James D. Watkins Admiral, U.S. Navy (Retired) Chairman U.S. Commission on Ocean Policy 1120 20th Street, NW Suite 200 North Washington, D.C. 20036

Dear Admiral Watkins:

I would like to take this opportunity to acknowledge the substantial effort of the United States Commission on Ocean Policy in its Preliminary Report, and to offer New Jersey's perspective. The ocean and coastal areas are critical to New Jersey's quality of life and economy. Good water quality and healthy beaches are essential to sustaining coastal ecosystems, providing abundant recreational opportunities, and attracting visitors. New Jersey actively works to improve its stewardship of the coast and ocean and is a national leader in coastal and ocean resource protection.

The report properly recognizes America's oceans and coasts as priceless assets, the health of which is fundamental to our prosperity and quality of life. The Commission's Preliminary Report furthers our understanding of the problems confronting ocean and coastal managers. The Report clearly describes the toll that human activity has taken on our coastal and ocean waters, from depletion of resources and habitat loss to impaired water quality, and identifies the issues of concern requiring reform. These findings document the need to take immediate action to protect and restore our coasts and oceans.

The core proposals of the Commission's Preliminary Report that concern ecosystem management, research, and education warrant our strong support. We concur with the recommendation that research and management of coastal and ocean resources must be based on an ecosystem approach to understanding the inherent complexity of ocean resources. We also strongly support the recommendations concerning education and outreach as fundamental to achieving the report's objectives.

The Preliminary Report calls for the deployment of a sustained National Integrated Ocean Observing System. Currently, New Jersey actively employs data from the Rutgers Longterm Ecosystem Observatory (LEO) to assess the health of and manage our waters. Based on our experience with the benefits of LEO, we concur that a sustained national Integrated Ocean Observing System would provide valuable data for implementation of effective ocean management measures. The Commission should urge the Administration and Congress to fund and support this effort fully.

The Preliminary Report's recommendations for fisheries management, particularly those concerning improved fisheries stock assessment and separation of stock assessment from allocation, are sound and have New Jersey's strong support. Fisheries management must

address key species at all trophic levels, not just those at higher levels. Furthermore, when harvest limits are employed, they must be based on sound science and must provide for a sufficient buffer to allow for species rebound rather than setting limits that merely maintain the fishery at the edge of collapse. Stock assessments should be supported by providing Federal funds to states and increased Federal funding to the National Oceanic and Atmospheric Administration (NOAA), rather than mandating that states impose salt water fishing license fees to fund the assessments as the Preliminary Report proposes.

The Coastal Zone Management Act (CZMA) now serves as the principal comprehensive coastal management tool through partnerships between states and federal agencies. I strongly support the Commission's call for reauthorization of the CZMA. The Final Report should emphasize that reauthorization must not weaken the CZMA, but rather should strengthen each coastal state's role in managing coastal and ocean resources through the federal consistency provisions. Specifically, the CZMA should be amended to ensure that coastal states have the right to regulate or prohibit offshore development, including offshore energy development, in areas offshore as far as the outer limit of the exclusive economic zone (EEZ). This principle of deferring to state preferences on these issues has been honored by successive presidents in the moratorium on California offshore energy development, and more recently by President Bush in the balancing of state interests at stake in offshore leasing in the Gulf of Mexico. The Commission should urge codification of this principle in the CZMA.

Strong coastal management programs require sufficient financial resources. Current funding levels are inadequate if state fisheries, coastal zone, watershed, conservation, and water quality programs are to implement the measures called for by the Commission. There is a need for robust and reliable federal funding for existing programs as well as additional funding for new initiatives.

As discussed in the Preliminary Report, ports are an indispensable component of the American economic engine. Both the Port of New York and New Jersey and the Port of Philadelphia and Camden are engines of the regional economy and the entry points for a broad range of goods distributed to millions of people throughout New Jersey and the nation. It is essential that the Federal Government continue to support the vitality of our ports and expand its investment in improving road and rail infrastructure that connects the ports with the nation, while at the same time protecting and enhancing the estuarine ecosystems in which the ports are located. In this light, the recent directive prohibiting the funding of new construction starts by the United States Army Corps of Engineers (USACE), which would affect both development and restoration projects, warrants the Commission's attention and strong opposition.

The Commission recommends development of a national strategy for sediment management that addresses impacts on marine environments due to agriculture, dredging, pollutant discharges and other activities that affect sediment flows or quality. We agree. The Preliminary Report focuses too narrowly, however, on in-water placement and disposal alternatives. The final report should look more broadly at beneficial use of

dredged material, to include use in the remediation of brownfield sites and closure of landfills.

The Preliminary Report recommends a National Ocean Policy Act to create a National Ocean Council that reports directly to the President. The Commission contends that a National Ocean Council is desirable to coordinate existing and future ocean programs and initiatives among agencies. We disagree. New Jersey believes that the same objectives could be achieved by giving NOAA the significant increases in funding and regulatory and enforcement authority that will be necessary to achieve the Commission's vision. Conversely, a National Ocean Council would be of little use if adequate resources and authority for NOAA are not forthcoming.

Recommendations concerning global climate change, with attendant increases in sea level and more frequent extreme weather events, are conspicuously absent from the Preliminary Report. For coastal states, these threats have significant implications for coastal development and for meeting our obligation to protect lives and property in coastal communities. Given the scientific consensus concerning the timing and probability of these impacts, the Commission has a responsibility to identify appropriate changes in national policy to prevent or adapt to these anticipated changes.

On behalf of the citizens of New Jersey, I applaud the U.S. Commission on Ocean Policy for providing me and my fellow governors with the opportunity to comment on the Preliminary Report. I also am grateful to Lillian Barrone and Vice Admiral Paul Gaffney USN (Ret.) for personally devoting time for a recent public meeting in New Jersey on coastal policy. Please call upon me or our Commissioner of the Department of Environmental Protection Bradley M. Campbell, if New Jersey can provide additional support in seeking prompt implementation of the Commission's fine work.

Sincerely,

James E. McGreevey Governor