

TESTIMONY OF CATHLEEN SHORT, ASSISTANT DIRECTOR, U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE HOUSE SUBCOMMITTEE ON FISHERIES, WILDLIFE AND OCEANS, HOUSE RESOURCES COMMITTEE, REGARDING H.R. 3908, H.R. 3470, AND H.R. 4044.

APRIL 11, 2002

Good morning, Mr. Chairman. I am Cathleen Short, Assistant Director for Fisheries and Habitat Conservation with the U.S. Fish and Wildlife Service. I appreciate the opportunity to testify on the three fish and wildlife bills being considered this morning.

H.R. 3980, the "North American Wetlands Conservation Act"

We greatly appreciate the Committee's interest in conservation of wetlands and associated habitats, and for recognizing the tremendous value and success of the North American Wetlands Conservation Act (NAWCA), originally passed in 1989. Over this past decade, we have witnessed remarkable achievements in conservation through this landmark legislation, which promotes strong partnerships to protect and restore habitat for migratory birds, endangered species, and a host of other fauna and flora. These partnerships are established with world renowned conservation organizations, State fish and game agencies, and numerous small grass-roots organizations focused in small geographic areas.

NAWCA provides matching grants to organizations and individuals who have developed partnerships to carry out wetlands conservation projects in the United States, Canada, and Mexico. NAWCA was passed, in part, to support activities under the North American Waterfowl Management Plan, an international partnership agreement that provides a comprehensive strategy for the long-term protection of wetlands and associated uplands habitats needed by waterfowl and other migratory birds in North America, enjoyed by more than 65 million Americans annually. NAWCA is also widely recognized for its support of other bird conservation plans, including Partners in Flight, North American Waterbird Conservation Plan, and U.S. Shorebird Conservation Plan, all of which emphasize the importance of habitat conservation.

One of the unique features of NAWCA that makes it so strong is its creation of the North American Wetlands Conservation Council, a group that reviews and recommends projects for approval by the Migratory Bird Conservation Commission. The strength of the Council comes from its diverse membership, composed of the Director of the Service, Director of the National Fish & Wildlife Foundation, four Directors of State Fish & Games agencies representing each of the four migratory bird flyways, and three charitable, non-profit organizations actively involved in habitat conservation. The Council has been widely viewed as a leader in international habitat conservation activities through their implementation of NAWCA.

Permit me to summarize briefly an important message about NAWCA and its funding history. Congress has appropriated funds to conduct NAWCA activities since 1991, beginning with a modest \$15 million. In contrast, in fiscal year 2001, Congress appropriated \$40 million, and in fiscal year 2002, Congress appropriated \$43.50 million. For fiscal year 2003, the President has requested \$43.56 million, showing a continuing support for this essential conservation tool.

Additional funding for NAWCA comes from moneys received from fines, penalties, and forfeitures under the Migratory Bird Treaty Act of 1918, and from interest accrued on the fund established under the Federal Aid in Wildlife Restoration Act of 1937. Amendments to the Federal Aid in Sport Fish Restoration Act of 1950 directed a portion of the moneys collected from Federal fuel excise taxes on small gasoline engines be allocated for use under NAWCA for coastal ecosystem projects. Over the past 2 years alone, an annual average of \$75 million has been available from all sources, an amount that meets many, but not all,

identified needs. During fiscal years 2000 and 2001, 237 projects were funded with \$114.8 million in NAWCA funds with

\$404.7 million in partner support, an additional 135 proposals requesting \$31.7 million in NAWCA funds were unable to be funded due to higher priorities. These unfunded proposals had over \$91.4 million of committed partner support, and can be considered for future disbursements. These statistics are shared to validate the value of NAWCA in terms of continued high demand while also emphasizing the challenge in meeting the habitat needs for our Nation's migratory bird and wildlife resources.

I would also like to highlight a few notable statistics. From fiscal years 1991 through 2002, more than 5,700 individual partners were involved in 881 NAWCA Standard Grant program projects, which can be eligible for up to \$1 million in grant monies. More than \$460 million has been invested through the Act; total partner contributions have amounted to more than \$1.3 billion. Approximately 8.3 million acres of wetlands and associated uplands have been protected or restored in the United States and Canada, and more than 444,000 acres in Mexico. Under the Small Grants program, which offers up to \$50,000 to partners in the United States, more than 300 partners have been involved in 161 projects with approximately \$6.6 million in contributions throughout the program's history. Partners of the U.S. Fish and Wildlife Service (Service) have contributed \$50 million in support of this program. Each Federal dollar provided by the NAWCA has leverage nearly three dollars (\$2.94) from outside sources. We believe that is a significant, and wise, Federal investment.

In 1998, Congress reauthorized appropriations for the Act through fiscal year 2003, reflecting Congress' and the public's support of NAWCA's goals. In 2001, Congress raised the appropriation authorization to \$50 million. H.R. 3908 will maintain the authorized funding level at \$50 million and will extend authorization for the Act through 2007. We support this bill without reservation and look forward to maintaining oversight of legislation that carries an impressive history of accomplishment for both the American people and the wildlife it treasures.

H.R. 3470, a bill to clarify the boundaries of Coastal Barrier Resources System Cape Fear Unit NC-07P.

Mr. Chairman, in a moment I will discuss the Service's support of H.R. 3470, a bill directing the Secretary of the Interior to make technical corrections to NC-07P, an area established by the Coastal Barrier Improvement Act of 1990. Before doing so, I will briefly describe the Coastal Barrier Resources Act and the Service's role in its implementation.

Coastal barriers perform many functions that strengthen our economy and promote a healthy environment. They often help provide the back-bay water conditions necessary to support productive and lucrative fisheries--the world class oyster beds of Apalachicola, Florida, are one example. In addition, these migrating strips of sand provide essential habitat for migratory birds and many at-risk animals such as piping plovers and sea turtles, which spend a portion of every year on them. Coastal barriers are also popular vacation destinations and a boon to local economies; their beautiful beaches, unique dune and wetland environments, and biological diversity attract millions of visitors every year. Hilton Head, South Carolina, North Carolina's Outer Banks, and Galveston, Texas, are a few examples of popular coastal barrier vacation sites.

With all of their amenities, it is no surprise that the demand for property on coastal barriers is high. Developing them, however, is a risky endeavor. Commonly found along the Atlantic and Gulf coasts, coastal barriers are the first land forms that storms strike; they must bear the full force of storm surges and hurricane winds. The constant pounding of waves keeps coastal barriers in a state of flux, losing sand in some places and gaining it in others. In addition, chronic erosion is a real and increasing problem in many places, rendering development that appeared safe years ago vulnerable to storms today.

Recognizing the risk of developing coastal barriers and the value of coastal barriers to local economies and natural resources, Congress adopted and President Reagan signed into law the Coastal Barrier Resources Act (CBRA) of 1982. The Act is the essence of free-market natural resource conservation; it in no way regulates how people can develop their land, but transfers the full cost from Federal taxpayers to the individuals who choose to build. People can develop, but taxpayers won't pay. By limiting Federal subsidies, such as flood insurance, and letting the market work, the Act seeks to conserve coastal habitat, keep people out of harm's way, and reduce "wasteful" Federal spending to develop--and rebuild again and again--places where storms often strike and chronic erosion is common.

To make this vision work, the Act identified undeveloped coastal barrier units along the Atlantic and Gulf coasts and included them in the John H. Chafee Coastal Barrier Resources System--named after the late Senator who was instrumental in shaping the law and a life-long champion of natural resource conservation. As authorized by Congress, the Secretary of the Interior is responsible for (1) maintaining the official maps of the System, (2) conducting a review of the maps every five years to reflect natural changes, (3) consulting with Federal agencies that propose spending funds within the System, and (4) ensuring Federal Flood Insurance Rate Maps accurately depict the official boundaries.

In 1990, Congress passed the Coastal Barrier Improvement Act. In addition to expanding the System, the 1990 Act designated "otherwise protected areas," or OPAs. Units of the System primarily include private lands that are subject to a wide array of restrictions on Federal spending, from flood insurance to subsidies for roads, potable water, and other types of infrastructure. OPAs, on the other hand, add one more layer of protection to coastal barrier park lands, wildlife refuges, bird sanctuaries, and other areas held for some conservation purpose. In particular, Federal flood insurance is prohibited in OPAs to discourage the development of privately owned inholdings.

Because of the imprecise tools available when OPAs were first mapped, we have found their boundaries often do not mirror the actual property boundaries of the protected lands they were meant to follow. They sometimes include private lands that are not inholdings, and the owners of these lands cannot obtain Federal flood insurance for their homes. When these OPAs come to our attention, we work closely with interested land owners, local and State officials, and land managers to correctly map the boundaries with the high quality tools now available. We then provide the updated information to Congress for consideration.

NC-07P, an OPA around Cape Fear, is one of these cases. We worked with our partners, including local landowners and officials from the Village of Bald Head Island, Bald Head Island Land Conservancy, North Carolina Department of Natural Resources, and Sunny Point Military Installation, to produce draft maps that accurately depict protected lands in the area. The maps would exclude about 110 acres of land, but they also would add about 2,470 acres of nearby protected lands that we identified during our research. In addition, we recently learned that a portion of the 110 acres is managed by the North Carolina Department of Cultural Resources. We are working closely with them to modify the draft maps accordingly, which could reduce the amount of land removed from the OPA by as much as 65 acres. We will keep you apprised of our progress.

H.R. 3470 would adopt new maps of NC-07P that pinpoint the boundary of conservation lands and significantly expand the OPA. The Department believes that Congress did not intend to include private lands outside of the border of the conservation lands in the OPA. Because of this, and the fact that the new maps were prepared through a collaborative process involving all of the local land owners, the Department supports H.R. 3470.

Mr. Chairman, we will continue to work with Congress to achieve CBRA's objectives and improve the accuracy of OPA boundaries. Our work on OPAs is one part of our broader goal to modernize all CBRA maps and provide our partners with better information. We believe this will help achieve all of three of CBRA's intentions: saving taxpayers' money, keeping people out of the deadly path of storm surge, and protecting valuable habitat for fish and wildlife.

H.R. 4044, a bill to authorize the Secretary of the Interior to provide assistance to the State of Maryland for implementation of a program to eradicate nutria and restore marshland damaged by nutria.

The Service commends the Chairman and the Committee for recognizing the significant threat posed by nutria to the Chesapeake Bay ecosystem and to the economy and culture of the Bay area communities. The Service has a long history of commitment to protecting and enhancing the fish and wildlife resources of the Bay area through our cooperative efforts with the States, private landowners, and through the habitat management work conducted on National Wildlife Refuges such as Blackwater National Wildlife Refuge. We recognize that Federal land management agencies like the Service play a key role in managing invasive species, particularly at the local level where communities are struggling to find support for protection of the environment, sustainable agriculture, and economic stability.

Nutria are an exotic invasive rodent, native to South America, that have been introduced in 22 states nationwide, and affect over 1 million acres of the National Wildlife Refuge System (NWRS). Among areas with high nutria populations is the lower Eastern Shore of Maryland, including Blackwater National Wildlife Refuge. Blackwater has lost over 7,000 acres of marsh since 1933, and the rate of marsh loss has accelerated in recent years to approximately 200 acres per year. Although there are many contributing factors (e.g., sea level rise, land subsidence), nutria are a catalyst of marsh loss because they forage on the below-ground portions of marsh plants. This activity compromises the integrity of the marsh root mat, facilitating erosion and leading to permanent marsh loss.

Nutria are one of thousands of invasive species impacting the NWRS, as well as other Federal, State, and private lands. The degradation of native fish and wildlife habitats and the functional disruption of entire ecosystems due to invasive species is overwhelming. Invasive species impacts to the NWRS have also reached enormous proportions.

In an effort to make the best use of our abilities and resources, the Service cooperates with numerous partners, including the Department of Agriculture's Wildlife Services, to identify priorities for invasive species prevention and control work. As new invasive species infestations are identified and others expand, many times we are forced to react, rather than be proactive, which prevents us from getting ahead of the problems. Although the Service fully realizes the threat posed by nutria to the integrity and function of the Chesapeake Bay ecosystem, and to Blackwater National Wildlife Refuge, we must prioritize nutria management within the context of hundreds of other high priority invasive species problems nationwide.

In light of this broader nationwide invasive species problem and the significant ecological degradation caused by nutria, the Service joined forces with partners in federal and State government and the private sector in 1997 to identify appropriate methods for controlling nutria and restoring degraded marsh habitat. The partnership prepared a 3-year pilot program proposal, which was subsequently approved by Congress, including authorization for the Secretary of the Interior to spend up to \$2.9 million over 3 years beginning in Fiscal Year 2000 (Public Law

105-322). The partnership successfully leveraged commitments of over \$1.5 million in non-federal funds and services for the initiative, raising the total amount of project support available to approximately \$2.05 million.

During fiscal year 2001, the State of Maryland submitted a grant proposal under the Service's Coastal Wetlands Grant program. That proposal would have further supported wetlands restoration efforts related to the nutria partnership, however, the proposal was not submitted within the establish deadline. We encourage the State of Maryland to resubmit the proposal.

In fiscal years 2000 and 2001, \$500,000 of Service funds were earmarked for initiation and implementation of the pilot study in and around Blackwater National Wildlife Refuge as authorized by P.L. 105-322. The

Service identified approximately \$199,000 from the Partners for Fish and Wildlife program and approximately \$299,000 from Refuge Operations funding to meet our study obligations. In FY 2002, the Service received an earmark for an additional \$550,000 for the nutria project through the Partners for Fish and Wildlife program, that increased the available funds from that program for the nutria project to \$749,000. This, plus the Refuge Operation funding, provided a total of \$1.048 million for 2002. The Service has again identified \$498,000 -- \$199,000 from the Partners for Fish and Wildlife program and \$299,000 from Refuge Operations funding -- to meet our study obligations for FY 2003.

We are encouraged by H.R. 4044, and other bills introduced in Congress, which address invasive species problems. However, we need to identify more clearly how a program like that proposed in H.R. 4044 would fit within the Service's priorities as reflected within the President's budget. Additionally, there are other aspects of the bill that cause concern, including the need for a new grant program to specifically address nutria, the high federal cost-share, and high administrative expenses provision provided in the bill. The Service appreciates the Committee's efforts at controlling and eradicating invasive species, and we stand ready to work with the Committee toward that end.

The Service plans to continue nutria project funding amounts within the priorities identified in the President's budget. The Service is also examining additional opportunities to fund the continuation of the nutria eradication program in Maryland through partnerships and cost-share programs currently requested in the President's budget request. Programs such as the Cooperative Conservation Initiative and the Coastal Program may provide mechanisms to increase the available funds for nutria control and marshland restoration, however these programs involve competitive processes for project selection and a commitment at this time would be premature.

The Service recognizes the need to continue cooperative efforts to eradicate nutria in the Chesapeake Bay region and will continue its commitment as a key Federal member of the nutria eradication partnership.

Mr. Chairman, this concludes my prepared statement. I will be pleased to respond to any questions you may have.

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