended as recently as 1970. The feasibility and desirability of these legislative goals need to be reexamined in a strategic and economic context which has yet to be made explicit and for which no executive branch entity has been assigned authority or responsibility.

Domestic uses of the oceans lack effective coordination and are growing to the point of seriously interfering with each other and with international uses. An interagency effort to identify jurisdictional and programmatic gaps or overlaps in the 200-Mile Economic Resource Zone begun 2 years ago at the request of Senators Magnuson and Hollings is still unfinished and work on it has essentially come to a halt, although the need for coordinated management of activities in this Zone increases daily.

Of recent and growing concern, we note that climatic assessments are not being exploited for long- or even short-term food and energy contingency planning because no agency has the clear responsibility to develop the methodologies and techniques for doing so nor the policy and objectives for their application. NACOA, as you know, is actively assisting this Committee and the House Committee on Science and Technology to find a remedy for this situation.

The Federal effort in weather modification gives too little attention to basic research and too much to scattered and underfunded field experiments and operational applications in a number of departments and agencies.

Other examples could be cited.

More important than any of these examples is the point that reorganization of agency programs alone is not likely to suffice as a solution. One reason is that some major players will always remain outside the Department of Natural Resources (DNR) or any other practical organizational reform. However successful the effort to collect the civil ocean agencies into a single entity, the Navy, the Department of

State, the National Science Foundation, and the Department of Energy will also retain important marine missions and programs. Establishment of overall policy, clarification of objectives, assignment of authority and resources to match responsibility, selection of capable and effective officials, and systematic oversight of their performance, and especially assuring interagency coordination is an absolute necessity. This function goes beyond the capacity of interagency coordinating committees. The absence of a focal point for this function in the marine affairs area is perhaps the greatest organizational deficiency of all.

ALTERNATIVES

Turning now to alternative organizational correctives, NACOA would first eliminate options such as those discussed in the working papers of the President's Reorganization Project Natural Resources/Environment Study that would incorporate the Environmental Protection Agency. NACOA feels that the environmental protection function should continue to be the responsibility of an independent agency.

Even though the Federal role in natural resource management implies regulatory responsibilities too, these would be focused on resource conservation and multiple-use compatibility. Such regulations differ in purpose and nature from regulations for environmental protection, although they must take the latter into account. It is also important to maintain a highly visible adversary relationship between environmental protection and resource development for social and political reasons. Finally, many other Federal as well as State and local programs and sectors of the economy must be monitored and regulated for environmental protection purposes.

Left, however, are four options for ocean and atmospheric affairs management that NACOA feels are worth serious consideration in the light of present circumstances. These are:

1. A fully developed Department of Natural Resources.
2. An independent oceans and atmospheric agency (IOAA).
3. A strengthened NOAA within the Department of Commerce.
4. The status quo with a strong higher level policy, planning, and coordinating

body. Each of these organizational approaches has some merit and each presents risks. For example, NACOA finds the DNR approach attractive because it promises a coherent natural resources policy and management strategy. All important to our support is one major condition, however. This is that the resulting Department include and maintain a strong ocean resource management focus, including the non-extractive uses of the sea for transportation, waste disposal, site location, recreation, and national security and all that this implies in terms of research, development and information services. Another way of stating this is that NACOA opposes a reorganization that would submerge ocean resource management within a land-oriented Department like the present Department of the Interior, where the present capability in NOAA might be dismembered or rendered ineffective. An organic act for the oceans component of such a Department would be of value in this circumstance. So would an appointment policy regarding the leading figures of such a Department that would aim at marine knowledgeability within the Office of the Secretary.

NACOA would also find a Department of Oceans and Atmosphere attractive. Our concern is that an independent oceans and atmospheric agency is likely to be of subcabinet status. A problem here would be its size and "clout" in dealing with ocean aspects of resource management policies that would still reside in Departments such as Interior, Energy, Agriculture and Commerce. A White House-level coordinating body including but going beyond research and development aspects of the program, would be of great importance.

The strengthening of the Department of Commerce as a lead oceans Department by transfer of some programs now in other Departments looks more promising than it once did as the result of new initiatives by the Secretary to raise the Department's visibility in this rule and to strengthen the ocean policy and planning capability of the Secretary's office itself. Again, however, a White House role would be required to establish the necessary capability within the Department and to maintain interdepartmental coordination in the context of a national oceans policy. Whether the Presidential Review Memorandum process is adequate for this remains to be seen.

The White House policy and coordination role would be all important if we were merely to retain the status quo otherwise. Again we think this points to a marine council.

FUNCTIONS OF A DEPARTMENT OF NATURAL RESOURCES

NACOA believes that comprehensive, balanced, compatibility-use management decisions for all of the Nation's natural resources is desirable and can in principle best be made by consolidating natural resource policy and decisionmaking within a truly new Department of Natural Resources. Within such a structure, fragmentation and dispersal among natural resource, including ocean and atmospheric, programs could be overcome, truly comprehensive and balanced national natural resource policies can be implemented, priorities established among these policies and coordinated programs initiated to implement the policies.

We feel that the role of ocean resources and ocean resource management should be developed within an overall national resources context involving all natural resources, whether terrestrial or oceanic in origin. At the policy implementation and operating level, however, the new organization must maintain a well defined ocean resources management focus.

Accordingly, NACOA visualizes that an effective new Department of Natural Resources would be internally organized to provide strong management attention to each of four major foci with strong relationships established among them.

- (1) Ocean resources management,
- (2) Land and water resources management,
- (3) Environmental research, technical services and information, including oceans, atmosphere, and solid earth, and
- (4) Natural resources policy and planning.

The concept of ocean resources should include the use of the ocean as a resource in its own right. This would include its use for marine transportation and shipping, for waste disposal, for siting energy facilities and other structures and for recreation as well as for the fish, minerals and energy resources it contains.

The ocean resources management function would include responsibility for establishing resource production and usage goals in recognition of supply and demand projections, determining the appropriate means to achieve the goals, and bringing the means to bear in light of policy constraints regarding national priorities, conservation and laws governing the protection of the environment. The ocean resources management function would also include responsibility for determining the economic and social consequences of proposed marine and coastal development activity, determining the probable impacts on other developmental efforts and the environment, determining the tradeoffs of alternative development strategies, regulating ocean and coastal activities in accordance with law and established policies, and the planning, funding, and arranging for the conduct of marine-related public works of national importance. Agencies currently active in these areas include National Oceanic and Atmospheric Administration, the Maritime Administration, the Bureau of Land Management, the Geological Survey, the Corps of Engineers, and the U.S. Coast Guard.

Within a Department of Natural Resources, the research, scientific services and information function could be consolidated into a major grouping concerned with all the natural resources under the purview of the Department. This function covers responsibility for carrying out scientific, engineering and service activities necessary to assure the timely availability of the scientific, technological and environmental knowledge needed to support natural resource policy and management decisions. In addition, this function would provide for the support and dissemination of appropriate technical information and scientific services. Many ocean-related research and technical services activities cannot be effectively carried out if separated from those that are not directly ocean-related. These include, for example, programs based on observing and understanding natural phenomena which reflect the interaction of sea, air, and the solid earth which underlies both, and the hydrologic cycle which renews our streams and lakes through the process we call weather. These activities are presently carried out by the National Weather Service, Civil Mapping Service, the National Satellite Service, the Environmental Data Service, and the Geological Survey.

While NACOA is attracted by the prospect of a Department of Natural Resources, it is strongly opposed to a plan that would merely move the National Oceanic and Atmospheric Administration into the existing Department of the Interior. We believe that marine affairs would be swallowed up by Interior's traditional land-based resource management orientation and interests. In addition, the movement of NOAA into Interior would not insure the integration and coordination of Federal marine and atmospheric scientific, observational, and informational programs that are required to support the marine resource management focus that we have in mind.

Other alternatives to a DNR require a strong, continuing White House policy, planning, and coordinating body such as a marine council. The DNR would benefit by such a body but might do with the Presidential Review Memorandum process for this purpose.

CONCLUSION

In conclusion, NACOA strongly supports your Committee's effort to establish a national ocean policy and to provide a better organizational framework not only for the marine and atmospheric functions now carried out within NOAA and the Department of Commerce but by the other agencies in the Federal Government as well. The passage of an organic act for the National Oceanic and Atmospheric Administration is an important step towards putting our ocean affairs in good order.

STATEMENT OF LEE WEDDIG, EXECUTIVE VICE PRESIDENT, NATIONAL FISHERIES INSTITUTE

Mr. Chairman, I am Lee Weddig, Executive Vice President of the National Fisheries Institute. With me today is Gustave Fritshie, Director of Government Relations for the Institute. The Institute is pleased to appear before the Committee to comment on S. 2224, the National Oceanic and Atmospheric Administration Organic Act, and to present our views on the potential reorganization of the Federal government in the areas of natural resources and environmental functions. Both of these issues are important, as they relate directly to the mandate facing this nation to develop a national ocean policy.

In recent years, the ocean has been increasingly recognized as a source of important renewable and nonrenewable resources such as fishery resources, oil and gas, manganese nodules and as an environment utilized for recreation, commercial transportation and the dumping of waste. In addition, Congress has found that man's activities within the land segment of the coastal zone has a significant impact on all resources located within the coastal zone.

In response to this awareness, the Congress enacted the Marine Research Protection and Sanctuaries Act (commonly known as the Ocean Dumping Act), the Coastal Zone Management Act of 1972, as amended in 1974 and 1976, the Marine Mammal Act and the Fisheries Conservation and Management Act. While each legislative measure mentioned has significant merit, no single legislative proposal accurately enunciates this nation's concern for a national ocean policy. Even more importantly, in every instance the legislation is not administered in an intergrated fashion which, if accomplished, could permit the de facto formulation of an ocean policy.

In many instances, this lack of intergrated management is due to the failure of Congress to mandate that actions by federal agencies be consistent in their administration of legislation and regulations which have an impact on the marine environment.

An exception to this is the consistency provision found in Section 307 of the Coastal Zone Management Act. Subsection (c) of Section 307 provides that each federal agency conducting or supporting activities directly effecting the coastal zone shall conduct or support those activities in a manner which is to the maximum extent practicably consistent with approved state management programs. While the scope and intent of this language is open to some legal dispute, it does provide a mechanism for mandating that federal activities effecting the coastal zone be consistent with a state's program. In subsection 101(c) of S. 2224, it is stated to be the policy of Congress that federal programs be consistent with one another in application, and that coordination and cooperation among administering agencies is vital. In the Institute's opinion, it will take more than just a statement of Congressional policy to provide proper coordination. Consideration should be given to a consistency provision in a comprehensive ocean management bill.

Mr. Chairman, there appears to be no dispute as to the need for a national ocean plan, nor with the position that the Congress, in past decades, has enacted separate legislative proposals which form a solid foundation for such a plan. The question which must be confronted by all interested parties is the organizational structure within which this evolving plan will be administered, and perhaps more importantly from our perspective is the priority given living marine resource considerations within such plan and organizational structure.

In comments submitted to the President's reorganization project, the Institute set forth three determinations which should be made by the Executive branch or any other group analyzing the effectiveness of legislation and the administration of that legislation. These factors are: (1) is the responsible federal agency effectively formu-

lating policies which reflect Congressional intent; (2) is there a proper interagency working relationship which permits other agencies of the government to submit input to the designated lead agency in a particular field; and (3) if there is inconsistency in the government's administration of a program, is it due to conflicting public laws or to policy development by agencies of the government? The Institute reviewed these determining factors with specific reference to the National Marine Fisheries Service. However, these determining factors are equally applicable to an analysis of an organizational structure which would administer a national ocean plan.

At this time, the Institute would like to comment on two publicized reorganization proposals which would effect NOAA as it is presently constituted. First, the consolidation of responsibility for land and ocean based resource activities within a Department of Natural Resources. The Institute has serious reservations as to the benefits to be gained by lumping these divergent resources into one department. We do not believe that the ocean based resource segment of a department would begin its existence on an equal footing with the more traditional land based resource responsibilities of the Department of the Interior. It is likely that funding decisions and other policy decisions will not be beneficial to ocean based resources.

A major component of the ocean's resources are the living marine resources utilized for food purposes by mankind. We believe that food resource concerns would be given even less consideration within a Department of Natural Resources than they would receive from an agency whose total emphasis is ocean oriented. The types of ocean resource decisions which may not receive proper attention in a land based agency include decisions with regard to ocean resource allocations and the multitude of problems created by conflicting uses of an important public resource. These reasons, we believe, strongly support the position that ocean resources should not be merged into a dominant land based agency.

Another proposal being strongly considered by the reorganization project is an expansion of the Department of Agriculture. The insertion of the living marine resource function within such an agency is based on the notion that fish are food, and food belongs within the purview of the Department of Agriculture. While fish are food, the Institute believes that the task of harvesting this resource, either in the wild or through ocean ranching or aquaculture, is in many ways different from the traditional food producing operations within the egis of the Department of Agriculture. More importantly, the budget of the Department of Agriculture exceeds the known value of the United States' fishing industry, and the Institute believes that the management and research and development needs of the seafood industry will be lost within the vast bureaucracy of the Department of Agriculture. Even more importantly, based on the recent news accounts, the Department of Agriculture has not been very successful in formulating the nation's farm policy, and the Institute has misgivings as to their ability to play an integral role in determining the nation's ocean policy.

If the above reorganization proposal is not satisfactory, what alternatives are supported by the Institute? The Institute can support any one of three forms of organization which have been proposed. First, the legislation before us provides a mechanism for expressing Congressional intent that NOAA be the lead civilian agency with responsibility for administering the nation's ocean policy. The continued status of NOAA as a segment of the Department of Commerce may provide NOAA with access to market development and economic assistance divisions within the Department of Commerce that may be quite valuable to the fishing industry. Indeed, that is one of the reasons for placing NOAA within the Department of Commerce under the earlier reorganization plan.

This can only work, however, if it is made clear that NOAA is more than just a scientific body, and that it has distinct responsibilities to develop and manage the living marine resources of the ocean in a manner which will benefit the nutritional and food needs of this nation and the world. For this reason, the enactment of legislation similar to S. 2224, as presently drafted, may not be satisfactory. We believe that the development of an ocean policy requires detailed Congressional review of the existing legislation, and recodification of that legislation and new proposals in a form which will clearly delineate the intent of Congress with regard to the use of ocean resources.

A second alternative would be the establishment of NOAA as an independent agency reporting directly to the President. A statement made by the Stratton Commission in this regard strongly supports such a structure.

"An independent agency can bring a freshness of outlook and a freedom of action difficult to achieve within an existing department. Its greater public visibility will draw stronger public interest and support. The head of an independent agency will be better able to organize the agency's activities to achieve the multiple purposes of

a national ocean program than would a larger organization in which other interests are represented and perhaps dominant.”

The Institute strongly supports this statement, especially in view of the multiple and occasionally conflicting uses which will be prevalent in any ocean program.

The seafood industry can ask for nothing more than an opportunity to present its position to the head of the independent agency without fear that a larger federal department may have conflicting views which will dominate the decision making process.

Finally, the Institute can support the establishment of a Department of the Oceans, as proposed last Congress by Senator Hollings. In an address to the Institute's annual convention in 1976, Senator Hollings stated:

“With so much at stake, the United States should long since have developed and implemented a comprehensive ocean policy. To my mind there is overwhelming and compelling logic which supports the broadening of the independent agency concept to a cabinet department. No other approach offers the authority, the flexibility and the public visibility. If we are to meet the challenge of the ocean, these are the prerequisites that are needed—authority, flexibility and public visibility.”

The reasons set forth in this speech in support of such a department are as valid today as they were in 1976.

In conclusion, Mr. Chairman, the Institute supports the development by the Congress, the Administration and all interested parties of a national ocean plan. We believe that the Congress has previously enacted legislative proposals which can be the core of such a plan, and that it is important for the Congress to establish a proper organizational structure and to insure that all legislative components of the plan are compatible and do not contain conflicting policies and goals. In our opinion, the pending reorganization project within the Administration may be deficient to the extent that the Office is considering reorganization for reorganization's sake, rather than determining answers to the basic questions which we outlined above.

The Institute stands ready to continue a dialogue on this issue with the Congress, the Executive branch and all other interested parties in order to expedite consideration of a national ocean plan. It has been almost ten years since the publication of the Stratton Commission Report, and it would be deeply regrettable if another ten years were to elapse before a national ocean plan is determined.

Thank you, Mr. Chairman, and we would be pleased to respond to any questions that you or other members of the Committee may have.

STATEMENT OF THE AMERICAN PETROLEUM INSTITUTE

The American Petroleum Institute, a nationwide trade association representing all segments of the petroleum industry, wishes to submit for the record these views on the pending bill, S. 2224, “National Oceanic and Atmospheric Administration Organic Act.”

These views are the product of the industry's close involvement in the activities of one of the Administration's primary segments—the Office of Coastal Zone Management. This involvement has been necessitated by the fact that the Coastal Zone Management Act, which is administered by OCZM, is having a significant and lasting impact upon the discovery, development and delivery of domestic energy supplies. Our industry is also deeply interested in NOAA's Marine Sanctuaries Program.

Our general conclusion, after a careful review of S. 2224, is that its enactment would serve to perpetuate the present mechanism for management of the coastal zone and the duplicative, overlapping and potentially disruptive system under which the Secretary of Commerce and the Secretary of the Interior must divide the responsibility for vital decisions regarding the development of petroleum resources on the Outer Continental Shelf.

Since management of the coastal zone and of the Outer Continental Shelf lands is essentially a natural resource management function, it is our considered opinion that both areas should be the undivided responsibility of an expanded Department of the Interior whether it be termed a Department of Natural Resources, Department of Resource Conservation or by any other name.

As the Committee members know, the creation of such a new Department is one of the options being considered at the present time under the President's Natural Resources/Environmental Reorganization Study. Regardless of the outcome of that study it seems to our members that a “NOAA Organic Act” should not be completed until it has been determined where this Administration will be located in any restructuring of the Executive departments. Moreover, we feel that now is the time for examining the usefulness of NOAA's role in resource management.

In our comments (attached) on the abovementioned study, we have suggested that the Office of Coastal Zone Management should be removed from the National Oceanic and Atmospheric Administration and located within a new Department of Natural Resource which would have the responsibility for the management of all Federal lands.

We also have recommended, in our comments on that study, that NOAA should not be given additional powers or statutory, permanent status; and, that in lieu of the present structure, NOAA should be broken down and its component parts reestablished within existing or newly created agencies. For example, the National Ocean Survey should, in our opinion, be transferred to the U.S. Geological Survey and all future marine minerals programs should be the responsibility of the Survey as well.

These recommendations, particularly the one relating to the creation of a new and expanded natural resources department, have been put forward by others who have been participating in the President's Natural Resources/Environmental Reorganization Study and we urge you to give them careful consideration before you recommend enactment of S. 2224.

As indicated earlier, we are concerned that NOAA's role in coastal zone and OCS resource management functions does not lend itself to support of current national policy—i.e., increased development of domestic energy supplies. The Department of Commerce, in our judgment, does not have the expertise to answer difficult coastal and OCS resource questions. Instead, that expertise is clearly found within the U.S. Geological Survey and the Bureau of Land Management of the Department of the Interior.

Instead of placing responsibilities for such decisions in the Federal agency best qualified to make them, the present arrangement in many instances divides these responsibilities between two agencies with potentially conflicting policy orientations. This does little to contribute to the realization of national policy goals.

To be more specific on this point: Through its administration of the Coastal Zone Management Act, NOAA—or its Office of Coastal Zone Management—has the power to approve or disapprove state coastal zone management programs. These programs, in turn, regulate many activities in both the coastal zone and the Outer Continental Shelf associated with energy developments, despite the fact that many of these activities, particularly on the OCS, are carried out only under Federal licenses, permits or leases. NOAA also appears to have an increasingly determinative role in OCS operations through its stewardship of the Marine Sanctuaries Program.

These activities include not only the on-shore establishment of such facilities as pipelines, supply bases, etc., but the entire range of petroleum operations beyond the states' boundaries—i.e., the drilling of exploratory wells, the construction of platforms and gathering lines, and other development and production activities.

Thus, we have what is tantamount to a form of state regulation (under rather indirect Department of Commerce overview) despite the fact that the primary responsibility for the regulation of offshore energy development is lodged in the Department of the Interior and the Department of Energy. Anomalous situations can readily develop in which applicants have satisfied Interior or Energy Department requirements but are precluded from proceeding with offshore development because of state requirements which have had the blessing of the Department of Commerce.

A more rational organization would house the current NOAA coastal management functions within Interior or within the new department which includes the Department's land management functions.

Finally, there is one specific provision of S. 2224 which causes us serious concern. Section 204(5) of the bill charges the Administrator with the responsibility of, among other things, "preparing and maintaining on a continuing basis an inventory of ocean and coastal resources." Other parts of the bill define both "coastal resource" and "ocean resource" so as to include "energy sources."

This could be interpreted as a clear mandate for NOAA's Administrator to embark on a program of Federal exploratory drilling for oil and natural gas in the coastal areas and on the Outer Continental Shelf. To show that it is not intended that the preparation and maintenance of an inventory of energy sources shall require such drilling, Section 204(5) should be clarified or, preferably, for the reasons stated below, should be deleted from S. 2224.

On this point, we would call the Committee's attention to the fact that during its recent consideration of a bill (S. 9) amending the OCS Lands Act, the House of Representatives—very wisely, in our judgment—voted to delete several provisions which would have permitted agencies of the Federal government to do what is commonly referred to as "wildcat drilling." It is our judgment that the final version

of S. 9 (the bill is now before a Committee of Conference) will not provide for "Federal exploration" because the Congress recognizes that the financially risky, technologically difficult and time-consuming process of exploring for oil and natural gas is an ever-continuing one which can only be performed effectively and efficiently by the private sector.

Moreover, this same bill provides for an inventory of oil and gas resources on the OCS by the Secretary of the Interior. In passing its version of S. 9, the House emphasized that this inventory process is not to include Federal exploration.

Thus, when the bill is enacted, the Congress will have ordered an inventory similar to that required by section 204(5) of S. 2224. To include this provision in any NOAA organic Act would, in our judgment, be duplicative and unnecessary.

NATIONAL FISHERIES INSTITUTE, INC.,
Washington, D.C., February 2, 1978.

Mr. WILLIAM H. HARSCH,
Deputy Associate Director, Natural Resources/Environment Division, Executive Office of the President, Office of Management and Budget, President's Reorganization Project, Washington, D.C.

DEAR MR. HARSCH: The National Fisheries Institute appreciates the opportunity to comment on the proposed reorganization study of natural resources and environmental functions. Prior to the formal announcement of any reorganization proposal, we believe it is important that the government seek the views of all interested parties, and we welcome this opportunity.

While the scope of the reorganization study is broad, the Institute will limit its comments to a discussion of renewable natural resources and environmental protection. As a national trade association representing the seafood industry, the Institute has been extensively involved in the management and development of our fishery resources and in seeking to protect the aquatic environment in which such resources are located.

In any review of the Executive branch's administration of laws concerning our fishery resources and the environment, the Institute believes it is necessary to determine: (1) if the lead Federal agency designated by Congress to administer a particular program is effectively formulating policies which reflect Congressional intent; (2) if there is a proper interagency working relationship which permits agencies and departments to submit valuable input to the designated lead agency; and (3) if there is inconsistency in the Federal government's administration and regulation of a particular program due to conflicting public laws or to policy development by Federal agencies.

AGENCY POLICY/CONGRESSIONAL INTENT

The Institute believes that the activities of Federal government agencies which affect the decision making process regarding fisheries management and development are not in all cases consistent with the mandate of Congress. In recent years, the Congress, as evident by the adoption of the Eastland resolution, the enactment of the Fisheries Conservation and Management Act and consideration of development legislation, has expressed concern with the status of this nation's commercial and recreational fisheries and an awareness of the need for expanded fish harvests as an important food protein source. In our opinion, paramount in the past deliberations of Congress was the need to provide for the economic restoration of the commercial fishing industry and to prevent the demise of important renewal resources through over-fishing, primarily by foreign fleets.

The Federal government has been tardy in recognizing this Congressional intent, both prior to and subsequent to the adoption of the Fisheries Conservation and Management Act. The lack of interest within the Office of Management and Budget in the institution of Federal development programs or expansion of existing programs for commercial fisheries is legend, and we have not received any indication that this position has changed. During the Law of the Sea negotiation, the Department of State, in all instances, did not recognize the precarious status of our fisheries and the need for strong action by the Congress and the Administration to protect these resources as a food protein source to be developed by the American seafood industry. Finally, at times it appears that the National Marine Fisheries Service, in exercising its management functions in conjunction with the regional councils under the FCMA, is not sufficiently cognizant of the value of our fisheries as a food source and to the need for the development of our domestic industry.

INTERAGENCY RELATIONSHIPS

The Institute does not believe that an effective working relationship exists between the lead Federal fisheries agency (the National Marine Fisheries Service) and Federal agencies which have the prime responsibility for environmental protection. In addition, the Service does not participate in Congressional deliberations regarding environmental legislation. It is probable that the lack of this working relationship is due in part to the lack of a Congressional mandate for the Service. Notwithstanding this, NFI believes that Federal agencies should be able to develop an interagency mechanism where clearly appropriate without specific Congressional authority. Further, in instances when the Service can testify on environmental issues, we believe it should.

During Congressional consideration of amendments to the Federal Water Quality Act Amendments of 1972, the Institute was not aware of substantial input by the Service, either in the form of oral testimony or expert assistance, to the Congressional committees. The bioaccumulation of toxic substances and pesticides in fish and shellfish seriously affects the industry, and the Institute is of the opinion that the Service could have provided significant testimony with regard to the impact of toxic substances and the need for stringent controls during this process. Clearly, the Environmental Protection Agency does not have the sole responsibility for the achievement and maintenance of fishable waters. In this regard, the Institute references the language of the Fisheries Conservation and Management Act.

In related environmental areas, the Institute does not believe that the Service is sufficiently involved in Federal decision making with regard to pesticide registration, dredge and fill permits, off-shore oil leases and the development of coastal zone management plans. These Federal and state activities have the potential to significantly affect the status of our renewable fisheries resources.

PROGRAM INCONSISTENCY

Inconsistency does exist at the Federal level with regard to the comprehensive management of our renewable resources in the aquatic environment. It is difficult to regulate and manage fishery stocks based on the concept of optimum yield which is the maximum substantial yield of that fishery as modified by any relevant economic, social or ecological factor and not provide for the regulation of marine mammals and other species which utilize the aquatic environment. There is a complex interrelationship between all species in the aquatic ecosystem, and the significant development of one particular species such as marine mammals automatically has an impact on fishery stocks. The Institute believes that the inconsistency is not caused by Executive agency action, but rather as the result of divergent policy determinations by the Congress as set forth in the Fisheries Conservation and Management Act, the Marine Mammal Act and the Endangered Species Act. In our opinion, it will be necessary at some point for the Congress to review this issue and provide a mechanism which more effectively permits unified Federal action with regard to all species in the marine ecosystem.

RECOMMENDATIONS

Based on our identification of specific problem areas above, the Institute offers the following comments with regard to organizational alternatives for Federal natural resources and environmental programs. The Institute is strongly opposed to the institution of organizational changes just for the sake of change. It is not clear that a shift in the placement of our Federal responsibilities concerning renewable fisheries resources and other aquatic components will necessarily result in the more effective implementation of a Congressional mandate.

In our opinion, existing deficiencies can be alleviated by: (1) a conscious decision by the Secretary of Commerce to place increased emphasis on this program; (2) a decision by the Office of Management and Budget not to oppose existing or proposed Federal programs which will assist the domestic fishing industry; and (3) the restructuring of the National Marine Fisheries Service to provide for the more effective and efficient operation of this function. The Institute has submitted recommendations to NOAA in this area, and a copy is attached for your consideration.

If the proper reorganization is undertaken within the Service, we believe that the importance of fish as a food protein source will be recognized, both in the context of international negotiations where the Service will perform a more important role in conjunction with the State Department and in the utilization and development of these resources as a food source. Increased emphasis will also be placed on environmental protection. We believe the Department of Commerce will place increased emphasis on the importance of fish as food and the need to provide increased support for fisheries from other agencies within the Department.

The Institute, based upon our preliminary review, does not support the transfer of fishery programs into either a Department of Natural Resources or a Department of Agriculture or Food Resources. Many reasons can be cited for this position, but the prime reason is the dilution which will occur if fisheries are placed within either proposed Department. The Institute for some time has supported efforts to enhance the identity of fisheries within the Executive branch, and these proposals, in our opinion, would represent, a regressive step. It is possible that the final proposal with regard to placement within either agency may provide the necessary independence and visibility for fisheries, and the Institute reserves its right to submit further comments.

If it is determined that the administration of the government's fishery programs will be improved through reorganization, we request serious consideration be given to the establishment of: (1) an independent status for NOAA; or (2) a Department of the Oceans. Either proposal would elevate fishery programs and provide an independent and more visible spokesman in the Administration for the seafood industry.

Again, the Institute appreciates this opportunity to comment on the proposed reorganization of natural resources and environmental functions within the government, and we look forward to further opportunities to submit our views. In our opinion, it is proper and necessary for the government to consider whether or not it is effectively administering Congressional mandated programs, and we commend the Administration for its willingness to undertake this exercise. If the Institute can be of any further assistance to the reorganization efforts, please do not hesitate to contact me.

Sincerely yours,

GUSTAVE FRITSCHIE,
Director, Government Relations.

PRESENTATION OF THE NATIONAL FISHERIES POLICY CONFERENCE STEERING
COMMITTEE

The National Fisheries Policy Conference is made up of national and regional representatives of the various industry segments of the United States fisheries. These groups include producers, processors, boatowners, and labor. The Conference offers the Congress and the Executive Branch united views from the nation's fishing industry on specific issues. Members of the Steering Committee of the NFPC are Washington, D.C.-based representatives of those national organizations belonging to the full Conference.

The purpose of this meeting with Mr. Frank is to present the concepts and organizational structure this Steering Committee has developed and recommends for effective and efficient operation of the government's fisheries function. The attached document contains a diagram and a brief description of how the proposed agency would work. This document reflects the thinking of Steering Committee members, whose responsibility has been to express the framework through which the government and the industry can best respond to the duties and challenges of serving the public interest with regard to the nation's fisheries.

We appreciate the opportunity to present our recommendations to you, and we welcome any questions or discussion of them.

NFPC STEERING COMMITTEE

National Canners Association, Kathryn Nordstrom
National Federation of Fishermen, Lucy Sloan
National Fisheries Institute, Lee Weddig
National Fishmeal & Oil Association, Thomas Reynolds
National Shrimp Congress, William Utz
United States Tuna Foundation, David Burney

GENERAL STATEMENT

The National Fisheries Policy Conference Steering Committee has developed the attached recommendation for the form of the reorganized fisheries agency because we think this format will achieve several major objectives. Among these are to coordinate the agency's work with the management responsibilities of the Regional Fishery Management Councils, and to increase utilization and development functions within the agency.

This format is consistent with the recommendations the fishing industry made last December.

The Policy Conference passed a resolution which said, "Resolved that: the fishing industry must expend every effort to ensure that the fishing industry have established in whatever Department of the Executive Branch wherein lies the responsibility for fisheries, an Assistant Secretary for Fisheries with at least two deputy assistant secretaries. One deputy assistant secretary to be charged with responsibility for fishery management, regulations, etc. The other to be charged with the responsibility for fishery development. Each deputy assistant secretary is to be provided with separate budget requests, forces, and funding * * *"

And the Eastland Fisheries Survey, a nation-wide, Congressionally mandated study of industry's and sportsmen's views on the future of United States fisheries recommended, "Consolidate all federal fishery-related activities within a single department. Designate a Fishery Agency within this Department with the responsibility for fishery management and development whose Director shall report to the highest possible Department level. The Fishery Agency should have jurisdiction over inland as well as marine fishery functions * * *"

The Policy Conference Steering Committee format calls for four Deputy Assistant Administrators, each with direct, visible lines of authority and communication with the Assistant Administrator for Fisheries. Following the December recommendations, The Steering Committee recommends a Deputy Assistant Administrator for Resource Management and a Deputy Assistant Administrator for Utilization and Development. Additionally, because both the agency's international and regional responsibilities have increased with the passage of the Fishery Conservation and Management Act, the Steering Committee recommends a Deputy Assistant Administrator for International Affairs and a Deputy Assistant Administrator for Field Operations.

MANAGEMENT PHILOSOPHY

Permitting domestic commercial and recreational fishing under sound conservation and management practices to realize the full potential of the Nation's fisheries resources is one of the expressed purposes of the Fishery Conservation and Management Act. To do this does require that the Regional Councils and the fisheries agency concerned with fisheries management consider the ecosystem as a whole, not just discrete subunits thereof.

We, as a food-producing industry, are part of the ecosystem. At what levels of efficiency we are permitted by various management plans to utilize different stocks will have a significant impact on whether or not our Nation will realize the full potential of its fisheries resources.

Achieving this full fisheries potential will require we, as an industry, work with the fisheries agency and with the Councils to assure that the fisheries habitats on which we depend for our product are managed in ways which will ensure the greatest amount of product available to the Nation and to the world.

Further, realizing this potential need not in practice conflict with ensuring that certain other species remain significant functioning elements in the parts of the ecosystem in which they exist. But the converse may not be true, for if management plans were to call for continuation of artificial isolation of certain components of the ecosystem from the ecosystem as a whole, then it is entirely likely that instead of achieving optimum balance among food production and recreational and aesthetic benefits, we might have an imbalance which emphasizes aesthetic benefits.

Finally, with the FCMA, the Regional Councils have principal responsibility for seeing that management of our fisheries resources does follow the conservation and management standards the law establishes. The Fisheries agency is therefore, charged with the responsibilities of (1) helping to assure that the Councils are adequately funded to carry out the necessary management planning; and (2) establishing at both the national and the regional levels formal, effective liaison with the eight Councils.

JOB DESCRIPTIONS

Assistant Administrator for Fisheries

The Assistant Administrator for Fisheries should be a leader and spokesman within the Federal bureaucracy on behalf of a national fisheries program, a program which encompasses the goals of optimum utilization of fishery resources.

This leadership should result in an aggressive agency with the goals of assuring management of the fisheries resources at the direction of the Regional Councils; development of a profitable commercial industry; and enhanced recreational opportunities.

The Assistant Administrator must be able to relate to the scientific community, the resource users, the Congress, and other Executive agencies.

The individual should have administrative and communications capabilities, but more important, he should have a current working knowledge of or experience with the fishing industry or fishing industry-related business as well as broadly-based views on the value of fisheries to society.

Deputy Assistant Administrator for Resource Management

The Deputy Assistant Administrator for Resource Management will be responsible for assuring effective liaison with the Councils; research; enhancement; habitat use; coordinated management of marine mammals and endangered species; economics; and domestic enforcement.

Having marine mammals and endangered species management as a function of the resource management office is consistent with the industry-wide philosophy of management of the entire ecosystem, not just protection of certain elements in that system.

The Deputy Assistant Administrator for Resource Management would work closely with the Deputy Assistant Administrator for Field Operations to ensure that the regional management functions which parallel those in the Washington office will be coordinated, not duplicated. He will also work with the Deputy Assistant Administrator for International Affairs for effective overall enforcement practices. And he will coordinate his programs with those under the Deputy Assistant Administrator for Utilization and Development, with particular attention to those programs involving enhancement, habitat use, and aquaculture.

Deputy Assistant Administrator for Utilization and Development

The Deputy Assistant Administrator for Utilization and Development will be responsible for all functions relating to the utilization and development of fisheries resources. In conjunction with the Regional Offices, the National office will determine policy for implementation. This office will be responsible for both commercial and recreational development and utilization.

The U/D operation would be divided into three sections: Development; Aquaculture; and Product Quality and Safety.

Development would have several subdivisions to coordinate: commercial development projects; recreational development projects; financial assistant; consumer education and marketing (the National Education Center would report here); economics and statistics; and coordination of Federal purchase of fishery products, including school lunch programs.

As regards aquaculture, the Deputy Assistant Administrator would coordinate all Federal involvement in aquaculture research and development, and he would work closely with the Deputy Assistant Administrator for Resource Management on programs involving enhancement and habitat use.

All of these functions, with the exception of the Federal purchase office, would have operating personnel in the Regions.

The Product Quality and Safety activity would also not operate in the Regions. It would include the inspection branch, a standards branch, and a national nutrition and safety laboratory responsible for such programs as microconstituent research; processing safety research; product quality research; and nutrition research. This laboratory's capabilities would be available to the Federal purchase department.

The Product Quality and Safety activity would have direct liaison responsibility with the Food and Drug Administration, the Environmental Protection Agency, and the Department of Agriculture through the agency's interagency liaison office.

Deputy Assistant Administrator for International Affairs

The Deputy Assistant Administrator for International Affairs should be an experienced negotiator, capable adequately to represent the United States as chief negotiator in any international bilateral and multilateral management negotiations. He would also represent the agency in all interagency discussions and programs involving foreign affairs.

In addition, he would have the responsibility for coordinating with the Coast Guard enforcement of foreign fishing in the United States' 200-mile fishing zone. This latter responsibility would include his being involved in the promulgation of the regulations governing foreign fishing.

Finally, he would work with the Deputy Assistant Administrator for Resource Management to coordinate foreign fishing enforcement programs with those for domestic fishing.

Deputy Assistant Administrator for Field Operations

The Deputy Assistant Administrator for Field Operations will have responsibility for four regions: the Northeast (New England, Mid-Atlantic, and the Great Lakes); Southeast (South Atlantic and the Gulf); Northwest (including Alaska); and Southwest. The four Regional Directors and the four Center Directors will report directly to the Deputy Assistant Administrator for Field operations. It is strongly recommended, however, that to promote coordination and cooperation, that there be a better working relationship between the Regional Offices and the Centers.

In each Region there will be two Assistant Deputy Directors (ADDs), one to handle resource management; the other, utilization and development. Under the Management ADD will be the functions of enhancement, enforcement, research, Council liaison, and habitat and environmental protection. The U/D ADD will supervise programs for marketing, financial assistance, commercial and recreational development, and economics, statistics, and market review. This regional organization duplicates that of the offices of the Deputy Assistant Administrators for Resource Management and Utilization and Development in the NOAA headquarters.

Technical experts should be concentrated in the regions, rather than in Washington. This would minimize screens or filters among those professionals. Economics capabilities at the regional level sorely need strengthening.

Finally, the Deputy Regional Directors should be in the Regional to serve their immediate superiors most effectively.

[The following information was referred to on p. 56.]

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON MERCHANT MARINE AND FISHERIES,
Washington, D.C., February 14, 1978.

PRESIDENT'S REORGANIZATION PROJECT

*Natural Resources Division, Executive Office of the President,
Office of Management and Budget, Washington, D.C.*

DEAR SIR: We have reviewed your policy options with respect to possible reorganization proposals for natural resources and environmental programs and submit herewith our comments on such proposals.

Given the broad and general nature of your options, our comments are necessarily conceptual and relatively non-specific, although we will refer to certain of the proposals as examples. Our comments do contain proposals which we believe retain consistency in underlying principles.

It should be well understood that we expect our dialogue to continue as your proposals are further refined. It will be incumbent upon the President, in presenting any reorganization proposal to the Congress, to establish beyond a reasonable doubt that such reorganization will significantly improve the operations of the Federal Government and will address problems associated with the current organization. In view of this, it is important that the Congress be given the opportunity for additional formal comments on the options that will go to the President.

During the 94th Congress, the Subcommittee on Oceanography held three days of hearings on national ocean policy. In his statement before our Subcommittee, then Secretary of Commerce, Elliot Richardson, listed four factors which differentiate ocean-based activities from those on land:

First, all ocean resources are in the public domain. Decisions on the allocation of ocean resources and their conflicting uses, therefore, become public policy decisions for governmental institutions to deal with in the public interest.

Second, there is a closer interrelation between ocean activities than there is with respect to land activities. Occurrences in one part of the ocean may have significant impacts on the other parts of the ocean. Industrial development on the Chesapeake Bay can affect the striped bass population all along the east coast. Development of oil and gas on our continental shelves has enormous impact on the economy and environment of our coastal zones. A different kind of interdisciplinary and interjurisdictional effort is thus required.

Third, much of the technology for marine resource development is different from that associated with similar land-based resource development.

Fourth, the oceans constitute an area in which U.S. interests butt up against the interests of other countries. As we know from the initial steps we have taken to implement the Fishery Conservation and Management Act of 1976 or to deal with questions of deepsea mining, there is an important international ingredient involved in resolving oceans problems.

We agree with this analysis of the differences between ocean and land resources. Because of these differences, particularly the second and third, we have serious reservations about the advisability of consolidating responsibility for land-based and ocean-based activities into a monolithic Department of Natural Resources. It is rare to find individuals expert in matters both of ocean and land-based resources—the two are very different. Thus, the nation would be unlikely to gain much by having these resources managed by one department. That department would still require two separate bodies of expertise with relatively little of the interchange capability that normally would be the source of social gain.

On the more practical political side, it is obvious that a Department of Natural Resources would not be formed from the ground up. Its major component would presumably be what is now the Department of the Interior (DOI). As this would be the bulk of the new department, and given the normal dynamics of organizations, it is unlikely that ocean-based and land-based resource concerns would be starting on equal footing. We are concerned that this department would be heavily biased towards Interior's traditional land-based resource management interests at the expense of the oceans.

Ocean-based resource development has traditionally found itself competing with, rather than complementing, comparable land-based resource development. The finite nature of government's funding capability often requires that choices be made between competing concerns. We think that the priorities determining which of our nation's resources will be developed should be set at a higher and more visible level than can occur within the hierarchy of a single federal department.

In 1969, the Stratton Commission published a report entitled "Our Nation and the Sea" that discussed problems of ocean resource and impact management. This document is still highly regarded by members of the oceans community within Congress, the Executive Branch, academia, and industry. It has guided much of Congressional policy toward the oceans in recent years. To this day, most of its reasoning and conclusions remain sound. The Stratton Commission report foresaw an increasing dependence on the oceans for sustaining the welfare of the nation and, concomitant with such increasing dependence, increasing conflicts between mutually incompatible uses of the oceans. This was the first true recognition in Congress that the oceans are not the limitless environments they were once thought to be.

The major recommendation of the Stratton Commission was that an independent oceans agency be formed to contend with the special problems posed by the use and protection of ocean resources. We believe that given the special nature of its respective mission, NOAA should be an independent agency. On pages 232-233 of its report, the Commission makes the following assertion which we feel is still valid:

Nonetheless, the size and scope of the program recommended by the Commission to be conducted by NOAA are such as to require that NOAA, at least initially, be an independent agency reporting directly to the President, rather than an agency of one of the existing departments. Especially in getting a major and diverse effort underway, the case for independent status is compelling. An independent agency can bring a freshness of outlook and freedom of action difficult to achieve within an existing department. Its greater public visibility would draw stronger public interest and support. The head of an independent agency would be better able to organize the agency's activities to achieve the multiple purposes of a national ocean program than would an officer of a larger organization in which other interests are represented and perhaps dominate. He also would be favorably positioned to assist the President in the coordination of those technical and operational activities of other Federal agencies which relate directly to the marine mission. Furthermore, no existing department now has sufficiently broad responsibilities to embrace the full scope of functions proposed for NOAA or to accommodate all of the organizations which the Commission believes should be brought into the new agency.

We believe that the reasons why an independent oceans agency is preferable to the incorporation of ocean functions within a larger department are summarized as follows:

An independent agency has greater flexibility than an agency tied to a larger department. With a more direct focus on ocean programs and objectives, an independent agency could formulate its needs and programs without the necessity to accommodate the policy conflicts it would be likely to encounter in a larger department. Flexibility of this type is especially important with respect to the environ-

mental protection functions of an ocean agency, since conflicts between resource development and environmental protection are especially likely in the oceans.

An independent oceans agency would focus the attention of government policy-makers and the public at large on oceanic affairs and problems, thereby creating a more active "constituency" of interested and knowledgeable persons. In the past, interest in the oceans has been centered primarily in the scientific community. Yet the oceans are certainly deserving of attention as great as that which has been given to energy and environmental problems in the last several years.

An independent and comprehensive agency often cannot fit comfortably into any one agency or department.

The U.S. Coast Guard's collateral involvement with natural resources and environmental matters, incident to its broad range of missions, is indicated as falling within the ambit of this reorganization review. It is recognized that parallel studies, addressing other generic government functions such as law enforcement, also touch on certain Coast Guard roles and missions. The Committee has responded to these proposals separately as requested.

The history of the Coast Guard, from its inception in 1790 as a Customs law enforcement entity through its evolution into a geographically far-flung and integrated multimission agency, is not especially suggestive of a permanent optimal organizational home for the service. The Coast Guard, following a century and three quarters of continuous service within the Treasury Department, was merged with the newly-created Department of Transportation in 1966. There it has operated until now.

The present Coast Guard's organizational structure can best be characterized as a collection of multiple use assets, prepositioned in accordance with present needs of civil search and rescue and other program requirements. This administrative structure facilitates the allocation of resources on a geographic basis reflective of program needs among representative Coast Guard districts.

The Coast Guard's budget figures allocated to 220 odd cost centers (including bases, stations, ships, and aircraft) are artificially reconfigured to reflect costs attributable to specific programs. Nevertheless, these figures for 1977 (including \$36,235,000 for marine environmental protection activities and \$77,321,000 for fisheries management) when compared to the total Coast Guard budget of \$1.2 billion do yield an accurate approximation of the extent of Coast Guard involvement with the functions under consideration in this review.

Given the unique nature of the Coast Guard organizational structure and operations, it is difficult to find a natural peacetime setting for the service. Consequently, it is the considered opinion of this Committee that, of the possible reorganization alternatives indicated in the background paper under discussion, the option of leaving the Coast Guard in the Department of Transportation is strongly preferred at this time.

An overview of Coast Guard operations is demonstrative in this regard. Today's Coast Guard is involved primarily in marine transportation safety and security, involving persons, vessels, onshore and offshore facilities, inland waterways, and coastal waters. Coast Guard preeminence in this field is recognized world-wide.

Civil and criminal law enforcement and regulation of marine activities constitute the largest share of these responsibilities. Program emphasis is placed on preventive action in marine transportation safety, indicated by such programs as certification and inspection of personnel and vessels, initiation of ports and waterways surveillance and vessel traffic control systems, icebreaking, and the maintenance of fixed and floating aids to navigation and radio navigation systems. When preventive measures fail to keep the waterways safe, open, and free from pollution, corrective measures such as search and rescue of persons and property, imposition of civil and criminal sanctions, and pollution cleanup and containment are undertaken.

From a departmental perspective, there are positive signs that the Department of Transportation is moving in the direction of formulating and implementing a National Transportation Policy as it relates to the intermodal movement of hazardous materials. This is in response to the Congressional mandate of the Hazardous Materials Transportation Act of 1975. Removal of marine transportation might jeopardize this emerging coordinated regulatory process.

If the decision is made for whatever reason to move the Coast Guard from the Department of Transportation, then the Committee strongly recommends that the shift be made to an independent oceans agency. In this event, the Coast Guard could still remain an integrated multimission service of proven cost-effectiveness.

While, as indicated, there are some direct program linkages in the management of natural resources between regulation by the National Oceanic and Atmospheric Administration (NOAA) and Coast Guard enforcement, within an overall oceans agency orientation certain benefits could be anticipated to consolidate both func-

tions. These are chiefly in the inherent need in an oceans agency context for Coast Guard-operated platforms and sensors in the fulfillment of ocean management missions. Therefore, integrated use of maritime assets and personnel might be achieved from a merger of the Coast Guard with other Federal ocean-related single-mission agencies.

Further, we recommend that in light of the delicate environmental aspects and the specialized expertise required for such work, that part of the Outer Continental Shelf (OCS) oil and gas assessment and development functions be incorporated into the independent oceans agency. Our proposed arrangement would be based on a constructive separation and "balance of power" over OCS development and responsibilities between the Department of Energy and NOAA. Essentially, the Department of Energy, which should have the information and expertise to formulate domestic energy policy, would determine in any given year, in consultation with NOAA, levels of oil and gas production from the OCS. NOAA would, through its regulatory authority and knowledge and expertise regarding the marine environment, determine which tracts or areas of the OCS could meet the production quotas while providing for the protection of the marine environment.

Under this arrangement, BLM's current OCS environmental responsibilities would be incorporated into a new NOAA. This makes sense for a number of reasons. The value of the knowledge gained from conducting lease sale and development environmental studies could be effectively utilized by other NOAA programs. The fact that BLM currently contracts with NOAA for much of its OCS environmental responsibilities indicates that NOAA already has the vessels, labs, equipment, and personnel and is clearly the best suited Federal agency to conduct this type of work.

This arrangement would work in the following manner: 1. The preparation of a leasing planning schedule, presently conducted by the USGS and BLM, would be transferred to DOE and NOAA, respectively; and 2. The selection of areas for inclusion in a lease schedule is currently conducted by the Secretary of the Interior. This function would be assumed by DOE and NOAA. NOAA would assume the responsibility for environmental assessment with respect to the OCS.

Typically, an Environmental Impact Statement (EIS) on an OCS tract includes a description of the offshore and nearby onshore environment, a detailed tract-by-tract analysis on possible adverse impacts, mitigating measures, alternative proposals, the technology necessary for exploration, development and production, as well as possible onshore socioeconomic impacts. NOAA, which houses the Office of Coastal Zone Management, the National Marine Fisheries Service, the Marine Sanctuaries Program, the Office of Ocean Management, and the Office of Ocean Engineering is best suited to evaluate these considerations.

Throughout this process OCS oil and gas development plans must conform with approved coastal zone management plans of affected states. Additionally, environmental assessments accompany most steps along the way to actual production.

We have shown why an independent, experienced NOAA should be given certain responsibilities presently with Transportation (the Coast Guard) and BLM (OCS-related functions). Similarly, some changes in effective responsibility for anadromous fish and marine mammal management are also desirable.

Under Executive Reorganization Plan #4 of 1970, all functions vested by law in the then Bureau of Commercial Fisheries (BCF), within the U.S. Fish and Wildlife Service, and functions relating to migratory marine species of game fish, were transferred to NOAA. This transfer concerned Federal functions relating to certain marine mammals, anadromous fish, and in general to all fish within our coastal and off-shore waters. The 1972 Marine Mammal Protection Act also provided that NOAA would have responsibility, authority, funding and duties under the Act for members of the order *Cetacea* (whales and porpoise) and members, other than walrus, of the order *Pinnipedia* (seals and sea lions) while the Secretary of the Interior would exercise similar responsibility, authority, funding and duties with respect to all other marine mammals (dugongs and manatees, polar bears, walrus, and sea otters).

We believe that the Department of the Interior's responsibility, authority, funding and duties involving marine mammals and anadromous fish should be transferred to NOAA.

This would eliminate overlapping and inconsistent Federal management policies which affect the conservation, development and management of these resources. In this way, these resources can be consistently and efficiently managed throughout their migratory range—at least wherever the United States has jurisdiction and influence.

Finally, as we pointed out in the Stratton Commission Report, NOAA would be given an explicit mission to advance aquaculture. Based on hearings held by the Committee, it was determined that there are ten Federal agencies that have a direct

involvement and 11 Federal agencies with an indirect involvement with aquaculture. NOAA already has prepared a National Plan for the Development of Aquaculture and it presently leads an Interagency Committee whose mission is to coordinate all Federal activities in this area. Recently, this Committee reported legislation (H.R. 9370) which would provide for a massive aquaculture development program, require NOAA to prepare a national plan in consultation with other involved agencies, and authorized NOAA to guarantee loans, make direct disaster loans, and insure facilities and stocks of fish involved with aquaculture. In order to develop an aquaculture industry in the United States capable of meeting our fish protein needs and of contributing to the needs of the world, it is imperative that one agency be given appropriate authority to lead and coordinate Federal activities for this purpose. In every respect, NOAA is the best qualified agency to carry out this responsibility.

In conclusion, we feel that the best outcome would result from an independent NOAA and a Department of the Interior focused primarily on land-based resources that would be of a smaller more manageable size and suffer from few of the internal policy conflicts that an expansive DNR would experience.

Let us emphasize that the ideas we have presented here are by no means idle or impulsive. The issue of the organization of federal oceans programs has been extensively discussed by our Committee ever since the Stratton Commission report appeared in 1969. We strongly suspect that the predictions which the Stratton Commission made are generally coming true—though this has escaped the notice of most of the nation. By the beginning of the next century, the ocean will, in all likelihood, be a major source of our energy, food, and minerals. To not foresee this—to fail to structure the Federal Government's oceans functions in a manner conducive to strong, comprehensive and independent management—could be most unfortunate.

The Congress has demonstrated its enthusiasm for oceans programs over the past several years with numerous legislative initiatives, some of which were mutually recommended by the Stratton Commission. Unfortunately, past administrations have not responded with similar concern and, as a result, leadership in the U.S. oceans effort has come primarily from the Congress. The proposal for an independent oceans agency would be an excellent opportunity for the current administration to reverse this precedent and assume an important leadership role in the ocean area.

We look forward to working with you toward our common objectives.

With best regards,

Sincerely,

Philip E. Ruppe,
Edwin B. Forsythe,
Joel Pritchard,
John M. Murphy,
Robert L. Leggett,
John Breaux,
Mario Biaggi.

