

**US House of Representatives
Committee on Natural Resources**

**Oversight Hearing on "State and Local Efforts to Protect Species,
Jobs, Property and Multiple Use Amidst a New War on the West"**

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Casper, Wyoming

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Good morning Mr. Chairman and welcome to Wyoming. It is a pleasure to join you, Congressman Lummis, and your colleagues to talk about species protection, jobs, property and multiple use. I am Jeff Meyer, the Managing Partner of the Sweetwater River Conservancy.

The Sweetwater River Conservancy (SRC) is headquartered 40 miles southwest of Casper on the Pathfinder Ranch. Comprised of 9 working cattle ranches located along the North Platte and Sweetwater Rivers, SRC lands total 712,000 acres - an area about the size of Rhode Island.

Today these historic lands offer a powerful platform to realize three groundbreaking ideas. First, an idea to bring willing landowners and investors together to expand the protection of Wyoming's iconic wildlife. Second, an idea to help Wyoming capitalize on its abundant natural resources. And third, an idea to demonstrate how keeping intact landscape size parcels of private land is good business.

Earlier this year, with the full support of the State of Wyoming, SRC submitted applications to the US Army Corps of Engineers to create a Wetland, Stream, Riparian Mitigation Bank and to the US Fish and Wildlife Service to create a Sage Grouse Habitat Conservation Bank, all on SRC ranch lands. We will submit a third application for a raptor bank later this year.

These banks will be the first of their kind in Wyoming and the largest ever permitted in the United States.

The enactment of the Clean Water Act and the Endangered Species Act in the 1970's set the stage for our strategy today. These laws were motivated in part by the loss of critical habitat and the fragmentation of large landscapes. Today, four decades later, the debate surrounding the implementation of this legislation continues to rage and the time for new thinking seems ripe.

To protect critical habitat, regulators apply the principle of "no net loss" and condition the issuance of a permit on the ability of a developer to mitigate the consequences. They require the developer to first, avoid the impact when possible; second, minimize the impact; and third, compensate for unavoidable impacts. But without a clear way to meet these requirements, a project can languish for years or derail altogether.

Within the third category, "compensatory mitigation", we believe SRC will make a constructive contribution towards the goals of the Endangered Species Act.

SRC lands are home to high quality habitat for the greater sage grouse, raptors, mule deer, black footed ferret, and several other plants and animals that are being carefully monitored by the US Fish and Wildlife Service. Throughout the past five years, over one hundred scientists have spread out over our ranches to catalogue these resources. They worked their way over four mountain ranges, along 70 miles of major river frontage, across hundreds of side streams and tributaries, and through thousands of acres of sagebrush scrub lands.

This unparalleled body of knowledge served as the basis for the applications we recently submitted.

Once approved, we will actively restore and enhance the water quality and wildlife habitat on our lands using private capital and following strict scientific protocols approved by a task force of state and federal regulators. These improvements, known as "lift", will create certified credits that can be used by developers to off-set the impact of energy projects elsewhere in the same geographic service area.

The price for these credits will be negotiated on a "willing seller - willing buyer" basis. No one will be obligated to buy them and developers will have the option of doing their own compensatory mitigation or contracting with others.

It is our business assumption, however, that by investing heavily in "pre-approved" up front mitigation, we will have an appealing product that adds valuable clarity and predictability to the permitting process.

But adding clarity and predictability is not the only benefit to the SRC mitigation banks. The benefits are much wider.

Neighboring ranchers who partner with us will have a new source of revenue by managing their lands for both cattle production and wildlife enhancement.

For conservationist, SRC's unique approach supports habitat conservation across large landscapes creating an ecologically compelling solution of unrivaled import.

Sportsmen will continue to have access to our lands and enjoy higher populations of game and fish.

Regulators will have a credible new tool that enables them to protect species and promote multiple use of public lands.

And finally, these improvements will be financed by private investors and will not rely on federal appropriations or tax credits to succeed.

Today, the SRC mitigation banks are proposed only on private lands. But it is possible, with supporting public policy, to imagine a time when a land owner, using private capital, could improve the habitat on the BLM grazing lands he leases and share the revenues from the mitigation banks with the federal government. That's another big idea for Wyoming's landscapes and wildlife.

Thank you.