NMMA Federal Government Relations Update

November 22, 2013

The Government Relations team is happy to announce the addition of Michael Lewan, as our Grassroots and Government Relations Manager. Michael has a strong background in grassroots activism and the ethanol industry in particular. He will be driving our efforts to improve grassroots and advocacy communications for the DC office. We are excited to have him onboard and stay tuned for additional grassroots outreach.

The DC staff has been extremely busy the past couple of weeks responding to major actions by the EPA and National Park Service (read more below). Congress continues to work on a compressed schedule, with not much legislative activity excepted in the few weeks they remain in session for 2013. No one expects any substantive deal on the budget by the December 13th deadline. With no consequences of meeting the December budget conference deadline, it seems all but inevitable our budget and debt ceiling woes will take us into the new year.

Biscayne National Park:

The National Park Service released a supplemental General Management Plan on November 15th significantly departing from previous proposals set forth in 2011. The new preferred alternative eliminates a 10,000 acre marine reserve which was a significant point of contention for the boating and fishing communities. The new preferred plan instead establishes a 14,585 acre "special recreation zone" along a portion of the park's reef tract in which fishing would be allowed year round with a special permit. The plan also includes a long-term research and monitoring program to inform adaptive management of the zone. Recreational fishing and boating is still permitted in nearly all of the remainder of the park under state and federal rules and regulations. Previous proposals would also have established significant non-combustion engine zones along the coastline which would have unnecessarily restricted boating access. The preferred plan removes those zones and instead, includes slow-speed and no-wake zones. This is a significant victory for our community in terms of nullifying a marine reserve and pushing back on extensive pole and troll management. Much work remains to be done on the details of the plan, including distribution of the fishing permits and adequacy of mooring fields. Public meetings will be held <u>December 9,10,11th</u> and NMMA is working with our stakeholder partners for a strategic response.

Ethanol:

The Environmental Protection Agency revised its 2014 Renewable Volume Obligations in compliance with the RFS last week. The 2014 RVOs are significantly lower than the original projection. This was the first ever reduction in the biofuels mandates established in the RFS. It lowers the mandate from the 2013 required volume of 16.55 billion gallons back to 2012 levels. This reduction will help oil refiners from hitting the "blend wall" and further diminish the introduction of E15 fuel volumes. NMMA continues to work with a broad coalition of stakeholders pleased with the recent announcement. Staff will testify at an upcoming EPA hearing on the RVO levels and marine damage caused by high ethanol fuel volumes.

While the EPA announcement is a positive step forward, Congressional action to reform the RFS remains critical to changing the failed RFS policy. Senators Feinstein and Coburn are in the process of introducing legislation to eliminate the corn ethanol mandate for the RFS and Senator Cardin is planning to introduce a more comprehensive reform bill by the end of the year. With several pieces of legislation in both the House and Senate sides, we are eagerly watching which bill gains the most traction for passage. It seems few senators are willing to take on the ethanol issue, even if they agree with the RFS problems, simply due to lack of appetite for another controversy. The educational campaign continues to be successful, but few controversial issues are seeing movement in Congress these days.

We encourage you to contact your Members of Congress urging them to take action to reform the RFS mandate. An action alert was sent this week and can be found via this link: **CONTACT CONGRESS TODAY**.

Trade:

The second round of negations for the TTIP EU/US bilateral trade agreement took place in Brussels. This round had been

previously postponed due to the October government shutdown. We were able to coordinate a substantive meeting between US negotiators and the European Boating Industry during the 2nd round talks. Efforts to include a recreational boating annex in the trade agreement remain promising. NMMA and EBI will continue to work together to convince negotiators of the need for inclusion and the importance of eliminating certification and standards barriers from boating commerce.

Sport Fish Restoration and Recreational Boating Trust Fund:

Representatives from US Fish and Wildlife and USCG met with NMMA and coalition members of the Angling and Boating Alliance this week to discuss their legislative proposals for SFRBTF reauthorization. The present version of the trust fund will expire at the end of 2014. Fish and Wildlife is seeking additional funding for administrative fees and USCG has asked for increased funding to complete the boating survey as well as the National Boating Safety Advisory Council. ABA members will continue to meet to devise its set of legislative goals for SFRBTF reauthorization, with the next meeting scheduled before the December holidays.

Gulf Islands National Seashore PWC General Management:

The National Park Service held public scoping meetings this week to review management of personal watercraft use at Gulf Islands, located off the coast of Pensacola, FL and Biloxi, MS. This review is in response to a court remand which challenged the current operation of PWC in the park. NMMA and PWIA staff are working with NPS officials, Congressman Jeff Miller (FL) and other stakeholders to ensure the current environmental review takes into account the improved technological advances of PWC, including sound and emissions, as well as the relative minimal impact on park waters.

Magnusson Stevens/ Marine Vision/ Fishing Issues:

Angling and Boating representatives met this week with the Assistant Secretary for Conservation and Management at Department of Commerce. Dr. Mark Schaefer is new to the Department of Commerce and overseas operations within NOAA. NMMA and its stakeholder fishing partners met with Dr. Schaefer to brief him on the economic impact of the fishing and boating communities. In addition, we discussed plans for an MSA reauthorization, continued "marine fishing vision" talks, Red Snapper allocations in the Gulf of Mexico, and the need for continuing dialogue between NOAA and boaters and fisherman. The meeting was very productive and the Assistant Secretary understood the economic messaging relayed. As access and fisheries management decisions are made, we impressed upon the agency the need to consider recreational economic impacts.

Hope you have a wonderful Thanksgiving holiday!

Best,

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