

TESTIMONY OF MAX C. CHAPMAN, JR., CHAIRMAN OF THE BOARD OF DIRECTORS  
NATIONAL FISH AND WILDLIFE FOUNDATION  
BEFORE THE HOUSE RESOURCES COMMITTEE  
SUBCOMMITTEE ON FISHERIES AND OCEANS  
REGARDING H.R. 1428, THE NATIONAL FISH AND WILDLIFE FOUNDATION REAUTHORIZATION ACT

Mr. Chairman, and Members of the Subcommittee:

I appreciate the opportunity to submit testimony for the record regarding H.R. 1428, the National Fish and Wildlife Foundation Reauthorization Act. I greatly appreciate the leadership that you, Mr. Chairman, Chairman Wayne Gilchrest and Congressman Norm Dicks have shown in introducing this legislation to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act.

The National Fish and Wildlife Foundation is a private non-profit, 501(c)(3) tax-exempt organization, established by Congress in 1984 and dedicated to the conservation of fish, wildlife, and plants and the habitat on which they depend. Since 1984, the Foundation has been reauthorized four times (1988, 1990, 1994 and 2000). Its mission is to sustain and expand our nation's fish, wildlife and plant resources through healthier habitats, stronger partnerships and enhanced stewardship. It achieves this mission by bringing together the talent and resources of federal, state, and local agencies, tribal organizations, corporations, foundations and individuals. One underlying principle for success at the Foundation is that it cooperates with and engenders cooperation among its federal agency partners.

The Foundation's fundamental goals are to engage the broadest possible base of partners for collaborative conservation and to increase resources for conservation. It supports innovative and sustainable conservation solutions, respects private property rights and personal and community livelihoods. It recovers and sustains viable and healthy ecosystems, maintains scientific rigor and integrity and maximizes efficiency, customer service and financial accountability. The Foundation neither engages in nor supports political advocacy or litigation, nor does it allow any federal funds or the matching private dollars to be used for these purposes.

The Foundation promotes conservation solutions by awarding matching grants using its federally appropriated funds to match private sector funds. Our Establishment Act and subsequent reauthorizations require the Foundation to match federal appropriated funds with at least an equal amount of nonfederal funds, a level we consistently exceed. No federal appropriations are used to meet our administrative expenses.

All potential grants are subject to a peer review process involving state and federal agency staff, academia, community and environmental interests, corporations and others. The review process examines the project's conservation need, technical merit, the support of the local community, the variety of partners and the amount of proposed non-federal cost share. In addition, the Foundation requires strict financial reporting by grantees and is subject to an annual audit.

The Foundation is governed by a 25-member Board of Directors, appointed by the Secretary of The Interior and in consultation with the Secretary of Commerce, and operates on a nonpartisan basis. Directors do not receive any financial compensation for service on the Board; in fact, all of our directors make financial contributions to the Foundation. The Board is diverse, representing the corporate, philanthropic and conservation communities; all with a tenacious commitment to fish and wildlife conservation.

Since our inception in 1984, the Foundation has created on-the-ground conservation opportunities using more than \$918 million in funds (that's more than \$305 million in federal funds and nearly \$614 million in private matching funds) for work on 7,273 conservation projects nationally and internationally. This has resulted in more than 17.4 million acres of restored and managed wildlife habitat; new hope for countless species under stress, new models of private land stewardship; and, stronger education programs in schools and local communities. We recognize that without this Committee and the reauthorization of the Foundation's Establishment Act, many of these conservation benefits would not be realized.

As this Committee knows, the US Fish and Wildlife Service is the Foundation's primary federal agency partner. Over the past 20 years, the Foundation has received more than \$129 million in Service-appropriated funds, which has been leveraged with more than \$412 million in nonfederal funds for 2,746 conservation projects. This represents a leveraging ratio of over 1:3. Additionally, the Foundation also has received more than \$33.9 million from the Service to support more than 30 cooperative agreements. Through this partnership, the Foundation has restored populations and habitats of at risk species across all types of aquatic and terrestrial animal groups, including but not limited to the black-tailed prairie dog, whooping crane, red-cockaded woodpecker, cutthroat trout, Pacific and Atlantic salmon, and Karner blue butterfly. Additionally, the Foundation has used FWS funds to help control the spread of invasive plant species on private and public lands through the development of local Cooperative Weed Management Areas and to support a wide range of

education programs that target people of all ages, such as the Earth Stewards Program that engages school students in environmental and conservation studies at local National Wildlife Refuges.

The Foundation is also the official foundation for the National Oceanic and Atmospheric Administration (NOAA) and this partnership has grown substantially from its origins in 1997. Over the past eight years the Foundation has received more than \$20 million in NOAA appropriated funds, which has been leveraged into more than \$47 million for 295 conservation projects. In addition to these funds, the Foundation has also received more than \$21.5 million from NOAA to support seven cooperative agreements. Over the years the Foundation and NOAA have been able to support management and recovery activities for endangered marine species like sea turtles, salmon, and whales; address coastal habitat restoration in several watersheds including Chesapeake Bay, Delaware Bay, Long Island Sound and Tampa Bay; and support several innovative education and outreach programs including the Earth and Sky Natural Science Education Program on National Public Radio.

Some of our other significant Federal partners include the Bureau of Land Management (BLM), the USDA Forest Service (FS), the Natural Resource Conservation Service (NRCS) and the Environmental Protection Agency (EPA).

The Foundation began its relationship with the BLM in 1991. Since that time, the Foundation has collaborated with BLM on more than 400 on-the-ground conservation projects to leverage more than \$20 million of BLM funds into more than \$50.5 million on-the-ground. These projects range from the creation of cooperative Weed Management Areas and the implementation of grazing management programs to improve wildlife and fish habitat to providing capacity building support for bird conservation networks of federal, state and private entities and pairing high schoolers with professional fisheries biologists as part of a summer internship program. Through our BLM partnership we are able to address habitat restoration within grassland, rangeland and sagebrush communities; recovery of species of concern; conservation education; and native plant conservation.

The Foundation has partnered with the FS for over 15 years and has undertaken more than 660 projects by leveraging \$16.8 million in federal funds into more than \$62 million, benefiting national forest and grassland units and supporting the agency's ongoing management programs. Through our FS partnership we are able to restore watersheds in an effort to bring back native aquatic species to their historic range, develop Weed Management Area partnerships to help combat the spread of invasive plants and improve forest health conditions for at risk species of fish, wildlife and plants on land administered by the FS.

Our EPA partnership started some seven years ago and the Foundation has been able to support more than 500 projects using \$12 million in EPA funds to achieve a total of \$46 million in small watershed-based grants. Through our EPA partnership we are able to support community-based wetland, riparian and coastal habitat restoration projects both nationwide and in targeted watersheds.

Another significant partner is the NRCS. The Foundation and NRCS have partnered over the past five years to turn \$15 million in federal funds into more than \$60 million worth of projects that have engaged private landowners, primarily farmers and ranchers, in the conservation and enhancement of fish, wildlife and natural resources on their lands. Through our NRCS partnership we are able to increase instream flow for rivers while continuing to support agricultural irrigation, promote the recovery of specific threatened or endangered animals on private land, implement critical conservation practices on private land that does not qualify for funding under a Farm Bill program and forge broad community-based partnerships.

The Foundation's federal agency portfolio does not stop here as we have forged partnerships with over 300 federal partners. A complete report of all of the Foundation's grants that encompasses our federal, state, corporate and non-profit partners from 2001 through 2004 has been provided to the Committee. I believe you will find this list to be most impressive and comprehensive as it demonstrates partnerships, leveraging, creativity, accountability and a long-lasting impact on the fish, wildlife and habitats which we work to conserve. None of these partnerships and the many we forged in the first 15 years would exist if it were not for this Committee and its wisdom to create the Foundation's Establishment Act and subsequent reauthorizations.

At the National Fish and Wildlife Foundation, grant making centers around four conservation themes that define the Foundation's philosophy and conservation approaches. The Foundation recognizes that these priority themes represent significant challenges to conservation practitioners, but finds them obtainable and within the abilities of the organization. The four themes are Working Ecosystems and Healthy Habitats, Conservation of Critical Species, Education and Stewardship and Evaluation and Innovation.

Working Ecosystems and Healthy Habitats

Today private lands and waters in the United States support over 60% of habitats for fish, wildlife and plants, 65% of our nation's wetlands and over 75% of all our endangered species. These areas also are critical to our national economy and support jobs, opportunity and a way of life for millions of Americans. It is not feasible, practical or desirable, therefore, to protect our nation's fish and wildlife resources solely through acquisition or public management. Nor can regulation alone succeed in protecting rich, healthy and abundant wildlife for future generations.

The Foundation recognizes that if it is to succeed in reaching its goal, it must build a new model of conservation that combines positive economic productivity with solid, sustainable conservation. In this way, private landowners and resource users are recognized as essential stewards of natural resources for our children and grandchildren.

Cooperating with others, the Foundation works to conserve an ecologically diverse network of lands and waters, of various ownerships, providing habitat for fish and wildlife resources. The Foundation supports conservation projects that develop and support management practices and market-based approaches on public, private, tribal lands and in marine habitats that improve both ecosystem function and economic returns. Priority is given to developing and supporting both proven and innovative incentive-based conservation approaches that streamline, forestall, or reduce the need for regulatory mechanisms. For example, a grant through our partnership with NRCS supported outreach and training to over 600 limited resource farmers on state and federal agriculture conservation programs resulting in increased conservation for more than 27,000 acres; and a grant through our partnership with the Forest Service protected over 6,000 acres of high quality elk habitat through landowner education in southwest Montana.

Projects under this theme restore watershed function, maintain adequate stream flows, and maintain or enhance water quality for fish and wildlife by working innovatively with existing land and water interests. They support efforts to enhance the habitat value of protected lands (federal, state, and existing private easement lands) and marine areas by improving the management practices of adjacent private lands and waters to result in larger, more viable fish and wildlife habitats. These projects also must pragmatically demonstrate that fish and wildlife species (both game and non-game) and their habitats are an integral economic resource for the landowner, local community and resource user.

### Conservation of Critical Species

Over 1,200 species of animals and plants are federally listed as threatened or endangered in the United States today, with the status of many more unknown. Many of these species are in decline due to habitat loss and degradation, habitat fragmentation, invasive species and over-exploitation. As daunting a challenge to overcome as recovery may seem, the majority of America's species still have a fighting chance. In fact, conservation and restoration efforts for several species yielded success stories over the past few years - bald eagles, peregrine falcon, gray whales, many species of waterfowl, alligators, and striped bass, to name a few, as their habitats were improved and other measures were implemented for their recovery.

The Foundation's goal is to halt species decline and continue the trend in species recovery where possible, both on land and at sea. To accomplish this, the Foundation builds upon its diverse partnerships, supports sound science, seeks multiple funding opportunities and works towards the cooperation of private and public area managers to support effective coalitions capable of implementing effective ecosystem scale management. Through these types of partnerships the Foundation coordinates closely with wildlife professionals, sportsmen and women, private landowners, resource users, local communities, government agencies and conservation organizations to support effective conservation measures on-the-ground and in-the-water.

The Foundation recognizes that there are already many current programs and partnerships in place for some species of concern, so resources are focused on where there is both a real conservation need and where modest funds can make a difference through strategic and effective grant making. The Foundation seeks and funds efforts to stabilize or increase populations of fish and wildlife to prevent listing or have a reasonable chance of success at down-listing or de-listing from threatened or endangered status. These projects focus on the following features: (1) develop and support efforts to conserve migratory species with priority given to critical life cycle locations and ecosystems; (2) identify, develop and support habitats for "keystone" species that provide complementary benefits to a multitude of species; and (3) develop and support effective control over invasive species and enhance native species viability.

### Education and Stewardship

The Foundation invests in programs that educate and train the next generation of conservation stewards, with an emphasis on under-served communities in urban and rural areas. Its focus is on connecting the many excellent "islands" of opportunity that already exist with the goal of forming a continuum of effort that engages children at an early age, when they are still forming their attitudes and values about their natural and social environments, and nurturing them throughout their

development right through career placement. We also focus on significantly increasing the scale of effective programs to achieve measurable positive impacts among all demographic groups.

The Foundation is interested in ensuring that private landowners, watermen (commercial and recreational users of marine and coastal environments, including fishers, divers and boaters), community leaders and other resource managers have the tools, training and economic incentives to improve stewardship to benefit fish, wildlife and plant resources. Its resources focus on programs that are inclusive, innovative and provide experiential education. Whether it is a partnership with the NOAA to clear debris from the waters of Puerto Rico or organizing volunteers with FWS funds to restore tidal marsh at the Blackwater National Wildlife Refuge in Maryland to create a 15-acre wetlands demonstration site for public education activities, the Foundation has seen clear value in environmental stewardship activities.

The Foundation supports education projects that promote community-based efforts to protect and restore important fish and wildlife resources that can serve to educate and engage communities in stewardship of local resources; provide innovative, "hands-on" conservation education programs that target under-served K-12 students and teachers and serve as models for others to emulate; provide meaningful internship, training or mentoring programs for high school and college students who have an interest in natural resources management or biology; target the children of watermen, farmers, ranchers and landowners who are likely to be the future stewards of our natural resources; and engage traditional community leaders in support of programs that demonstrate how conservation can enhance quality of life in minority communities.

### ***Evaluation and Innovation***

The Foundation and its Congressional, government, corporate, foundation and individual stakeholders collectively invest significant resources into fish and wildlife conservation. Across these sectors there is increasing demand for establishing performance goals and evaluating these goals in an objective, quantifiable and measurable form -- to determine the effect and outcome that a program has had over the short and long term -- and to develop recommendations for future involvement. To better determine whether programs and approaches are working, the Foundation will conduct routine measurement-based evaluations for each grant and selected programs supported by the Foundation and share these results with its stakeholders and partners. As a grant-making organization with a public trust responsibility, the Foundation recognizes that it must evaluate the nature and effectiveness of its activities.

The Foundation will continue to invest in the next generation of novel approaches for conservation science and practical application. The Foundation recognizes the need to provide seed capital for outstanding conservation projects that attempt the untried, untested and the innovative. The Foundation is committed to helping forge new and innovative tools that advance human ability to practice sustained conservation.

### ***Partnerships***

Partnerships are at the very root of every grant, every opportunity and every success we have as a conservation steward. In addition to its many federal and nonfederal partners, the Foundation has successfully worked with a number of non-governmental entities such as ExxonMobil Foundation, the Alcoa Foundation, Anheuser-Busch, Southern Company, Bass Pro Shops, Conoco Phillips, Disney and the United States Golf Association.

Just two weeks ago, on April 12, 2005, the Foundation forged a new first-of-its-kind corporate partnership with Wal-Mart. The Foundation and Wal-Mart have created a groundbreaking partnership program, "Acres for America," which will conserve critical wildlife habitat for future generations. Wal-Mart has committed \$35 million for the next 10 years to conserve at least one acre of priority wildlife habitat for every acre developed for company use. This new program is one of the largest ever public-private partnerships and the first time a company has tied its footprint to land conservation. The Foundation will identify key habitats throughout the country working in partnership with the nation's local, state and national conservation organizations and public land management agencies. As part of the announcement, five leadership grants were selected. These signature projects include: Catahoula National wildlife refuge in Louisiana; Sherfield Cave and the Headwaters of the Buffalo National River in Arkansas; North Rim of the Grand Canyon in Arizona; Back to Home Waters in Squaw Creek, Oregon; and, Downeast Lakes Forestry Partnership in Maine. These five projects alone will result in the conservation of more than 321,000 acres. It is our hope that other corporations will step up to the plate and do their part for conservation.

Now let me turn to the Foundation's reauthorization.

The Foundation is seeking a five year extension to its existing authorization that is set to expire September 30, 2005. This

would authorize the Foundation at its current authorized levels of \$25 million for the FWS and \$5 million for NOAA until September 30, 2010. We are also seeking two amendments with one being a technical correction.

The technical correction that we are seeking pertains to Section 10(3) The Use of Appropriated Funds. This language as currently written implies that the Foundation actually receives matching contributions from grantees and third parties when in fact we do not. Grantees are required to document that they have met their match requirement. This amendment will add the words "or subrecipient" to reflect our grant making process.

The other amendment we are seeking pertains to Section 4(i) Notice to Members of Congress. The 30 day review period contained in this section has caused an onerous burden to our federal and nonfederal partners as it relates to a myriad of mitigation driven projects, small grants for organizations like the Friends Groups who assist our FWS Refuges and our sponsorships of award ceremonies and/or receptions that promote our conservation work. Some mitigation driven projects are time sensitive and the 30 day notification often puts the Foundation at odds with the terms and time frame of the agreement. Friends Groups are local citizens that work together to bring resources to our refuges and these grants are often the only money that these groups get to make a difference. In addition, sponsorship of award ceremonies and/or receptions has timing constraints to pay vendors and secure resources for events.

The Foundation will continue to notify on all grants. In fact, our Board of Directors only considers projects that have gone through the Congressional notification process and all projects must be approved by the Board of Directors before any grant of funds is issued. Congressional notification is a good thing for the Foundation, its partners and Congress. The Foundation will make it a practice to notify on all grants regardless if there is a statutory precedent. The Foundation is seeking removal of the onerous "30 days". Deleting the 30 days will still require the Foundation to notify Congress on all grants.

Mr. Chairman and Members of this Committee, it is thanks to this Committee, that the National Fish and Wildlife Foundation continues to be one, if not the, most cost-effective conservation program funded in part by the federal government. By implementing real-world solutions with the private sector while avoiding regulatory or advocacy activity, we serve as a model for bringing private sector leadership to federal agencies and for developing cooperative solutions to environmental issues. A five year extension of our authorization with the two amendments I have outlined above will allow the Foundation to continue making a positive difference.

Thank you and this concludes my remarks.