

United States Senate
Committee on Commerce, Science, and Transportation
“Our Blue Economy: Successes and Opportunities”
Wednesday, March 27, 2019
G50 Dirksen Senate Office Building

Written Testimony for Mr. Scott Deal, Maverick Boat Group

Chairman Wicker, Ranking Member Cantwell and Members of the Committee:

Thank you for the opportunity to appear before you today to discuss an issue important to my business and the recreational boating industry: The Blue Economy.

My name is Scott Deal, and I am President and Founder of Maverick Boat Group, a 34-year-old recreational boat manufacturing business in Fort Pierce, Florida. My family-owned and operated business builds boats under four brands — Maverick, Hewes, Pathfinder and Cobia. Last year, we built and distributed around 1,300 boats to our dealer business partners all over the U.S. Our company currently employs 450 people and recently finished a 155,000-square-foot factory expansion.

While most people think of the boating industry as a fun form of recreation, the term “recreation” is a misnomer— boating means business. Recreational boating contributes \$170 billion in economic impact supporting 690,000 U.S. jobs and 35,000 marine businesses. Our industry is a uniquely American made product: 95% of boats sold in the U.S. are made in the U.S. From boatbuilders like myself all the way down to workers who produce raw materials we use to build those boats—boating creates jobs, lots of them. According to the Bureau of Economic Analysis, outdoor recreation accounts for 2.2 percent of GDP, with boating and fishing growing at a faster rate than the overall economy.

The ability of my company to expand sales, grow market share, and manufacture more product is directly tied to the ability of saltwater anglers to get out on the water. Each year, 11 million Americans travel to our nation’s coasts to take part in one of America’s favorite pastimes — recreational fishing. These saltwater anglers, many of whom are Maverick customers, support 472,000 U.S. jobs across a variety of sectors and \$68 billion in sales annually.

There are three basic tenants required to support the businesses and jobs behind the recreational boating and fishing industry:

1. Updated and robust infrastructure is needed to ensure the 141 million American boaters and 46 million anglers have sufficient access to get out on the water. Whether it’s through public boat

ramps, fishing piers, or marinas — infrastructure is the key gateway to the water. Once on the water, boaters and anglers need infrastructure for safe and enjoyable operation, including navigational markings, mooring buoys and properly dredged channels.

2. A clean and healthy environment is critical for enjoyable recreation. I've personally experienced the impacts of water quality and quantity issues as my coastal home faced algae blooms this past year. The side effects pose serious harm to fish habitat, impede access, and raise human health concerns. When our waters are not clean and our fisheries are not healthy and abundant, the businesses and jobs supported by boaters and anglers are threatened.

3. Sound fisheries management policy that support recreational angling is critical to my business. Whether its NOAA Fisheries, Fishery Management Councils or laws made right here in Congress— these decisions directly impact my ability to hire workers and contribute to the economy.

In 2014, I spearheaded, along with Johnny Morris of Bass Pro, the Morris-Deal Report—the first-ever vision for managing America's saltwater anglers. This report made six recommendations for the Magnuson-Stevens Fishery Conservation and Management Act (MSA), including allocating marine fisheries to the greatest benefit for the nation; creating reasonable latitude in stock rebuilding timelines, and codifying a process for cooperative management. Thanks to your leadership Chairman Wicker and a bipartisan effort from those on this Committee, the Modern Fish Act, which addressed many of the key report recommendations was passed last Congress and signed into law. Yet there is still more work to be done. Improved forage fish conservation was a critical component of the Morris-Deal report and forage fish such as menhaden are under intense pressure, something that I hope Congress will address this session. I look forward to seeing NOAA fully implement Modern Fish Act, because despite some recent improvements, federal marine fisheries management is still not maximizing the needs of the blue economy.

Whether its seasons or equitable Council representation for the recreational sector—decisions by NOAA and the Councils have a real impact on jobs and business growth. For example, the announcement by Secretary Ross to extend the 2017 Gulf red snapper fishing season by 39 days from only 3 days, was followed by my own factory expansion, creating 200 jobs and investing \$15 million in the local economy. A survey by the National Marine Manufacturers Association and American Sportfishing Association, estimates boat manufacturing companies have invested \$46.1 million in capital expenditures and hired 615 people due to the extended seasons and retailers found a 20 percent increase in tackle sales. While much progress has been made in recent years to improve Gulf management and access, unfortunately, the South Atlantic fishery lags behind. We hope many of the data collection and state-based management solutions implemented in the Gulf can be replicated in the South Atlantic as well. Doing so would generate investments from boat manufacturing companies of another estimated \$18.7 million and the hiring of 312 more people.

These are real jobs and real contributions to the Blue Economy due to the confidence by our industry and anglers in improving public access and consistency in fisheries management.

I'll leave you with this—recreational fishing is more than a family enjoying the water on a Saturday afternoon. It provides for hundreds of thousands of American jobs. Anglers and boaters are good stewards of the environment. We need clean water and sustainable fisheries to enjoy our sport. We directly contribute to infrastructure and conservation efforts, totaling \$600 million annually through the Sport Fish Restoration and Boating Trust Fund. Recreational anglers take only two percent of the finfish in America's oceans, while generating more than half the jobs in the entire fishing industry.

The boating and fishing community looks forward to continuing to work with you, Mr. Chairman, the members of this committee and the administration to maximize economic contributions to the Blue Economy and keep our oceans sustainable for generations to come.

Thank you for the opportunity to appear before you today, I look forward to answering your questions.