

February 4, 2021

The Honorable Patrick Leahy
Chairman
Committee on Appropriations
U.S. Senate
Room S-128, The Capitol
Washington, D.C. 20515

The Honorable Richard Shelby
Vice Chairman
Committee on Appropriations
U.S. Senate
Room S-128, The Capitol
Washington, D.C. 20515

The Honorable Rosa DeLauro
Chairwoman
Committee on Appropriations
U.S. House of Representatives
H-307, The Capitol
Washington, D.C. 20515

The Honorable Kay Granger
Ranking Member
Committee on Appropriations
U.S. House of Representatives
H-307, The Capitol
Washington, D.C. 20515

Dear Chairman Leahy, Chairwoman DeLauro, Vice Chairman Shelby, and Ranking Member Granger:

On behalf of the National Marine Manufacturers Association (NMMA), I urge you to support the recreational boating industry's priorities for the fiscal year 2022 (FY22) appropriations cycle. These programs are critically important to marine manufacturers, small businesses, local economies, the environment and entire recreational boating community; therefore, as the House and Senate Appropriations Committees prepare FY22 appropriations legislation, we hope that you will fully consider these programs.

NMMA is the trade association for the U.S. recreational boating industry, representing nearly 1,300 marine businesses, including recreational boat, marine engine and accessory manufacturers. NMMA members collectively manufacture more than 85 percent of the marine products sold in the U.S. Furthermore, the recreational boating industry has a significant impact on our nation's economy and in communities across the country, employing nearly 700,000 American jobs across 35,000 U.S.-based marine businesses.

Led by the recreational boating industry, the outdoor recreation economy is a major contributor to the U.S. economy, accounting for 2.1 percent of GDP, \$788 billion in economic output, and 5.2 million American jobs. The role of outdoor recreation in our economy has only grown more significant during the last year, with the industry selling more boats this year than in the past 13 years combined.

In 2020, recreational boating entered the spotlight as Americans flocked to new outdoor activities amidst the COVID-19 pandemic. Over 44,000 new boat buyers entered the market between March and June, representing 10 percent year-over-year growth. While this rise has showcased the

popularity of such activities as a safe and fun way to spend time with loved ones, it has also exacerbated the most pressing issues facing the industry including improved and expanded recreation access infrastructure, the effects of climate change, restoration of critical marine ecosystems, meaningful support for American manufacturing, and a modernized regulatory landscape.

Without robust investment in supporting our country's outdoor sector, recreation's significant economic contributions—along with pastimes enjoyed by the vast majority of Americans—will be in jeopardy. By investing in the priorities highlighted below, we can sustainably meet the increasing demand for time spent outdoors, help get Americans back to work, and grow economies in every corner of the country, while upholding sound conservation policies that will sustain recreation resources for long-term economic growth and mitigate the impacts of climate change.

Again, thank you for your consideration of these important programs, and we look forward to working with you to protect and enhance boating access and economies that depend on the recreational boating industry throughout the country.

Please do not hesitate to contact me at nvasilaros@nmma.org if you have any further questions or would like additional information.



Nicole Vasilaros
Senior Vice President of Government Relations and Legal Affairs
National Marine Manufacturers Association

Appropriations Priorities

Commerce, Justice, Science, and Related Agencies (CJS)

Department of Commerce

Outdoor Recreation Satellite Account (ORSA)

On November 10, 2020, the U.S. Bureau of Economic Analysis (BEA) published the updated national and state level data for both 2018 and 2019 that illustrates the significant economic impact of the outdoor recreation industry. This report calculated that the outdoor recreation industry had a U.S. GDP contribution of 2.1 percent and annual gross economic output of \$788 billion. This economic contribution level is greater than other key economic sectors, including the mining, utilities, farming and ranching, and chemical products manufacturing industries. In addition, with 5.2 million American jobs, the outdoor recreation sector generates similar

employment levels as other major job creators in the United States, including hospitals, transportation and warehousing, and educational services.

ORSA measures the size of the outdoor recreation economy and the link between outdoor recreation and the broader United States economy. Like other satellite accounts, ORSA was built on BEA's comprehensive supply-use framework. The supply-use tables provide a detailed look at the relationships among industries and how each industry contributes to Gross Domestic Product (GDP).

The ORSA data is key to quantifying the economic impact of the outdoor industry at national and state levels. Continued reporting on the industry's economic contributions through ORSA will ensure availability of a key resource for educating businesses, policymakers, and managers of public lands and waters about how best to strengthen this important sector of our economy.

NMMA Request:

FY 21 Enacted: \$1,500,000

FY 22 Request: \$1,500,000

Office of National Marine Sanctuaries (NOAA ORF, PAC funding)

The National Marine Sanctuary System is an essential network of protected waters held in trust for all Americans. Consisting of more than 600,000 square miles of ocean, coasts, and Great Lakes, national marine sanctuaries conserve some of the Nation's most critical natural, historic, and cultural resources. They are home to millions of species, preserve our nation's maritime heritage, and promote access for exploration and world-class outdoor recreation. From the Florida Keys to the Great Lakes, sanctuaries are vital to maintaining the healthy ecosystems that support local economies. Investing in marine sanctuaries underscores the continuing ecological, historical, and recreational value of America's underwater national treasures and their associated economic impact.

A lack of investments in necessary infrastructure and resources--such as mooring and navigation buoys, channel signage, dock access, and channel markers--have hindered the full economic potential of NMS' recreation and tourism opportunities. In particular, increased investments in "smart buoys," which introduce satellites or Wi-Fi to sanctuaries where buoys are present--and an expanded NMS personnel fleet would spur modernization and improve visitor safety.

The Sanctuaries Operations, Research and Facilities (ORF) account supports growth in community-based sanctuaries, conducts cooperative conservation science and research programs, and explores new technologies. Robust funding should be provided for infrastructure within the National Marine Sanctuary System and should be utilized to ensure a sufficient quantity of mooring fields are installed and maintained – especially in Sanctuary's where anchor restriction policies are implemented – so that recreational boaters can continue to access these vital areas while protecting the marine environment.

The Procurement, Acquisition, and Construction (PAC) account replaces vessels that are mission critical to operations, management, and enforcement. It also improves visitor centers, facilities and signage, and supports the Sanctuary Challenge Fund. The Fund finances significant projects and programs across the National Marine Sanctuary System to improve sanctuary visitor experiences and strengthen public engagement. In FY21, the Fund should be provided additional resources to help provide appropriate resources to ensure a sufficient law enforcement presence and resources within the National Marine Sanctuary System. For example, in the Florida Keys National Marine Sanctuary, only 56 officers patrol nearly 4,000 square miles - which is expected to increase by hundreds of square miles in the coming months. An increase in law enforcement officers and equipment – and partnering with state and local officials – would ensure the success and longevity of the National Marine Sanctuary System. Additionally, resources should be allocated to educate the public about the National Marine Sanctuary System, especially as it expands and implements a new plan; therefore, robust funds should be provided to NOAA to coordinate with state-wide boater education programs as well as exploring public-private partnerships.

NMMA Request:

Sanctuaries and Marine Protected Areas – Sanctuary Operations, Research and Facilities:

FY 21 Enacted: \$56,500,000

FY 22 Request: \$66,500,000

Marine Sanctuaries Construction- Procurement, Acquisition, and Construction (PAC) funding:

FY 21 Enacted: \$8,500,000

FY 22 Request: \$36,300,000

NOAA Fisheries West Coast Region Office Mitigation Permitting

NOAA Fisheries' West Coast Region unilaterally released new guidance in 2018 that no longer considers existing structures as part of the baseline environment when determining environmental effects of dock repairs, piling replacements, and other routine maintenance projects proposed by ports. This guidance is currently only applied to the West Coast Region of the United States, but is presumed to serve as a conservation calculator model to be applied nationwide. The new guidance, that did not go through standard regulatory process, has effectively stonewalled marine businesses and ports' ability to obtain U.S. Army Corps of Engineers (Corps) Nationwide Permits for routine maintenance projects. After nearly three years of negotiation, the Corps and NMFS do not have an agreed-upon alternative expeditious permit process in place and there are now no programmatic permit options available in Puget Sound.

In addition to causing significant project delays and requiring additional agency involvement and procedural work, the increased mitigation costs alone are prohibitive to both large and small entities seeking permits for routine maintenance work. A single \$100-150k routine repair project was recently run through the new permitting framework generated an estimated mitigation cost

of \$1.2 million to \$2.5 million. The increased time, complexity, and costs of this guidance equates to lost revenue that small businesses still combating the impacts of the COVID-19 pandemic need to survive. Continued regulatory uncertainty will further hamper economic recovery and cause deferred maintenance projects to accumulate. Commonsense

NMMA Request:

We request that the FY22 Commerce, Justice, and Science appropriations bill include report language requiring the following:

- 1) Prohibit NOAA Fisheries from using appropriated funds to implement the West Coast Region's 2018 Guidance on Assessing the Effects of Structures in Endangered Species Act (ESA) Section 7 Consultation.
- 2) Direct NOAA Fisheries to
 - a. Accept the U.S. Army Corps of Engineers Nationwide Permits;
 - b. Apply the regulatory framework for maintenance of existing structures consistently across the country; and
 - c. Consider existing structure as part of the baseline environment.
- 3) Require NOAA to find an alternate human resources provider to increase regulatory staff for USACE, NOAA Fisheries, and the U.S. Fish and Wildlife Service and prioritize reducing permit backlogs.

Interior, Environment, and Related Agencies

Department of the Interior

U.S. Fish and Wildlife Service – Asian Carp

The spread of harmful nonnative plants, animals, and other organisms threatens America's water habitats and has a detrimental economic impact for the industry, anglers, boaters, and local communities. Managing aquatic invasive species (AIS) costs the U.S. economy hundreds of billions of dollars annually; and specifically, it is estimated that invasive Asian carp and mussels costs the economy more than \$6 billion annually.

Coordination amongst federal and state agencies has its difficulties and given the significant impact that combating AIS has on the economy, it's critical that an increased investment is made at the federal level to improve the effectiveness of stopping and reversing the spread of AIS. Additionally, we appreciate the work of the Department of Interior's plan to improve the coordination amongst federal agencies to address invasive species, and urge the committee to provide the Department with the resources to implement the plan in order to combat Asian carp and other aquatic invasive species.

NMMA Request:

FY 20 Enacted: \$25,000,000

FY 21 Request: \$30,000,000

Great Lakes Restoration Initiative

The Great Lakes Restoration Initiative (GLRI) works to protect and restore the Great Lakes through the prevention of AIS, reduction of nutrient runoff that contributes to harmful algal blooms, and restoration of habitat to protect native species. The Great Lakes region is home to more than 3 million boaters, and GLRI is a crucial program to ensure the Great Lakes are fully protected. Given the fact that AIS costs the government billions of dollars each year, a continued substantial investment is needed for GLRI to help combat costly AIS. The FY 2021 enacted amount is a step in the right direction, and it is critical that we continue to invest in this proven program in FY 2022 and direct more funding into stopping and reversing the spread of AIS.

NMMA Request:

FY 21 Enacted: \$330,000,000

FY 22 Request: \$335,000,000

Extend Federal Lands Recreation Enhancement Act (FLREA) Fee Retention Authorities to USACE

FLREA allows recreation-providing land management agencies to collect and retain a portion of entrance, camping, parking and other fees. While FLREA has been incredibly successful in facilitating fees to be reinvested in revenue-generating recreation infrastructure, the program lacks the inclusion of the USACE. Given USACE's popularity and economic impact--hosting 270 million recreation visits per year and generating \$11 billion in economic impact--it's imperative that USACE is provided with a much-needed revenue source to improve the quality of recreational assets and services and address the backlog of maintenance needs at recreation facilities.

NMMA Request:

Amend the Federal Lands Recreation Enhancement Act (FLREA) to revise definition of federal agencies to include the U.S. Army Corps of Engineers to extend authority for the Assistant Secretary of the Army (Civil Works) to collect and expend recreation fees on federal lands and waters managed by USACE.

Energy and Water Development, and Related Agencies (E&W)

U.S. Army Corps of Engineers (USACE)

Operations and Maintenance (O&M)

Recreation access infrastructure and navigable waterways are important not only to commercial interests, but also to the \$170 billion recreational boating industry. Combining both forms of usage, these access points and waterways facilitate billions in economic output. Meanwhile, if

maintenance of all recreation and low commercial use projects were fully funded, USACE's budget would be increased by less than \$200 million.

A recent conditions assessment found that out of 2,780 USACE managed boat ramps, over 60 percent are in fair to poor condition. Systemic underfunding of USACE recreation facilities and management, and the agency's lack of authority to reinvest recreation fees into revenue-generating infrastructure assets, have allowed this infrastructure to decay in the face of rising demand. Maintaining the status quo of USACE recreation funding jeopardizes the safety and viability of recreation opportunities managed by one of the leading providers of public recreation access. An additional \$40 million is needed in the Operations & Maintenance account to provide USACE Natural Resources Management (NRM) with adequate funding to continue the operation, maintenance, and repair of existing recreation facilities and public access including unfunded infrastructure maintenance needed to sustain existing facilities at full capacity.

Moreover, many low commercial use waterways serve as marine highways for the U.S. Marine Transportation System, linking the various ports, small communities, and marina businesses along the nation's coastline. These waterways link natural deep-water sections of bays through a series of man-made channels, enabling both the safe passage of marine vessels and access to fishing grounds. Maintenance dredging of these waterways allows local sponsors to support the local and regional economies by maintaining and enhancing public navigation channels and inlets, boating access facilities, waterfront parks, and piers and special structures.

NMMA Request:

Army Corps Operation and Maintenance – Other Authorized Project Purposes

FY 21 Enacted: \$60,000,000

FY 22 Request: \$100,000,000

NMMA Requests explanatory statement that of the additional funding provided in the Operations and Maintenance account for other authorized project purposes, not less than \$40,000,000 shall be allocated for USACE Natural Resources Management (NRM) to continue the operation, maintenance, and repair of existing recreation facilities and public access including unfunded infrastructure maintenance needed to sustain existing facilities at full capacity.

Army Corps Operations and Maintenance - Navigation Maintenance:

FY 21 Enacted: \$40,156,000

FY 22 Request: \$75,000,000

Army Corps Operations and Maintenance - Inland Waterways:

FY 21 Enacted: \$60,000,000

FY 22 Request: \$75,000,000

Army Corps Operations and Maintenance - Small, Remote, or Subsistence Navigation:

FY 21 Enacted: \$65,000,000

FY 22 Request: \$75,000,000

Comprehensive Everglades Restoration Program

NMMA strongly supports adequate funding for the Comprehensive Everglades Restoration Plan to reestablish the historic southerly flow of water from central Florida to Florida Bay. The repetitive discharges from the altered system to the state's coastal estuaries have caused significant harm to fisheries and their associated habitat. These impacts have significantly affected the sportfishing industry nationwide, which depends on Florida as the "Fishing Capital of the World" as an important component of its success.

A robust investment in Everglades restoration will provide resilient infrastructure for south Florida and deliver significant benefits to not only the environment but the economy — which is significantly supported by recreational boating and fishing throughout the Everglades ecosystem.

NMMA advocates for funding of at least \$725 million annually for congressionally authorized restoration projects, including the Central Everglades Planning Project and Everglades Agricultural Area Storage Project, Indian River Lagoon South, Caloosahatchee C-43 Reservoir, Tamiami Trail Bridging, Biscayne Bay Coastal Wetlands, Broward County Water Preserve Area, Lake Okeechobee Watershed Project, C-111 South Dade Project, Picayune Strand Restoration Project, and Operations and Maintenance and Depreciation Obligations.

NMMA Request:

FY 21 Enacted: \$250,000,000

FY 22 Request: \$725,000,000

Public Boating Access Government Accountability Office Study

One of the largest impediments to boating access is poorly maintained access infrastructure and insufficient facilities, such as parking areas. Despite the fact that boating and fishing are the top contributing sector to the U.S. recreation economy, industry stakeholders and policymakers lack the necessary resources to determine where investments are needed to expand public boating access through additional access points or increasing capacity at existing access sites.

A thorough assessment of annual and deferred operations and maintenance needs and identification of opportunities to build out existing access sites through increased parking facilities will significantly increase the American public's ability to access opportunities to get out on the water while further bolstering the robust boating economy.

NMMA Request:

Direct the Government Accountability Office (GAO) to conduct a survey to provide an inventory of all federally managed recreational boating infrastructure and facilities, and assessment of annual operation and maintenance needs associated with such infrastructure and facilities, deferred operation and maintenance needs for such

infrastructure and facilities to operate safely at full capacity, opportunities to expand capacity at existing access points, and economic impact of recreation to local and regional economies and benefits of sustaining and improving public access at recreational infrastructure and facilities.

Department of Energy

Office of Energy Efficiency and Renewable Energy

The Department of Energy's Office of Energy Efficiency and Renewable Energy awards funds for advanced battery, engine and alternative fuels technologies. The recreational marine industry is constantly innovating, making advancements and exploring the use of biofuels, electric propulsion and hydrogen cell technology. However, these technologies cannot be adapted overnight and will require additional research and analysis to ensure the infrastructure and safety aspects for maritime-based use are considered.

Over the past 20 years, the boating industry has made significant progress toward reducing our emissions and carbon footprint by implementing more sustainable manufacturing processes and creating cleaner technologies and products.

We request that the Committee increase funding for the Office of Energy Efficiency and Renewable Energy and a portion be set-aside for the recreational marine industry to partner with national laboratories to advance research in next generation marine engine propulsion systems.

NMMA Request:

Increase and expand funding through the Office of Energy Efficiency and Renewable Energy to allow for collaborative projects between recreational marine manufacturers and national laboratories to support next generation marine propulsion research.

Additionally, we request that the Committee support funding through the Office of Energy Efficiency and Renewable Energy that would award projects in which marine manufacturers partner with national laboratories to advance the testing of alternative fuels, including carbon neutral sustainable biofuels.