I’d like to extend a warm welcome to you from Governor Gray Davis, the State of California, and the more than 34 million residents of this state. We Californians love our 1,100 miles of coast and we enjoy a spectacular array of marine resources.

We are honored that the U.S. Commission on Ocean Policy has come to California to seek our perspective on ocean and coastal issues.

Like other coastal areas in this country California is facing substantial management challenges. This morning I’d like to highlight some of those challenges and hopefully set the stage for the many experts that you have invited to speak over the next two days.

“A complex mix of single-purpose federal, State, and local ocean management statutes, and the agencies charged with implementing these laws, has led to a process that is sometimes duplicative, difficult to understand, and challenging to coordinate.”

For coastal states it’s difficult enough to figure out how to deal with the many offices and programs within the National Oceanic and Atmospheric Administration, let alone the complex interactions of all the other federal agencies of jurisdiction such as EPA, the Army Corps, the NMFS, USFWS, and others.

The area to be governed includes U.S. ocean waters from shore to the 200 mile limit and it’s a massive area. For example, this body of water is larger than the entire land mass of the United States.

- **Recommendation:** Elevate Ocean Management to the Cabinet Level. It’s time to re-visit some of the original Stratton Commission recommendations for a cabinet level agency devoted to this purpose. This agency should be guided by a new Ocean Policy Act that provides significant emphasis on ecosystem protection, rather than extraction, as a guiding principle.

**Incorporate Regional Governance Approaches**

California, and other coastal states, are seeing the advantages of regional approaches for management of ocean, coastal, and land resources. A regional approach can help us focus on areas defined by biological or physical oceanographic characteristics, as well as helping to bring in expertise from within the region. Some examples of regional efforts in California include:
• **Cal/Fed:** This historic process in California is seeking to resolve our water allocation issues and it simply could not function absent the use of a regional processes with participants from federal, state, and local governments.

• **Shoreline Erosion:** California is now working with the Corps of Engineers, local governments and others to create a “Master Plan” for coastal sediment issues and shoreline erosion. It will use a regional approach based on littoral cells (where sand enters and exits the nearshore ocean system) instead of addressing the issues on a case by case basis. I believe the Army Corps of Engineers will be addressing this program in their comments tomorrow.

• **Research:** The California Cooperative Oceanic Fisheries Investigations (CalCofi) have provided over 50 years of oceanographic and fisheries observations, as has the Southern California Coastal Water Research Project (SCCWRP). These efforts are providing information on larger regional areas and have been useful for management.

All of these regional approaches usually have participants from federal and state agencies. However, the current federal structure allows, but does not encourage, these regional governance arrangements.

• **Recommendation:** Create Regional Ocean Councils. These councils would be intended to provide coordinated approaches to a wide variety of ocean management issues. These councils could function within the structure established by a National Ocean Policy Act, as recommended previously.

Other Important Observations – Re: California Experience

**Stewardship**

**Fisheries and Marine Protected Area Policy.** California has made significant strides in developing new ecosystem based approaches to the protection of living marine resources. Some key approaches include those required by the Marine Life Management Act, the Marine Life Protection Act, and the Marine Managed Area Improvement Act. You will hear more about these approaches during your sessions on fisheries and Marine Protected Areas tomorrow.

Recommendation: Consider Recent California Approaches To Fisheries Management and Marine Protected Areas. The federal government should consider the ecosystem approach now required under the Marine Life Management Act, and the structured approach that California is now undergoing regarding marine protected areas through the Marine Life Protection Act and the Marine Managed Area Improvement Act. These approaches are relatively recent (within the last 5 years).
Water Quality

Water Quality Monitoring, Notification, and Restoration. California has a program of beach water quality standards, monitoring, notification, and restoration that began pursuant to 1997 legislation. This system is un-paralleled in this nation.

In addition, California has launched a $32.4 million Clean Beach program and most likely will invest more money in this program through our most recent bond measure. We also have the first non-point pollution control program in this nation to be approved pursuant to both the Clean Water Act and the Coastal Zone Management Act.

The good news is that we are well aware of our nearshore water quality issues and are attempting to address them; the bad news is that there is no national standard for this level of monitoring which makes it look like California has more problems than other urbanized shorelines.

- **Recommendation:** Establish a National System for Beach Water Quality. There needs to be national legislation to establish consistent water quality standards, monitoring requirements, and notification procedures which is backed up with federal support for states to implement them. We believe that California sets a good example for the kinds of requirements that should be considered.

Economics

Economic Contribution of the Ocean. California is one of the few states in the nation to have studied the economic contribution of the ocean to its economy. However, our data is now 10 years old, and has never been able to be compared with consistent data from other states (most other states don’t have such data).

The Ocean is a major sector of the US Economy, but unlike other major sectors, is not the subject of systematic data gathering, analysis, storage, and retrieval. Therefore, the economic contribution of the ocean and coast to the state and national economies is often under-valued or unknown.

California and other states are participating in the National Ocean Economics Project, which is a good start, but most certainly does not approach the level of commitment that will be necessary to institutionalize an ocean economic data system for the United States.

- **Recommendation:** Establish a National Coastal/Ocean Economic Assessment. The federal government needs to establish a consistent data collection, analysis, storage, and retrieval system to assess the impact of the ocean on the economy of coastal states and this nation. This is done for other sectors of the economy, but not for the ocean.
Concluding Remarks

We applaud your efforts to evaluate and help shape a new approach to the management and protection of this nation's coastal and ocean resources.

We chair the Ocean Policy Committee of the Coastal States Organization and are working with the organization on recommendations that are organized to parallel the committees that you have established for this commission.

Recommendations will address:

- ocean stewardship,
- economic sustainability;
- research, education, and technology development; and
- governance.

Currently the Organization is refining these recommendations in preparation for your upcoming Alaska meeting in August. Hopefully, the coordinated comments of 35 coastal states, commonwealths, and territories will provide significant insight.

We stand ready to assist you in your efforts in any way we can.