

TESTIMONY OF DIRECTOR H. DALE HALL, DIRECTOR, U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON NATURAL RESOURCES, SUBCOMMITTEE ON FISHERIES, WILDLIFE AND OCEANS

FISCAL YEAR 2008 BUDGET OF THE U.S. FISH AND WILDLIFE SERVICE

February 27, 2007

Good afternoon Chairwoman Bordallo, and Members of the Subcommittee. I appreciate this opportunity to testify before you today and report on the Administration's Fiscal Year 2008 budget request for the U.S. Fish and Wildlife Service. I would also like to take this opportunity to thank the Subcommittee for its continued interest in, and commitment to, protecting our Nation's natural resources.

With enactment of the FY 2007 Joint Resolution, we now have a full year appropriation of \$1.3 billion. Based on direction in the Joint Resolution we are preparing a detailed operating plan for FY 2007. We are not at liberty to disclose the details of the operating plans until they are approved and submitted to Congress on March 17. At that time we will be able to provide comparisons at the program level with the 2008 budget request.

The comparisons in our 2008 budget are with the third 2007 continuing resolution, which was in effect through February 15. Throughout this testimony the comparisons will be on that basis.

The Service requests a total of \$2.1 billion for 2008, consisting of \$1.3 billion in current appropriations and \$859.4 million in permanent appropriations. The 2008 budget for current appropriations is \$16.3 million above the FY 2007 continuing resolution level.

The 2008 request strategically positions the Service to maintain strong core functions essential to the Service's mission to protect and conserve endangered species, migratory birds, and certain marine mammals and fish, as well as restoring habitat for fish and wildlife. The budget will allow the Service to continue its strong record of achievements such as the removal of the western Great Lakes population of gray wolves from the Federal list of threatened and endangered species.

To accomplish its mission, the Service seeks to do cooperative conservation in partnership with non-Federal entities such as farmers and ranchers, State and local governments, Tribes, and others.

Cooperative Conservation

To that end, the budget includes \$291.7 million for cooperative conservation, an increase of \$14.5 million compared to 2007, to emphasize local input and cooperative decision-making to achieve land management and resource goals.

This includes a significant increase for the State and Tribal Wildlife Grants program of \$19.5 million and an increase of \$6.0 million for the North American Wetlands Conservation Fund.

The 2008 budget proposes to terminate both the Landowner Incentive Program (a reduction of \$15.0 million from 2007) and the Private Stewardship Grants program (a reduction of \$7.0 million from 2007). While cooperative conservation remains a cornerstone of our resource protection mission, an evaluation of the performance of various grant and technical assistance programs indicated that other programs provide similar conservation benefits in a more cost-effective fashion. Species at-risk will still benefit by shifting resources from these two programs to others that can demonstrate results.

Operations

Our operations account is funded at \$1.035 billion, \$36.9 million above the continuing resolution level for 2007. Key initiatives included in the budget follow.

Fixed costs are fully funded at \$28.3 million. The Department defines fixed costs as increases needed for Federal pay raises; employer contributions to health benefit plans; unemployment compensation; workers compensation; GSA and non-GSA rent increases; and contributions to the Department's Working Capital Fund. Pay and benefits for the Service's employees are a significant cost component of the Service's core programs. Maintaining this dedicated cadre of professionals is essential for the uninterrupted delivery of programs.

Healthy Lands Initiative

The Healthy Lands Initiative seeks to address challenges associated with growing energy activities in the West and the potential conflicts that result at the wildlife-energy interface. The Service's budget includes a \$2.0 million increase for activities in the Green River Basin of Wyoming, which is home to both critical wildlife habitat and increasing energy development. As energy activities increase, concerns about maintaining habitat for wildlife at the wildlife-energy interface are also increasing.

To address these challenges, the Service will work cooperatively with the Wyoming State Game and Fish Department, the Bureau of Land Management, the U.S. Geological Survey, and other stakeholders to provide increased assistance to private landowners in the Green River Basin to improve habitat and protect species on private lands; enhance planning and consultation to ensure energy development impacts to wildlife and habitat are effectively mitigated; and avoid the listing of species. Programs with relevant increases include Candidate Conservation (+\$500,000), Consultation (+\$500,000), the Partners for Fish and Wildlife program (+\$750,000), and the National Fish Habitat Action Plan (+\$250,000).

Partners for Fish and Wildlife

In 2008, the Partners Program will use a requested programmatic increase of \$6.0 million to continue to support the recovery of listed and candidate species and implement habitat restoration and enhancement projects in geographic focus areas identified through this year's strategic planning process.

The Partners Program fosters voluntary habitat restoration on private lands in priority focus areas with established habitat targets that will result in increased efficiencies to meet long-term goals of sustaining listed and candidate species populations. With the proposed increase, (\$750,000 of which is also part of the Healthy Lands Initiative, as discussed above) the Partners Program will restore or enhance an additional 2,546 acres of wetlands and 6,465 acres of uplands and 36 miles of riparian habitat for the benefit of Federal Trust Species.

Refuge Habitat Restoration and Monument Funding

The Service requests an additional \$4.7 million in funding with \$4.1 million for refuge operating needs (RONS) projects to restore wetlands, grasslands, and other habitats, and \$600,000 to support management of the new Northwestern Hawaiian Islands Marine National Monument. The RONS projects will improve habitat conditions and support wildlife populations, particularly those associated with endangered and threatened species.

Examples of these projects include \$234,000 to restore 3,500 acres of on-refuge habitat for the endangered Attwater's Prairie Chicken at Attwater Prairie Chicken NWR, Texas; \$207,000 to remove the invasive Chinese Tallow Tree from 500 acres at Cape Romain NWR, South Carolina; and \$200,000 to restore 4,000 acres of native prairie habitat at Charles M. Russell NWR, Montana. Including all projects, this funding will help restore an additional 5,100 wetland acres and 48,000 upland acres, and allow refuges to complete 111 additional recovery actions for threatened and endangered species.

The \$600,000 increase for the new Marine National Monument will support a new Monument manager to oversee operations at Midway Atoll NWR and Hawaiian Islands NWR; a new permitting officer to govern issuance of permits for activities within the Monument; and a resource protection/law enforcement officer to ensure public safety and compliance with applicable regulations.

Law Enforcement

Our budget funds the law enforcement program at \$57.6 million. We have proposed a plan to achieve \$1.4 million in cost savings in the wildlife inspection function by increasing import and export inspection fees. The Service has not adjusted these fees since 1996.

Fisheries

The fisheries program is funded at \$124.8 million, a net programmatic increase of \$7.3 million compared to 2007. Two important initiatives include the National Fish Passage Program and the National Fish Habitat Action Plan.

National Fish Passage Program

A \$6.0 million funding increase will support the Administration's Open Rivers Initiative (ORI), a multi-agency initiative to remove small, obsolete dams which are barriers to fish movement. The funds will enhance the program's capability to work with partners to deliver a "seamless" fish passage program across the American landscape.

The increase will enhance the Service's capability to conduct field-level fish passage project inventories, monitoring, and evaluations; provide technical assistance to our partners; increase field-level and Regional coordination capabilities; and establish in-house, national engineering capabilities. This request will help remove over 110 additional small dams or other barriers and re-open approximately 1,300 miles and approximately 7,200 acres of stream and river habitats to fish passage.

National Fish Habitat Action Plan

This plan is a science-based, voluntary, and non-regulatory partnership that will function through the National Fish Habitat Board and a set of regional-scale Fish Habitat Partnerships to protect, restore, and enhance the nation's fish and aquatic communities through partnerships that foster fish habitat conservation and improve the quality of life for the American people. The requested increase of \$2.25 million will support an additional 50 population assessments and 183 habitat assessments will be completed for native trust species, including the assessment of an additional 613 miles of stream and shoreline habitat. An additional 139 miles of stream and shoreline will be restored or enhanced to achieve habitat conditions to support species conservation.

Construction and Land Acquisition

The request for construction is \$23.1 million, a reduction of \$16.7 million. Proposed projects include \$5.0 million for the repair and renovation of water, sewer, and electric infrastructure at the Patuxent Wildlife Research Refuge and \$2.4 million to replace the fuel farm at the Midway Atoll National Wildlife Refuge. The land acquisition account is funded at \$18.0 million and proposed projects include \$4.5 million for the Upper Klamath National Wildlife Refuge and \$1.0 million for the Key Deer National Wildlife Refuge in Florida, the Service's highest ranking project under the Land Acquisition Priority System.

Federal Aid and Sport Fish Restoration

While they are funded as permanent appropriations, it is important to highlight that over \$752.2 million will be apportioned to the states and territories for high priority fish and wildlife conservation projects. This includes \$300.4 million through the Wildlife Restoration Grant Program (Pittman Robertson) and \$451.8 million through the Sport Fish Restoration Grant Program (Dingell-Johnson and Wallop Breaux).

Conclusion

Thank you for the opportunity to appear before the Subcommittee. We appreciate your past support, and look forward to working with you in the future.

I would be happy to answer any questions the Subcommittee may have.