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TESTIMONY BEFORE THE HOUSE RESOURCES COMMITTEE  
SUBCOMMITTEE ON FISHERIES CONSERVATION, WILDLIFE AND OCEANS  
THE FEDERAL FISH HATCHERY SYSTEM

Thank you, Mr. Chairman. I am John Baughman, Executive Vice President of the International Association of Fish and Wildlife Agencies, and I appreciate the opportunity to share with you the Association's views on the Federal fish hatchery system.

The Association, founded in 1902, is a quasi-governmental organization of public agencies charged with the protection and management of North America's fish and wildlife resources. The Association's governmental members include the fish and wildlife agencies of the states, provinces, and federal governments of the U.S., Canada, and Mexico. All 50 states are members. The Association has been a key organization in promoting sound resource management and strengthening federal, state, and private cooperation in protecting and managing fish and wildlife and their habitats in the public interest.

Mr. Chairman, the state fish and wildlife agencies have a long and valued partnership with the federal agencies in fisheries management. Fish hatcheries have been and remain important components of many successful fishery restoration and management efforts. Given our shared responsibilities for the management of fish and other aquatic resources, and the diverse benefits derived by the American public from integrated and efficient hatchery production, we look forward to continuing to work closely with the Fish and Wildlife Service and NOAA Fisheries to ensure quality fish for restoration and to support diverse recreational and commercial use. Toward that end, we appreciate the opportunity to be here today in front of your Committee to explore ways to maintain and improve upon an important tool in our conservation toolbox.

I would like to address three main areas of interest to the states. First, we want to ensure that the system continues to be structured and managed to maximize coordination among federal and state management entities. Our shared management responsibilities and our shared duty to the people of this country dictate that we maintain a close and efficient working relationship between federal hatcheries and state fish and wildlife agencies. Secondly, we want to focus on the resource needs of the federal system. It is imperative that we maintain a strong federal hatchery system with adequate resources for continued operations and maintenance. Failure in this regard would undermine important conservation work, would place undue burdens on state partners and ultimately reduce ecological, recreational and economic benefits to local communities all across the country. Finally, I want to spend a few moments speaking to our vision for the future of fish production and articulating some of the challenges and opportunities that we anticipate as we look forward a few years in the business of fisheries management and conservation.

The responsibility for management of many fish populations rests with states. However, the migratory nature of many native species, recovery needs of species listed under the Endangered Species Act and mitigation obligations resulting from Federal water development actions place considerable responsibilities in the hands of federal fisheries management agencies. Shared jurisdiction that has evolved over many decades, under the almost constant pressure of budget constraints at state and federal levels has created an efficient system that delivers quality fish for a variety of purposes. State hatcheries focus heavily, but not exclusively, on fish production to supplement stocks for recreational fishing purposes. Federal hatcheries focus on native species restoration, rehabilitation through the stocking of fish and eggs, meeting mitigation responsibilities for federal water development projects and developing and maintaining brood stocks of various and sometimes unique genetic strains. Over the years, the states have also come to rely on the federal hatcheries for technical assistance and scientific expertise in a variety of areas. While it may appear at first glance that the system includes redundancy among agencies this is not the case. Neither the states nor the federal hatcheries alone could geographically or functionally satisfy the diverse needs for fish, or provide the collective expertise currently supplied by the sum total of the current system.

The Fish and Wildlife Service hatcheries have also been subjected to a number of reviews over recent years, including the Special Report on the National Fish Hatchery System, completed by the Sport Fishing and Boating Partnership Council in 2000. State agency representatives have been pleased to participate in that and earlier reviews. The result of those reviews has been a focusing of the roles and responsibilities that FWS hatcheries play in meeting the fishery management needs of the country. It is the general opinion of the states that those reviews have resulted in an efficient, focused and productive partnership among state and federal hatcheries resulting in quality, environmentally responsible fish production to meet ecological and social needs associated with mitigation, ecological restoration and rare species conservation and recovery. We look forward to continuing to build on that progress.

Accepting current levels of productivity as a baseline, there are concerns relating to the ability of the federal hatcheries to continue to meet their responsibilities and defined roles as articulated by statute and policy. In the course of budget deliberations in recent years the states have expressed concern with hatchery funding trends. In 2000, it was noted that funding for hatchery operations had declined approximately 15% throughout the 1990's. Annual increases are needed simply to keep pace with natural growth in employee costs and related inflationary pressures. Maintenance funding has also not kept pace with needs for an aging set of facilities, many of which date back to the late 19th century. The Average age of federal hatcheries now approaches 60 years. With age comes maintenance costs to shore up a system facing great challenges. Yet there remains an estimated maintenance backlog of \$300 million. The International Association of Fish and Wildlife Agencies recommends stable funding at \$19 million annually to address this critical maintenance responsibility. The Association has also long advocated for compensation back to the Fish and Wildlife Service for the costs of producing fish that are intended to mitigate for federal water development projects undertaken by other agencies.

Compounding direct funding concerns are two new pressures on the federal system. Just last year, the prospect of competitive outsourcing was initiated for a number of key hatchery functions. While we do not object to the concept of seeking private sector contractors to provide services at competitive rates, the process initiated at that time included no consultation with state agency partners and did not appear to adequately capture the full range of functions fulfilled by the target job positions. Under these competitive outsourcing conditions, federal agencies are forced to cut costs and services to remain competitive with potential private sector bidders, who may not be prepared to provide the full range of services or products provided by current Service employees.

In addition, new EPA aquaculture effluent rules enacted in 2004 will require both public and private hatcheries using flow through systems to develop new practices and put new policies in place for management of effluent. These new rules could have substantial impacts on the way that public hatcheries operate and are particularly problematic for older, public hatcheries that might require substantial redesign or upgrades to meet increasingly stringent management standards.

Looking forward, we anticipate continued need to focus on public fish hatcheries as an essential tool in sound fisheries management. Hatcheries will continue to play a role in protection and restoration of native fish populations and supplementation of natural populations to support valuable recreational and commercial fisheries. Today, the states, federal partners and others are in the early stages of an ambitious new effort to protect and enhance fish habitat. While we have seen the declines of much fish habitat across the country, we have also seen examples where habitat previously lost to fish has recovered to the point where it once again supports valuable fisheries. In many of those cases, population enhancement through hatcheries has played a critical role in restoring those stocks and the fisheries that depend upon them.

One close by example is that of shad recovery in the Chesapeake Bay. Following fish passage and water quality improvements, waters once lost to anadromous shad runs were reopened. Yet fish populations had declined to the point where active restoration was required to take full advantage of potential habitats. Through a scientific, careful and consistent restocking effort, native runs of naturally reproducing American and hickory shad have been restored to many tributaries of the Chesapeake Bay. Now, recovering populations in rivers like the Potomac are being utilized to gather eggs for further restoration work in the James and Rappahannock Rivers. Much of this work has occurred at the Harrison Lake National Fish Hatchery in Virginia. Similar success stories are unfolding on the Great Lakes with lake trout and coaster brook trout, in the southwest, where endangered Apache trout populations in Arizona could become the first native fish species to be removed from the endangered species list, and in many other places around the United States.

In addition to filling ecological niches once almost lost, these and other species support revived and growing recreational fisheries that provide real local economic benefits. In addition, recovering fish populations instill in anglers and other conservationists a sense of progress. Recovering fish populations reward difficult conservation choices and pave the way for continued commitment to cleaning up our waterways and protecting the integrity of watersheds all across the country.

It should not go unnoticed in the course of these restoration efforts that careful attention is paid to culture of fish that are genetically appropriate to the region, free of disease that could be inadvertently introduced to aquatic systems and using culture techniques that maximize the health and quality of produced fish. Much of this work is supported at federal and state levels by fish technology centers, fish health centers and national broodstock programs housed under the national fish hatchery system.

Mr. Chairman, we appreciate the attention you are devoting to maintaining and enhancing a system crucial to fishery conservation work across the country. We strongly believe that the states, fishermen and the whole American public benefit from the good work of the national fish hatcheries. Thank you for the opportunity to share our perspectives and I would be pleased to respond to any questions.