With that I would like to introduce

Bill Ruckelshaus, our chair of the Governance Working Group. He has two items, the first will be "Setting a

SETTING A NEW COURSE FOR OCEAN GOVERNANCE:

THE STRAW GOVERNANCE MODEL

MR. RUCKELSHAUS: Thank you, Mr. Chairman.

(A slide presentation is in progress.)

MR. RUCKELSHAUS: Commissions of this kind are really agents for change, and you will see in the first slide that we are setting a new course for ocean governance, the Straw Governance Model. "Straw" sounds a little bit like it is ready to blow away. This is not what we will call our final recommendation, obviously. Straw in the sense that we have not yet reached a conclusion on what our, the Commission hasn't, final
recommendations will be.

As the Chairman mentioned, some of the recommendations represent a consensus of the working group. However, as we hear from members of the Commission their reactions to what we have recommended, we certainly reserve the right, and indeed the duty, to amend our recommendations consistent with those comments of the other members of the Commission.
This is really, as the Chairman has mentioned, an iterative process in that we will make a set of recommendations, hear from members of the Commission later on today and members of the public who may express their own reaction to our tentative recommendations, and if we are persuaded that those recommendations make sense and should be added to those under current deliberation or should modify in some way what we are thinking about doing, certainly we should do that. That is the process that we are going through. Since this Commission is supposed to be an agent of change, it sort of underscores our devotion to change by recognizing that we will be changing between now and our final recommendations what you are going to
15 hear today.

16 The next slide, please.

17 The outline of our short presentation at the

18 beginning is an introduction some of which you have

19 already heard. We will then describe a national ocean

20 policy framework, which we are as a working group

21 recommending at this point, and then some discussion of

22 the phased approach that is inherent in this
recommendation.

The next slide.

As this slide indicates, the Commission will be making a number of recommendations, some of which you will hear today from reports of the other working groups. Many of these recommendations can be carried out immediately and some will take longer to implement.

In any event, it is our believe, our working group's belief, that if these recommendations are to result in change, in change policy, there needs to be some institutional underpinning that will drive the change.

Our Commission by the nature of the statute that created us goes out of existence once we make our recommendations, or at least shortly thereafter. Unless
there is some way for the executive branch or the legislative branch to continue to drive the change of the recommendations that we make, we are concerned that they will not result in any significant change.

What we are recommending is what we are calling at this juncture a "national ocean policy framework" to begin the process of undertaking the recommendations, the change recommendations that we are
making, and to see that the needed progress continues.

Our framework recommendation, as the slide indicates, is made with the recognition that the Commission is still considering a lot of options.

This recommendation for a structural change does in no way preclude recommendations that may be coming from other working groups, or in fact coming from our working group, having to do with consolidation of existing agencies, departments, or pieces of agencies or departments that are working on ocean policy where there may be some overlap, there may be some efficiencies to be gained by consolidation, there may be more national focus that can be put on the problems of the ocean as a result of these recommendations.
What we are suggesting here does in no way preclude recommendations which the Commission may later make having to do with consolidations themselves. It is important to note I think that most consolidations, except those that might occur within a department or within an agency, will take statutory change. That, as we all know, takes time. It does not happen overnight, and, in fact, it can take years.
What we think is needed is some institutional mechanism for pushing immediately some of the changes or recommendations that we are making, and at the same time guide the process whereby the statutes are both formed and constituencies are enlisted to support them including the members of Congress and then finally statutory change takes place. Recommendations relating to significant consolidations would, by the nature of those recommendations, take longer.

The next slide, please.

The framework that we are suggesting is that the President should act immediately through an executive order and create this national policy framework, which is composed of three pieces: an
Executive Office of Ocean Policy that would be headed by an assistant to the President, at least that is one version of how it could be done; a National Ocean Council; and then an advisory committee.

The next slide, please.

The national ocean policy framework in its first instance would include an Executive Office of Ocean Policy to be lead by a presidential appointee who,
as I mentioned, could well be an assistant to the president. In fact, that is currently what our working group thinks should happen. That office would be staffed as necessary both to support the activities of that office as well as the National Ocean Council, which is the second part of the national ocean policy framework.

Next slide, please.

The National Ocean Council would be chaired by this presidential appointee and made up of the principal agency departments that have significant ocean responsibilities. It would be a Federal council made up of Federal officials.

The reason for having the recommendation for
having this council chaired by someone separate from those existing agencies is that many of the functions which we think the council needs to undertake and could be undertaken immediately have to do with a resolution of disputes, the coordination of address of issues that need more improvement across federal agencies, and it would be difficult to accomplish that if the chairman of the council were in fact a member of one of those
agencies where more coordination or dispute resolution was necessary.

We think because the chair would be part of the White House itself it would give the council sufficient prestige and thrust to accomplish some of the difficult tasks which are being assigned to it.

The next slide, please.

The third part of our framework is an advisory committee that is much broader in its makeup. As this slide suggests, it could be made up of local, state, tribal officials, citizen groups of all kinds, representatives of industry, people who are broadly representative of the interests that are bound to be affected by any change relating to the ocean.
It is our feeling that if this framework is going to be effective it needs a group of distinguished representative Americans who can help advise the council and advise the Office of Ocean Policy as it moves forward. Obviously, that kind of council would have to operate under the terms of FACA, just as this Commission does.

Next slide, please.
We are recommending for some of the work that the Council would undertake, an assistant to the president would undertake, a phased approach. As many of the recommendations that we are making could be undertaken immediately, they wouldn't have to wait for statutory change or whatever more formal action would be undertaken by the Congress, I have already mentioned a couple of those.

For example, interagency disputes, the improved coordination of address of policies where multiple agencies or issues where multiple agencies' responsibilities sometimes conflict, sometimes overlap or sometimes are in fact consistent, but the need to coordinate what we are doing to effectively address
those issues, in fact, needs considerable guidance and coordination.

We believe it is necessary to develop a national ocean research plan to implement a National Ocean Data Center. The Council under our recommendation would have the affirmative responsibility of guiding those kinds of activities, not undertaking them necessarily themselves, or, for instance, in the case of
a data center, necessarily being the place where the
data was in fact centered, but guiding the development
of the data center so it is both relevant, consistent in
the way in which it is displayed, and made broadly
available to the people in the government or citizens
who need access to that data in order to guide
decisions.

There are a number of other kinds of
activities including monitoring the recommendations of
the Commission itself that can be undertaken by the
assistant to the president or by the Council itself that
need immediate address. If there is no institution
currently that would drive the recommendations of the
Commission, which there isn't, then we are concerned
those recommendations will simply go into the ether and
nobody will pay any attention to them. We think it is
important that they be followed up.

Next slide, please -- well, wait a minute,
back up one, sorry.

The three-phased approach is the approach that
we are recommending be taken to a longer range set of
recommendations.
Now next slide.

In Phase I, it is a three-phased approach that we are recommending, it would be the immediate action of the President by executive order to create this framework for ocean policy, that I have already discussed, that as is mentioned here that the Commission have this responsibility of monitoring and overseeing the recommendations of the Council, have the responsibility for overseeing and monitoring the recommendations of the Commission.

In addition to these kinds of activities, in Phase I -- the next slide, please -- would be Executive Office and the council working very closely with state and local governments, other citizens groups and
representatives and interests throughout the society in developing and building support for recommendations that in fact require statutory change.

It is our belief that those statutes have a better chance of being broadly supported and passing by the Congress if there is, in fact, a lot of work done ahead of time to understand what the nature of these statutes should be. We will have some specific
recommendations ourselves on what those statutes should contain.

However, when it comes to things like how to manage our coastal zone activities more effectively, it is absolutely essential in our judgment to include the states, include the local governments, include the people that will be most dramatically affected by the changes resulting from those recommendations in the deliberations that would lead to a statute that in fact would be introduced into the Congress.

There are several possible statutory changes that could result. At the bottom of this slide, some of them are mentioned. It could be a National Ocean Policy Act, which would involve several of the broader
recommendations of the Commission as it relates to setting broad goals and activities that would define the nation's address to ocean policy. We are considering, which I will discuss in more detail in the second part of this set of recommendations, the second generation of coastal management, which includes the creation of regional ocean councils. At the end of Phase I, or Phase I may
have last and in fact overlap in some cases Phase II, we
would end up with a proposed statute broadly supported
that would have included consultations obviously with
members of Congress as well as state and local
governments and interested citizens and groups around
the country.

Phase II would be the actual shepherding of
this, whatever statutory change was being recommended,
through the Congress. This would be in the hopes that
with the broad support that had been generated for that
statutory change during Phase I, including congressional
input, there would be in Phase II a much more
accelerated process of statutory change that would
occur, if we simply recommended a broad-based statute of
the kinds that are listed in that previous slide, and

hope that after it was recommended it was then possible
to generate sufficient support for it to get it passed.

Phase III is simply the implementation of the
statutory changes that would have taken place at the end
of Phase II.

Well, that is an obviously very shortened
version of our recommendation of the working group for
consideration by the broader Commission. I think, John,

now may be the time to get reactions from the Commission

and try to respond to any suggestions or questions they

have.

DR. EHRMANN: Mr. Chairman?

CHAIRMAN WATKINS: Bill, to what extent do you

feel, in the preparation of this from the working group

do you feel, that from the hearings we have had across

the country and from other inputs that the Commission

has received from outside studies like the National

Academy and others, do you think we have built the

detailed justification for the need for this framework?

I assume you do or you wouldn't recommend

this. But do you think you have them in hand in
sufficient detail that the rest of the commissioners can
have access to that information and feel comfortable
that the problems are so significant here to address,
because of what we have heard about a lack of
coordination and a lack of bottom-up to top-down
relationships, and so forth? Do you think the working
group is comfortable that you have that data in hand, or
do we need any more?
MR. RUCKELSHAUS: Let me answer your question two ways. I think that the information and support for the recommendations that we are making is, in fact, overwhelming as a result of the hearings we held, the input we have had from all kinds of groups in addition to the hearings themselves, the consultations that we have had with the executive branch of government, with members of Congress and with state and local government officials, that the need for some immediate address to some of the problems that were outlined is intense. I think in the nature of commissions of this kind getting that written down and spelled out in taking all of that enormous detail that we have generated and boiling it down into a persuasive case is what we need
to do as a commission, if a significant step such as we

are suggesting be undertaken by the President.

I think we have been at that, we have been

working at it, but I think we have more work to do in

order to make that case in as persuasive a way as we

can. I do think it is a necessary element and an

essential element if the kind of change we are

suggesting is going to take place.
DR. EHRMANN: Admiral Gaffney?

ADMIRAL GAFFNEY: Thank you.

Mr. Ruckelshaus, I thought it was a terrific presentation. I agree with everything you said, and very clear and it does not preclude either bold or marginal departmental structure changes that might come later. It allows for that, which I think is great.

I have two questions, maybe they are suggestions. The first one was on slide number seven, where it listed the -- that is it, nope back one, that (indicating) one.

In the Stewardship Working Group, we have been trying our darndest to make sure that when we talk about "ecosystem" we really mean the entire watershed and not
just a few inches inland of the high-water mark.

Sometimes we believe the problems in Iowa and Ohio aren't as important to ocean health as those in North Carolina and Massachusetts.

I am wondering if the coastal governors, if we might consider getting some non-coastal governors, not all of them maybe but some representative non-coastal governors, to be part of the advisory committee instead.
of just coastal governors? That is one question.

MR. RUCKELSHAUS: Let me respond to your question this way, Paul. I can answer it, but I would encourage other members of our working group to speak up as well if they have some response that even might be contrary to my response, and that would be true of any question.

I think your point is well taken. I think the impact of governors outside coastal governors on the ocean, it has been very clear from our hearings, and the situation in the Gulf of Mexico is maybe the most dramatic, but we could just strike "coastal" and put "representation on this committee made up of governors" be part of it.
DR. EHRMANN: Mr. Chairman?

CHAIRMAN WATKINS: As a follow-up to that, the statute that brought this Commission into being requires us to go with our report when it goes into "The Federal Register" later in the spring to ensure that it goes out to all of the coastal governors for comment. The Commission has already decided that that is too limiting; we are going to have it go out to all
governors.

It is very clear that the land-to-sea interface issue is not well understood in the country, that oceans don't start at the waterline, it is very clear to us. We intend to go to all governors for comments on this report. I bring it up because it is very much in line with what Paul is recommending here.

DR. EHRMANN: Admiral Gaffney?

ADMIRAL GAFFNEY: The second question is on the slide just preceding this one, the cabinet secretaries of the ocean agencies. I know this is written up here for brevity, but we had a sidebar conversation in the hallway yesterday where we talked about how you would handle things like the Coast Guard,
the Navy and NOAA who might be at the table instead of
Secretary Rumsfeld, Secretary Ridge and Secretary Evans.
I think you had some ideas on that. I wonder
if you might expand on how you would get the
representation, the right representation, in the room
without letting it be delegated to such a low level that
the council would be ineffective?
MR. RUCKELSHAUS: Well, I think you put your
finger on the delicacy here. We do want to make sure
that the council is taken seriously and is broadly
representative of all of the interests in the cabinet
that have significant responsibilities for the ocean.

It does seem to me that in some cases we are
going to need to make exceptions to the broad idea of
having only cabinet members there, and NOAA and the
Coast Guard are obviously two of them.

This is just shorthand for who would actually
be on the council itself. We would need to expand that
and include some non-cabinet members if they were in
charge of agencies that are within existing departments
that were significant as far as ocean policy is
concerned.
ADMIRAL GAFFNEY: Would you consider something like, "If the cabinet member didn't come himself or herself that they would have a single designated alternate," rather than just letting it float to see whoever had an open calendar that day?

CHAIRMAN WATKINS: Bill, if I could follow up on that, because I think what Paul is bringing up is a good issue. I think we can cover it by saying -- my
experience has been that when the issue is raised by the assistant to the president and he is bringing people together, he or she is bringing people together, to address that issue the cabinet secretary that may not be able to attend may not be the most knowledgeable person in that area may well send his undersecretary or his controller.

I think as long as it is either the cabinet secretary or the designated representative that has the power of the secretary to make decisions at that conference it could be a variety of people.

I think if we phrase it in that kind of a context I think it gets the message through that we are not asking for this to be a phoney system where cabinet
15    secretaries are going to send some sixth-level
16    functionary, but that we expect them to send the person
17    that has the decision-making power of the secretary for
18    that purpose, for whatever purpose the assistant to the
19    president calls this particular council to come
20    together.
21          Does that seem to ring right, Bill, with you?
22          MR. RUCKELSHAUS: I think obviously the
executive branch is going to set the council up and

making rules like that as they want, but I think you

make a very good point, that is, we have got to be

flexible enough to allow the most knowledgeable person

to be there and at the same time, as you suggest, not

have it delegated down to the level where the person is

merely a functionary and not capable of making decisions

or not authorized to make decisions.

DR. EHRMANN: Commissioner Kelly?

MR. KELLY: I had two comments, Mr. Chairman.

First, I think we have all had experiences in the past

where important studies such as this one have been

prepared, submitted and then have sat on the shelf for

many months or many years.
One thing I like about the recommendations of the Governance Committee is that with respect to the White House framework that you are providing you are providing a means to jumpstart this whole process, so that our recommendations don't just sit there in a book on a shelf. I like that very much. I think it affords an opportunity to start moving immediately. I think that is an outstanding element of the structure you are
proposing. The other comment I had relates to the discussion of the point that Admiral Gaffney made about trying to bring about as senior a level of participation as possible.

Looking at slide seven again with respect to the advisory committee, I think some of the same comments could be made there, that it would be advantageous if we could get the highest level participation in terms of the governors' participation.

I think that is all I have. Thank you.

MR. RUCKELSHAUS: I think that is a good point. I also think it needs to be made clear in that advisory committee that people are being asked to serve in a representative capacity, so that if we have a
business representative, for instance, they are not just
there representing themselves, but we would hope that
they would bring the perspective beyond their own
particular business interests to the deliberations of
the advisory council.

Now, these councils sometimes are made up of
wise people and sometimes made up of representatives of
interests. I think our recommendation, at least at this
stage, for the advisory council is that it be primarily
representatives of interest. We would hope that they
would be wise people at the same time, not just there
because of their own knowledge and background unrelated
to any interest that they might represent.

DR. EHRMANN: Mr. Rasmuson?

MR. RASMUSON: I would like to follow that
through. Bill, you know, the reason why we were set up
was that Congress perceived, and rightly so, the system
was breaking down, that there was too much
contentiousness and volatility in the U.S. with various
NGOs fighting one another. We are trying to fix it as
best we can.

The problem that I am trying to wrestle with,
and I think a lot of us hopefully are wrestling with it,

is the role of the advisory committee on the more

regional basis, what power would they have? Obviously,

if they are just strictly advisory, they are going to

come and talk a lot. They are going to say, "I like

this," or, "I don't like that." Are they are going to

have active control over or be able to create litigation

against some existing, say, fisheries councils or
whatever? That would further create more contentiousness. I am trying, and I think we all want to streamline this process. My concern is if we have too many committees, are we streamlining it?

MR. RUCKELSHAUS: The advisory committee, as I would envision it and I hope others speak up, would be just that, it is an advisory committee. There are no powers to intervene in any official way or any legal way.

It tries to deal with one of the problems you mentioned, Ed, and that is, we do tend to divide among interest groups when we are dealing with ocean issues or other issues in this society, trying to get these disparate groups together, or interests together, to
15 discuss issues of the kind that face the country.

16 The assistant to the president and the

17 National Ocean Council and all of those agencies will be

18 dealing with, you would hope that they would begin to

19 break down some of those divisions that exist between

20 groups and get them more supportive of a national policy

21 moving forward.

22 If we are going to talk about developing a
more comprehensive coastal zone process and regional ocean councils, these kinds of advisory committees can be very helpful in both advising the National Ocean Council and the assistant to the president of what should be in a process of that kind, what should be in a statute of that kind, and to help identify groups that should be contacted and people that should be involved in the deliberations about moving the whole thing forward.

The purpose of the advisory committee really is to get at what I understood to be your first concern, and that is, the division of the society into these various groups and various interests that don't talk to one another and don't see where their interests might be
harmonized if we were to move forward with a wise policy.

MR. RASMUSON: Well, that is all well said and done. I agree with that, wise people generally make wise decisions, but the problem as I see it, and I don't want to usurp Paul Sandifer's stewardship, but in the very end he says that, "If the Regional Fish Management Council identifies impacts to fisheries that involve
other sectors," wherever that might be, that can be anything, "they would present their analysis to the regional councils for action." In other words, the regional council would have authority over the fish councils, if they felt there was endangerment to some part of the ecosystem that some NGO felt responsible for.

MR. RUCKELSHAUS: You are referring to the next presentation, the case of what we would do with these regional ocean councils and how they would be embodied in a statute that would be developed over a several year period by the National Ocean Council and the assistant to the president. But I have not heard anybody so far, please
anybody in our group speak up, suggest that regional

ocean councils should supplant the fishery management

councils. The question of whether the fishery

management decisions should be included in the

deliberations of an ocean council, a regional ocean

council, whatever its functions might be is a different

question from saying that council, the regional ocean

council, should supplant the responsibilities and duties
of the fishery management council. I have yet, maybe
there is some, but I have yet to hear any support for
that.

MR. RASMUSON: Well, I will just read you the
last of it. Maybe I will let Paul address that when he
comes to it, then.

DR. EHRMANN: Yes. We will have an
opportunity for more discussion, I think. On the slides
that describe the work groups deliberations on regional
councils, there are a whole host of unresolved issues
that still need the input of the full Commission. We
will come back to that and have more opportunity to talk
about the kind of scope and structure of those regional
councils as we get to the second part of the Governance
Let me go to Dr. Rosenberg.

DR. ROSENBERG: Thank you. I have three comments, some of which I think relate to Ed's concern.

Before I get to that, the first one is related to the issue of consolidation that you mentioned, Bill.

Clearly, this proposal doesn't preclude agency consolidation or functional consolidation within
agencies. I think we all understand that and are continuing to work on looking at the consolidation of functions.

I would just point out I think for clarity that no matter what consolidation you do you have to have this kind of an entity in place, because I cannot imagine a system where you would be able to consolidate all functions related to the ocean in a single agency or entity. Irrespective of what the consolidation is, or if there is any, it seems to me that you have to have a coordinating function, and it needs to be at this level.

I think it is worth bearing in mind that, in addition to the fact that we haven't gotten to the consolidation piece, even if we do that and we do it
incredibly well, you have to have a council. I think
the Act, the Oceans Act, actually recognizes that up
front so there is no dispute there.
I think the real question is, What authority
does this council have, and, by extension, what
authority does the assistant to the president have?
That relates to Mr. Rasmuson's point, extending down
into the regions, we haven't really talked about the
regions yet but even at the national level, what

authority does the council have and how does that relate
to advisory committees?

It is at least my understanding that we are not talking about, certainly in the first phase but possibly not even in the second phase, supplanting existing statutory authority because the agencies still will have their missions. Someone will still have to have the authority for fisheries management within an agency, an operational agency.

It is unlikely that is to be supplanted by any council because you still have to have somebody doing the actual implementation on the water in the same way as you have to have somebody developing a fishery
management plan in a region, and it can't be such a
broadly based body that they don't know the details of
specific fisheries.

That comes back to the issue of, What
authority does the council have? We had extensive
discussion in the working group that that authority
relates to coordination of budget, certainly
coordination of the work called for under the existing
statutes, and trying to reduce the conflict in terms of
mission.

I don't think it is so much a matter of raising concerns that -- I don't think it has anything to do with NGOs. I think it has really much more to do with government agencies. I don't think it is so much an issue of raising concerns that divert the process from fishery management or any other particular activity.

It seems to me much more the case that you are ensuring that you don't get into some of the conflicts that we get into now because you have missions that really are disparate and are not brought together sometimes even with a single agency to address an
15 overall management problem.

16 So, I am assuming that this council, and by

17 extension the advisory committee, is really a problem

18 solving committee and that it is also a planning

19 committee for how to stay out of those kinds of

20 conflicts. However, we shouldn't view it as supplanting

21 statutory authority, unless Congress decides to change

22 that statutory authority in any particular case.
For the advisory committee, I do think that we should think broadly about an advisory committee. It is very likely that advisory committee would have subcommittees on science, for example, on living resources to make recommendations on how to deal with emerging problems to the council so that that can be fed back out to the agencies. Obviously, each agency, state or federal for that matter and any other branch of government, has numerous advisory committees. The question here seems to be totally related to cross-cutting issues, and so it is important to make sure that that focus is maintained in both the council and the advisory committee. I mean, I am presumeing that the council's
intent is not to, you know, tell anyone of the specific

agencies how to do their job. You know, "Let's go tell

the Navy how to be the Navy." I don't think that would

get a very good reception. But it clearly would try to

address the issues that cross agencies.

As long as it continues to be and it is

mandated it is phrased in that way, then I actually

don't think that you are getting into the problem of
litigation. It is very important to be clear that that

is the intent and that there is authority with regard to

budget and coordination, that that is the focus area,

because otherwise it is just a talking group.

DR. EHRMANN: Okay. Dr. Sandifer?

DR. SANDIFER: Thank you. My compliments to

the Governance Working Group. It is a good start.

Starting with the advisory portion, and then I will come

back to the overall plan, I personally like the idea of

an advisory committee, a broad one, as Andy just

described it, with subcommittees.

Relative to federal agencies, I run a small

state agency, but we have 10, maybe 11 formally

constituted advisory committees and use them very, very
regularly to do exactly that, get public advice, not just from the members of the advisory committee or committees themselves, but allow those committees to hold all kinds of informal public meetings to provide as much or get as much public input as possible. As a result, I think we as an agency are less involved in litigation than we would otherwise be because we do a good job of threshing out issues and
sometimes thrashing them in public forum and get a great
deal of public input. I think even at a national level
this kind of advisory body could contribute very
significantly to providing opportunities for the
interested public to have some say and into the
direction and management implementation of ocean policy,
and perhaps head off some otherwise litigious
circumstances. So, I think this is something that could
be very, very good.

The second thing I would like to remind us all
is this is to be a phased process, as I understand it.
Mr. Ruckelshaus, I am very pleased with it from the
standpoint of kick-starting something. However, Phase I
is not an endpoint; Phase I is a beginning point.
It has to be done extremely well if we are going to get to Phase II, which the only function of Phase II is to actually get to Phase III where we have a statutory role, a new statute in place with a new structure, frankly, in place for oceans policy and implementation of that policy.

Let me go back to something I believe began with Admiral Gaffney and several others have said and
reiterated. It is extremely important that we have some
kind of high-level attention to this process from the
beginning. Absent that high-level attention, both in
the White House and in any council that is put together
and advisory body, Phase II will not succeed and,
therefore, there will be no Phase III.

I think, Mr. Ruckelshaus, I would like to know
a little bit more about exactly what Governance is
thinking of in terms of the placement in the White House
of this special assistant to the president, whether it
would be a truly new structure within the White House,
or would it be expected to be under some existing office
and therefore not have the clout that is needed?

Exactly what are you thinking of when you
mention the term of "special assistant to the president"

for this area? And, what chance have we got of getting

somebody in there with enough visibility and clout to,

in fact, kick this along a little ways?

MR. RUCKELSHAUS: Well, if I could answer all

of those questions, we would be home free. They are

good questions. I think they underscore what was

unstated in my opening remarks, and that is, without the
strong support of the President Phase II isn't going to happen, and, therefore, neither is Phase III.

The institutional address that we are talking about is what we believe is necessary to demonstrate to the country and, in particular, to the rest of his administration that this is a serious undertaking, and that we have for quite some time now under-addressed a lot of very difficult problems relating to our national ocean policy.

The ocean is being affected by that in a number of ways that our Commission has been listening to now for the last several months. Unless something of this nature that we are suggesting is undertaken, which makes a clear demonstration that the President is behind
change of the nature that we are suggesting, it won't happen.

It may be that the Congress can step up and do it, and if they do, fine. My own feeling is that my experience is, just as you suggest, that unless there are very strong signals from the chief executive himself that this is a terribly important undertaking and one that he is behind and changes that he wants to see.
effected, it won't happen.

This institutional arrangement that we are suggesting is merely one way of demonstrating that level of commitment and support. There are, undoubtedly, other ways. This makes it very clear. It gives an institution the responsibility for following up on the recommendations of the Commission and bringing them to a conclusion, in the case where they are needed, in the form of statutory change at the end of Phase I.

That isn't the only thing that this council can do. There are some things that can be undertaken immediately. There is nobody to undertake these things, a lot of the things that we are considering recommending right now.
So, the assistant to the President is a very strong and powerful office in the White House now and can help effect these kinds of changes with the support of the President. That is why we have made the recommendation.

Dr. Sandifer: Mr. Ruckelshaus, I agree with you. I think the council itself can move ahead, but the council will require leadership. The council could move
ahead even absent some quick statutory changes, but the

only way that is going to be effective is if there is

clear interest and leadership.

That means that the special assistant to the

president is incredibly important here, if we are going
to move in that direction in order to get something

moving immediately, then try to deal with codifying it

through a statute that carries forward from

administration to administration.

My concern was simply to make sure that we are

all understanding that we are talking about something

that would not be buried under several layers of White

House bureaucracy any more than we are talking about

burying it under several layers of any agency
bureaucracy. Am I correct, you are talking about a high-level position in the White House; is that correct?

MR. RUCKELSHAUS: Yes. I mean, there are several ways of burying something like this. If you bury it, it won't go anywhere, you are right.

DR. SANDIFER: More ways of burying it than getting it up front, I am afraid.

MR. RUCKELSHAUS: Than resurfacing it.
DR. EHRMANN: Dr. Muller-Karger?

DR. MULLER-KARGER: Thank you, Bill. I appreciate the work that you have done on this paper. I do have the same questions that have been raised. I wanted to see if you could explain a little bit how one person, this executive assistant to the president, would deal with the 9,214 agency heads that basically are trying to protect their budgets? How do you give this person some "teeth"?

MR. RUCKELSHAUS: Well, Frank, one thing, I don't know how to draft a recommendation or a statute if we assume that people are not going to act in good faith. If the President says to his appointees -- his cabinet members, his agency heads -- who have been
appointed by him and confirmed by the Congress, "This is important to our administration, these are changes I would like to see effected immediately, these are changes I would like to see examined with our state and local partners and citizens, and I would like to see statutes come forward that address these problems in a more comprehensive and effective way," if his cabinet heads are more interested in protecting the turf of
their individual departments and agencies, they shouldn't be cabinet heads.

I don't know how to draft any kind of recommendation or statute or order that avoids people acting in bad faith who aren't doing what the person that appointed them who was elected by the people of this country asked them to do. If that is the way they act when the President says, "This is a very high priority and I want you to act accordingly," then we ought to get different people to run those agencies.

DR. MULLER-KARGER: At the moment, we have a similar structure not too different in the NOPP and the NORLC, "National Ocean Research Leadership Council."

How is this going to be different? How are we going to
get results from this new thing?

DR. EHRMANN: Admiral?

MR. RUCKELSHAUS: The Chairman knows a lot about that.

CHAIRMAN WATKINS: As the father of NORLC and the Oceans Act of 1996, it won't work now. This is what we are recommending, Frank, to change it so the NORLC can become the National Ocean Council under which you
have a subcommittee for research that is basically the NORLC today, but it has the power coming from the White House and the OMB director in budget guidance that says, "I want to do these things, you guys figure out how to do it, and come back and put it in your budget and I will send that to the bill and support it." I have seen it happen time and time again.

I echo what Bill is saying. I mean, we have been in the game. When the president wants to do something, as was the case when I was Secretary of Energy, to take $6 billion out of defense and put into radioactive waste management, we did it. Defense hated it but the advisor to OMB, in this case the President of the United States, said, "Do it." It was simple. You
know, we can't legislate that, we can't direct that.

What Bill is saying is that we are leaning on
the fact that we can make a persuasive case to the
President that urgent action is needed. Certainly, on
his proposal on the Ocean Council, which is made up of
the federal agencies, will get guidance from a very key
person who listens to the president and the president
listens to him or her, and we get it done. So, we have
to do everything we can to make this persuasive case so

the president says, "I want to do something."

DR. MULLER-KARGER: The other question that I

had is that we have talked a lot about the executive

side of government. Should there be some recommendation

on organizing Congress better along these lines as well?

MR. RUCKELSHAUS: Any significant, maybe even

any insignificant, statutory change will necessitate

congressional reorganization. That is one reason why it

is so hard to get is because the congressional

committees that oversee these individual agencies or

pieces of agencies if they lose then to another

congressional committee have their own control, power

base reduced. All congressmen and senators being human
beings they resist that kind of reduction.

Again, that is one of the reasons why we are suggesting that in the case of statutory change that we take the time to build a constituency, discuss it with the Congress so that by the time the bill is created that will result in altering a statute of the past, there is significant support for that bill. If you don't generate that support ahead of time, the chances
of getting these kinds of changes are not very great.

There used to be, Frank, what was called the

Executive Reorganization Act where the President could

simply move the boxes around inside the agency or inside

the government and submit them to the Congress and if

didn't veto it within 90 days it became law. You
can't create a department that way, you can't create a

secretary, but you could create an agency like EPA.

That is where EPA came from.

That law no longer exists. You can't do that

now. So, in order for these kinds of reorganizations to

take place, you have to have statutory change and you

have to go up and consult with the Congress and make

sure that they are supportive of it. Even if they
aren't, you try to get it through in any event, but it

is a difficult undertaking. That reorganization that

you are suggesting take place will happen within the

context of the statutory change that has any

consolidation effect.

DR. MULLER-KARGER: That is implicit.

CHAIRMAN WATKINS: It has to, you can't

consolidate without doing it.
MR. RUCKELSHAUS: Also, I think we have experience on the Hill on multiagency interest items that go forward as a package deal. There are many examples of this. In the case of building the Ocean Policy Act of 1996, the House of Representatives held joint hearings between three key committees -- Armed Services, Natural Resources, and I forget the other one right now -- but they held them because we went across multiple jurisdictional lines in the Congress. I thought it was very well received.

I think if the Congress receives an integrated budget package, for example, on carrying out the recommendations of this Commission, they have no choice but to talk to each other. If they pull the link out of
the chain in any one of those agencies that is germane to the outcomes of carrying out these recommendations, then multiple agencies have to go to the Hill and complain because they are all leaning on each other in a way -- this cross-cutting that Andy talked about -- that is very important. That is the real issue here that we are talking about. I don't see a lack of receptivity on the Hill
to do that. However, unless the administration comes in
and OMB itemizes those things that are in cross-decked
fashion for research or for application or operations or
whatever, unless there is a proposal along those lines,
the Congress is going to sit there in their normal
fiefdom lineup and do what they have done since the
nineteenth century.

I think that they will change as the
administration demands this horizontal integration of
multiple agency and multidisciplined area items like
this. That is really what we are all about here much as
it was in homeland security. They said, "We've got to
do something new in the way we manage things." That is
what we are talking about here. I think it can happen
However, for this Commission to recommend jurisdictional lines changes on Capitol Hill, I think is premature, probably unnecessary and that will come, in my opinion, with a commitment on the part of the administration that this is an important cross-cutting issue and it needs cross-cutting attention on Capitol Hill, both in authorization and in
appropriation.

DR. MULLER-KARGER: Thank you.

DR. EHRMANN: Any other final comments from any commissioners to the Governance Working Group at this point on this topic?

(No verbal response.)

DR. EHRMANN: Let me just summarize a few key points, and then I will ask the Governance chair to introduce the next part of their report.

Clearly, I think it sounds like the Commission has a good level of comfort with the recommendations, the preliminary recommendations, forthcoming from the working group on this overall three-part framework, a number of very helpful suggestions that I know the
working group will take into account and the staff as they go forward to further flesh out these ideas.

I want to emphasize the point that was made in the initial presentation and echoed by several commissioners that this does not preclude, in fact in many ways it is intended to potentially support, other recommendations that might be forthcoming from the Commission as it relates to integration, reorganization,
consolidation, and other options that are going to be explored by the Commission as it relates to ocean policy. This is meant to be a very critical strategic first step.

Second, that the appointment process needs to reflect the need for high-level appointments as well as high-level participation in these various committees, both the National Ocean Council, the federal officials, as well as any external advisory committee. It needs to also ensure that high-level participation.

Third, that this have a problem solving and problem anticipation flavor to it; that this is not being put together to try to create more conflict and litigation, et cetera, but to try to get ahead of some
of these issues and bring cross-integration and collaboration among the agencies together on ocean policy in a way that has not existed in the past; and that issues and purview such as budget authority, et cetera, that would be vested in this group is going to be very important to make sure that that happens. I think there are a number of important points perhaps running all through this, this last couple of
comments about the need for strong leadership from the administration, that this kind of approach is really going to serve the jumpstart function that the Commission clearly intends it to, as well as obviously a partnership with leaders on the Hill, to make sure that the Congress is supportive and working in partnership with the administration in those steps. I think those are a number of the points that we heard on that discussion.

I would like to move now and ask the -- yes, Mr. Chairman?

CHAIRMAN WATKINS: Just as follow up for those in the auditorium here, what was said here is on the mark, but I also want to go back to the fact that this
doesn't preclude future options.

DR. EHRMANN: Yes.

CHAIRMAN WATKINS: The other working groups have not yet lobbed their missiles into the Commission as a whole. We are going to hear some today. We need to listen to them because this strawman, we call it straw -- well, I guess you can't call it "strawperson"?

DR. EHRMANN: Strawperson.
CHAIRMAN WATKINS: This strawperson is just that. When we begin to move things into our recommendation and its structure, how to implement and carry these things out, we may find that we have to morph into some other kind of a concept.

I want to make sure everybody is clear on that, that this is an approach now that allows the other working groups to use the common language here at this point in time and remove their frustrations on how to write their papers, so that there is a context within which they are writing.

In the second item that is just about to come up, we will go even further into the larger, broader governance structure that allows them, then, to prepare
their papers in a new way for the regional concepts, the
ones that are out there that we have heard so much about
in our hearings across the country that need to be
listened to.

We are reiterating again and moving in a
direction that allows everybody to kind of pull together
at this point, but we may want to wake up and say, "Oh,
my God, we are on the wrong structure. We may need a
different kind of a concept that makes more sense." I just bring that up again to emphasize the fact that we are in that kind of an iterative "embryo" period right now, and we haven't come to grips with the final one, until we hear what the other working groups have to say.

DR. EHRMANN: Thank you, sir. Also, just to tie that back to a point you made in your opening comment and again to be clear for the members of the public, the overall process here, as we said, is to provide an opportunity in this discussion, as we did in the last deliberative public session, for the full Commission to provide feedback on these workgroup reports.

When we get to the, when the Commission gets
to the, end of the process and has a draft report and
does its final decision making, that, too, will take
place in a public setting like this. There will be the
opportunity for both the commissioners and the public to
see all of the pieces fit together, and the kind of
iterative process that the chairman referred to will be
clear to everyone at the time of the final
deliberations.