

# Public Comments on the U.S. Commission on Ocean Policy's Preliminary Report

## *Topic Area: Funding*

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### **Comments Submitted by:**

- Bob Shavelson, Cook Inlet Keeper
- LT Brian Moore, U.S. Coast Guard

**ALASKA CONSERVATION ALLIANCE • ALASKA FORUM FOR ENVIRONMENTAL  
RESPONSIBILITY • ALASKA LONGLINE FISHING ASSOCIATION • ALASKA WILDLIFE ALLIANCE  
• CAMPAIGN TO SAFEGUARD AMERICA'S WATERS • COOK INLET KEEPER • NORTHERN  
ALASKA ENVIRONMENTAL CENTER • SITKA CONSERVATION SOCIETY  
THE WILDERNESS SOCIETY-ALASKA**

June 1, 2004

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

**RE: COMMENTS ON PRELIMINARY COP REPORT**

Dear Admiral Watkins:

**I. INTRODUCTION**

Thank you and the other commissioners for your important work on the Preliminary Report of the U.S. Commission on Ocean Policy. The undersigned groups represent thousands of Alaskans concerned about the sustainable use of coastal resources in the state with the nation's largest coastline – Alaska. While the undersigned may submit additional comments on the Preliminary Report elsewhere, we are writing today to focus your attention on two specific issues: the importance of local stakeholder involvement in local ocean and coastal resource decisions, and the preliminary decision to fund COP recommendations with Outer Continental Shelf oil, gas and other revenues.

**II. COMMENTS**

*A. Coastal Zone Management*

In Alaska, state officials have recently embarked on an aggressive agenda to revamp the Alaska Coastal Management Program (ACMP). For many years, the ACMP had been a model for balanced stakeholder involvement and coastal development. Recent changes, however, have largely removed local coastal district enforceable policies, and muted the voices of local citizens, groups, coastal districts and other concerned parties. Accordingly, we strongly support the Preliminary Report's endorsement of meaningful local stakeholder involvement, and we encourage the COP to embrace strong local participation in local coastal resource decisions, including but not limited to empowering coastal districts and their representatives in the CZMA consistency review process.

*B. Funding Mechanism*

The proposed recommendation for funding ocean and coastal protection will create a perverse incentive to develop – and potentially harm – the very marine and coastal resources it is meant to protect. At a time when local revenue sharing continues to decline from state and federal sources, the trust fund could create a major incentive for coastal communities and states to support OCS development in order to secure greater funding levels. Among other things, this mechanism will create pressure to open up frontier areas in Alaska fisheries to OCS development. Accordingly, the COP should replace the Trust Fund approach with funding from general U.S. Treasury revenues.

As it stands now, the current Trust Fund concept contains no apparent standard to ensure that the hundreds of millions of dollars allocated to coastal states will be spent in ways that help, not hurt, the environment. The following standard might be considered: *“The states shall use amounts provided under this title only for activities that contribute to or result in preserving, sustaining, or enhancing the health, diversity, or viability of natural coastal and marine ecosystems.”* Trust funds should not be allowed to support OCS-related infrastructure, including roads, port development, etc. Unrestricted use of the Trust Funds have the potential to wreak enormous damage to fragile coastal habitats, and the ability of coastal states to spend funds on damaging infrastructure should be tightly restricted or eliminated altogether. Language must be included that prevents the use of Trust Funds for damaging shore protection activities. The following standard should be considered: *“Trust Fund activities should not destroy wetlands, interfere with natural coastal processes, pollute, or otherwise damage the health, diversity, or viability of natural coastal and marine ecosystems.”*

Furthermore, the COP should be cautious about the pass-through of Trust Funds to local governments as long as the allowable uses remain potentially destructive and as long as the allocation is linked to new leasing. Local governments and Native Tribes have been at the heart of the opposition to offshore development in many areas of Alaska. As a result, any allocation of trust funds to state or local governments that is based on offshore oil and gas leasing must be based on leasing AS OF THE DATE OF ENACTMENT (the “snapshot” approach), as is done in HR 701 for OCS states. This will compensate state and local governments in OCS states for damage wrought by oil and gas development to date without encouraging them to accept more of it.

Finally, if the COP persists with the Trust Fund approach, the Alaska OCS and moratorium areas should be excluded as a Trust Fund funding source. This will eliminate the incentive for the many potential beneficiaries of Trust Funds to support more OCS development off Alaska and in current moratorium areas. This will become more important as OCS revenues from the Gulf of Mexico start to decline.

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### III. CONCLUSION

Thank you for the opportunity to comment on this important process. We urge you to seriously consider the recommendations herein. Please feel free to contact me at (907) 235-4068 ext 22 or [bob@inletkeeper.org](mailto:bob@inletkeeper.org) if you have any questions or comments.

Very truly yours,



Bob Shavelson  
Cook Inlet Keeper

On behalf of the following organizations:

Tom Atkinson  
Alaska Conservation Alliance

Stan Stephens  
Alaska Forum for the Environment

Linda Behnken  
Alaska Longline Fishing Association

Paul Joslin  
Alaska Wildlife Alliance

Gershon Cohen  
Campaign to Safeguard America's Waters/Earth Island Institute

Arthur Hussey  
Northern Alaska Environmental Center

Kenyon Fields  
Sitka Conservation Society

Eleanor Huffines  
The Wilderness Society-Alaska

***Comment Submitted by LT Brian Moore, U.S. Coast Guard***

I welcome and applaud your effort. However I question the source of funding. Considerably larger sources of injury come from land based discharges (river outflows especially.) Offshore commercial activity is quite closely regulated and monitored and operates under zero discharge conditions (even rain water falling on platforms is captured and treated or pumped off to shore based treatment.)

I propose a small levy on municipal and industrial wastewater discharges into rivers would be both a more equitable source of funding as well as a larger pool of payees to reduce the burden of support on any one entity?

And while exploration and production of minerals and petroleum resources has some impact on ocean environmental health, hopefully the commission will place its emphasis on the largest sources of damaging effects at the outset.

Very respectfully,  
LT Brian Moore, USCG  
Marine Safety Unit, Galveston, Texas  
ConocoPhillips Intern Summer 2004