

FRIENDS OF NOAA COALITION

<http://www.friendsofnoaa.org/>

October 4, 2006

Honorable Frank Wolf
Chairman
Subcommittee on Science, Space, Justice
and Commerce
Committee on Appropriations
House of Representatives
Washington, D.C. 20515

Honorable Richard Shelby
Chairman
Subcommittee on Commerce, Science
and Justice
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Honorable Alan Mollohan
Ranking Minority Member
Subcommittee on Science, Space, Justice
and Commerce
Committee on Appropriations
House of Representatives
Washington, D.C. 20515

Honorable Barbara Mikulski
Ranking Minority Member
Subcommittee on Commerce, Science
and Justice
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Chairman Wolf, Chairman Shelby, Representative Mollohan and Senator Mikulski:

As supporters, stakeholders, users, partners, and the employees' union of the National Oceanic and Atmospheric Administration (NOAA), we – the Friends of NOAA Coalition -- recommend that you and your fellow conferees meeting on the FY 2007 Commerce-Justice-Science and State Appropriations Act (HR 5672) support an appropriation for NOAA consistent with the level recommended in the Senate version of this appropriations act. An investment of \$4.4 billion for NOAA in FY 2007, the level proposed by the Senate, would restore critical funding for core programs and would also enhance support for the research, education, environmental observation, and resource management activities important for our national security, environment, economy and overall quality of life.

Weather and climate sensitive industries, both directly and indirectly, account for about one-third of the Nation's GDP ranging from finance, insurance, and real estate to services, retail and wholesale trade and manufacturing. Industries directly impacted by weather such as agriculture, construction, energy distribution, and outdoor recreation account for nearly 10% of GDP. Six billion dollars annually is lost in economic efficiencies as a result of air traffic delays, of which 70% is attributed to weather. Total annual Federal spending for weather information is about \$25 per household (including aviation and defense, in addition to NOAA), which produces an annual benefit-cost ratio of 4.4 to 1 for U.S. households alone, or net national benefits of \$8.8 billion a year. This does not include benefits in agriculture, transportation, construction, or benefits to households in other countries that rely on weather information from the United States.

Economic activity in coastal regions is significant. Seventy-five percent of the nation's Gross State Product came from the coastal states in 2003. Almost half of the national economy came from the

The **Friends of NOAA** are supporters, stakeholders, partners, and unionized employees of the National Oceanic and Atmospheric Administration (NOAA) and exist to encourage the White House and the Congress to provide appropriate support for the agency as it carries out its mission of saving lives and livelihoods. For information about the Friends of NOAA, please visit www.FriendsofNOAA.org.

coastal watershed counties, and more than one-third came from those counties in which states operate their Coastal Zone Management programs. The near shore area, which is 4% of the nation's land, produces more than 11% of the nation's economic output. That portion of the U.S. economy that depends directly on the ocean is also large, with 2.2 million people employed and \$197 billion in output (gross state product) in 2003. Research and outreach conducted by Sea Grant colleges and institutions on Manila clams and blue mussels have resulted in new industries worth \$19 million annually while research and extension work on hybrid striped bass aquaculture has led to a \$25 million dollar annual business.

In this country, aquaculture represents about \$1 billion per year industry to the farmers and produces about \$6 billion per year in retail food. The U.S. currently imports over 70% of the seafood that we consume and at least 40% of that is from aquaculture. Overall, our citizens consume about 16 lbs. of seafood per capita per year (half the global average) and, as the population continues to grow, the U.S. will need to find another 2 million metric tons of high quality seafood each year at a value of about \$2-8 billion per year. If we double our seafood consumption to the global average as recommended by health experts, the required amount of seafood and its value would double. This possibility helps demonstrate how NOAA's investment in aquaculture can play a critical role in this part of the Nation's economy.

Estimates of the economic impacts of harmful algal blooms in the United States average \$75 million annually. These impacts are the sum of different kinds of direct output impacts across four categories of effects: public health (divided between fish ciguatera and shellfish poisonings); commercial fishing; recreation and tourism; and monitoring and management costs. However individual outbreaks can cause economic damage that exceeds the annual average. For example, outbreaks in Chesapeake Bay in 1997 cost the Maryland seafood and recreational fishing industries almost \$50 million in just a few months. Lost sales of shellfish in Maine and Massachusetts due to closures imposed as a consequence of the 2005 bloom of *Alexandrium fundyense* were estimated to be \$11 million for the months of May through September. Invasive algal blooms along Maui's Kihei coast cause over \$20 million in potential revenue lost each year to the State of Hawaii -- including reductions in property value, rental income, and clean up costs.

Preliminary estimates of the potential economic benefits from new investments in an Integrated Ocean Observing System in US waters range from \$500 million to \$1 billion per year, estimated largely in terms of increased economic activity and social surplus realized as a result of improved information about coastal marine conditions. The annual economic return to the U.S. economy associated with NOAA's El Niño ocean observing and forecast system is between 13 and 26%, which is significantly higher than the Office of Management and Budget's 5.8% minimum rate of return specified for Federal projects.

The services, products and research results provided by NOAA -- from predicting coastal hazards to managing drought and wildfires to ensuring safe and healthy seafood -- touch the lives of every American. If funded at the \$4.4 billion level (about \$15 per person annually) recommended by the Senate NOAA would be able to continue serving the varied interests of our Nation by providing accurate and up-to-date weather forecasting, fisheries management information, prediction and tracking information related to severe weather, access to navigational information, scientific research and vital local community assistance.

NOAA has proven its worth to the Nation repeatedly. Just over one year ago, the National Weather Service and its National Hurricane Center issued its forecast for Hurricane Katrina -- a forecast that probably saved hundreds of thousands of lives. Moreover, it is the integration of NOAA's many activities that allows the agency to deliver such valuable life-saving services and information to our

The **Friends of NOAA** are supporters, stakeholders, partners, and unionized employees of the National Oceanic and Atmospheric Administration (NOAA) and exist to encourage the White House and the Congress to provide appropriate support for the agency as it carries out its mission of saving lives and livelihoods. For information about the Friends of NOAA, please visit www.FriendsofNOAA.org.

citizens. This integrated system includes satellites in space, buoys at sea, coastal and ocean observatories, weather stations coast to coast, and the people who provide life saving information to those with responsibility for the public's safety at the state and local level.

The Members of the Friends of NOAA Coalition appreciate the severe budgetary constraints under which the Congress has to work. However, we also believe that NOAA and its partners directly contribute to the health, safety, and continued economic development of our country. As a result, the Coalition urges the conference committee to do everything it can to adopt the Senate's bottom line funding recommendation for NOAA. Thank you for the opportunity to present these views.

Sincerely,

University Corporation for Atmospheric Research
The Weather Coalition
Consortium for Oceanographic Research and Education
Joint Ocean Commission Initiative
U.S. Chamber of Commerce Space Enterprise Council
Reinsurance Association of America
Shipbuilders Council of America
United Fishermen's Marketing Association
Vaisala Inc.
Planetary Data, Incorporated
DTN Meteorlogix
Sea Grant Association
National Association of Marine Laboratories
National Estuarine Research Reserve Association
Coastal States Organization
National Marine Sanctuary Foundation
National Weather Service Employees Organization
National Association of State Universities and Land Grant Colleges
Association of Zoos and Aquariums
Campaign for Environmental Literacy
The Ocean Foundation
National Environmental Trust
National Council for Science and the Environment
Council of Environmental Deans and Directors
Alaska Oceans Program
Fugro Pelagos, Inc.
Institute for Exploration
International Association of Aquatic and Marine Science Libraries and Information Centers
National Fisheries Institute
Dauphin Island Sea Lab
Marine Technology Society
Wrigley Institute for Environmental Studies, University of Southern California
Skidaway Institute of Oceanography, University System of Georgia
Institute of Marine and Coastal Sciences at Rutgers, the State University of New Jersey
Bigelow Laboratory for Ocean Sciences
Marine Sciences Research Center at Stony Brook University
The Alliance for Earth Observations
The Nature Conservancy

The **Friends of NOAA** are supporters, stakeholders, partners, and unionized employees of the National Oceanic and Atmospheric Administration (NOAA) and exist to encourage the White House and the Congress to provide appropriate support for the agency as it carries out its mission of saving lives and livelihoods. For information about the Friends of NOAA, please visit www.FriendsofNOAA.org.

University of Washington
Woods Hole Oceanographic Institution
Institute of the Environment, University of California, Los Angeles
University of Oklahoma
Purdue University
University of Michigan
Scripps Institution of Oceanography
Southeastern University Research Association
Florida Institute of Oceanography
Louisiana Universities Marine Consortium
University of Rhode Island, Graduate School of Oceanography
Cooperative Institute for Research in Environmental Sciences, University of Colorado
University of Michigan
North Carolina State University
The Perry Institute for Marine Science
University of North Carolina at Chapel Hill
The Ohio State University
Cornell University
Columbia University
University of North Carolina, Wilmington
Tulane University

The **Friends of NOAA** are supporters, stakeholders, partners, and unionized employees of the National Oceanic and Atmospheric Administration (NOAA) and exist to encourage the White House and the Congress to provide appropriate support for the agency as it carries out its mission of saving lives and livelihoods. For information about the Friends of NOAA, please visit www.FriendsofNOAA.org.