

TESTIMONY OF H. DALE HALL, DIRECTOR, U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON RESOURCES, SUBCOMMITTEE ON FISHERIES AND OCEANS, REGARDING THE FISCAL YEAR 2007 BUDGET OF THE U.S. FISH AND WILDLIFE SERVICE March 9, 2006

Good morning and thank you for the opportunity to discuss the U.S. Fish and Wildlife Service's (Service) budget request for FY 2007. I would like to thank you, Mr. Chairman, as well as the Members of the Subcommittee, for your continued support of our mission to conserve, protect and enhance fish, wildlife, and plants and their habitats for the continuing benefit of the American people.

I would like to note that in FY 2005 and already in FY 2006 with this Subcommittee's support, the Service achieved some remarkable accomplishments, such as finalizing critical habitat for 22 threatened and endangered species and treating 240,000 acres of land to combat invasive plants.

Our budget request for 2007 is \$1.292 billion, a decrease of \$23.5 million from last year's enacted level. In addition, we will use \$808.1 million in permanent appropriations to meet our mission responsibilities. By strategically positioning the Service to maintain strong, core functions, I believe the Service will continue to build upon recent successes, like the re-discovery of the ivory-billed woodpecker.

The Service continues to follow the President's management agenda for improving management and performance of the Federal government, practicing the Secretary's vision for citizen-centered management excellence. The Service has worked diligently to develop program specific, outcome based performance measures that step down from the goals in the Interior Department's strategic plan finalized in 2003. This effort fosters a cohesive approach to mission performance for improved program and service delivery, new technological capabilities, enhanced inter-bureau cooperation, and improved standards of accountability that stretch across the entire Department.

The budget request includes several proposals that result from management reviews of Service activities. For example, the budget proposes increases for the migratory bird management program. This program underwent a Program Assessment Rating Tool (PART) evaluation during formulation of the 2006 budget. Previous internal reviews of this program, as well as the PART evaluation, have led to a concerted effort by the Service to institute management improvements and more closely align the budget with program performance goals. Based on this effort, the program has undertaken a number of measures to ensure that it is using available resources in the most effective and efficient manner. Also, in 2007 the refuge system will implement a number of streamlining procedures for the Comprehensive Conservation Plan process. These streamlining procedures should allow the Service to complete CCP's on schedule yet allow the Service to direct savings from this program to other high priority projects.

Cooperative Conservation

Our request includes \$310.1 million for Cooperative Conservation programs, a \$12.2 million increase over 2006. Cooperative Conservation programs include most of the Service's portfolio of grant programs as well as some operational programs in the Resource Management account.

To encourage and promote the work of private landowners to conserve at risk species and to respond to an exceptionally high demand, the Service requests an increase of \$2.1 million for the Private Stewardship Grant program, a total program request of \$9.4 million. Likewise, to support and highlight the critical efforts of two other important partners, States and Tribes, we request an increase of \$7.2 million for the State and Tribal Wildlife Grants. Part of this increase creates a new, competitively awarded grants program that will support State Wildlife Plans by funding high-priority projects with an emphasis on performance and results. Both of these programs have proven records of performance and will likely lead to more successes similar to the proposed de-listing of the Yellowstone grizzly bear population.

Another program that has been very successful working with private landowners is the Landowner Incentive program. We request \$24.4 million for this program, an increase of \$2.7 million. A direct result of this increase will be an additional 2,060 acres that will achieve habitat goals through voluntary agreements in future years, a significant contribution to the Secretary's Cooperative Conservation goals.

For the Cooperative Endangered Species Conservation Fund, we request \$80.0 million, which is level with last year's enacted. This program will continue its successful path in 2007, conserving the most imperiled components of biological communities and improving the health of watersheds, landscapes, and marine resources. Funding in the amount of \$40.6 million is for Habitat Conservation Planning (HCP) Land Grants to States and \$5.1 million will support the newly enacted Snake River Water Rights Act that will fund habitat protection and restoration in the Salmon and Clearwater River

Basins in Idaho in accordance with the legislated agreement. The proposed funding level would provide \$14.2 million to support Recovery Land Acquisition grants; \$10.0 million for traditional grants to states; and \$7.6 million for HCP planning assistance to states.

The budget requests \$41.6 million for the North American Wetlands Conservation Fund, an increase of \$2.2 million over 2006. We anticipate this increase, combined with other dedicated funds will be matched by at least \$198.0 million and will lead to an additional 28,710 acres being protected or restored in Canada, Mexico, and the United States.

Other Cooperative Conservation programs include our highly successful Partners for Fish and Wildlife program, our Coastal program, the National Wildlife Refuge System challenge cost-share grants, the Joint Ventures program, and the Neotropical Migratory Bird program. We request \$80.0 million for these programs, which will allow us to support collaborative projects essential to our mission.

Operations – Resource Management

For our main operations account, we request a total of \$995.6 million, a net decrease of \$5.8 million below 2006.

Included within this total is a request for \$17.0 million to pay for important fixed costs, such as the pay raise for federal employees.

The budget highlights our core mission and will increase our accomplishments in critical areas. Proposed reductions include elimination of one-time, lower priority projects and a reduction in Refuge Maintenance. The budget also includes savings of \$2.0 million resulting from program management efficiencies. These savings have been redirected towards high priority programs in the request.

Highly Pathogenic Avian Influenza

To continue to address the emerging threat of Highly Pathogenic Avian Influenza, we request continued base funding of \$7.4 million for a critical early detection system. We will focus the efforts of this emerging program on migratory bird species that have the highest likelihood of interacting with infected wild birds in Asia and we aim to be able to conduct surveillance and detect and investigate potential disease outbreaks. Due to the potentially severe consequences to both wild and domestic birds and the public, this program has quickly become a critical component of our goal to preserve healthy migratory bird populations.

Endangered Species

We request a total of \$141.0 million, a net decrease of \$6.8 million below the enacted level. The majority of the decrease results from eliminating unrequested projects, which allows us to support priority program areas. Within the total operations request, the budget includes a program increase of \$471,000 for the Consultation program to support energy development. The Recovery program also includes a program increase of \$396,000 for the recovery of the ivory-billed woodpecker.

Habitat Conservation

To continue the accomplishments of the highly effective Partners for Fish and Wildlife program, the Service requests \$42.7 million, a net decrease of \$7.5 million. All of this reduction is achieved by eliminating unrequested projects, while still allowing for increases to high priority programs. Included in the budget is an increase of \$495,000 to support the de-listing process for the Yellowstone grizzly bear population, with a corresponding increase in the National Park Service budget. There is an almost \$2.0 million increase to restore 142 acres and 39 miles of stream habitat in the Lower Klamath Basin. Building on Congress' support of wolf monitoring in Idaho and Montana, we request \$800,000 in the Partners program to assist these two states in assuming the monitoring and management of the Rocky Mountain population of the gray wolf. This will also support our effort to examine the de-listing of this wolf population. An additional \$982,000 will support general activities, increase aquatic habitat restoration, and provide greater opportunity to work collaboratively with the U. S. Department of Agriculture's conservation programs. This increase will restore an additional 273 acres of priority wetlands and 2,472 acres of priority grassland and upland habitat.

For the Coastal Program we request \$13.0 million, an increase of \$30,000 above 2006. Lower priority and un-requested projects totaling \$688,000 are eliminated and an additional \$719,000 is included to provide for the program's continued success. Since 1994, the Coastal program restored over 118,000 acres of coastal wetlands and uplands, and assisted in

the permanent protection of over 1 million acres of coastal habitat. By eliminating lower priority projects and refocusing the funds, we will be able to restore an additional 108 acres of wetlands and uplands and provide technical assistance to partner projects that will increase the number of wetlands and uplands acres protected by over 350 acres.

National Wildlife Refuge System

We request \$381.7 million for the National Wildlife Refuge System, a decrease of \$763,000 below 2006 enacted levels. In line with the Secretary's focus on Cooperative Conservation and to showcase the generous match this program receives from its partners, we request an increase of \$4.3 million for on-the-ground, challenge cost share partnership projects, a total funding request of \$8.6 million. We direct increased funds totaling \$2.9 million to support priority visitation needs and wildlife and habitat management needs. This includes projects such as the high priority Don Edwards National Wildlife Refuge program to restore the Cargill salt ponds in concert with many State and local partners, and funding for georegional focus areas to combat invasive species. The georegional focus area in New Mexico will remove invasive species on 200 acres and reconnect 280 acres of refuge habitat to the flood plain of the Rio Grande, recreating a wider, braided river channel and benefiting endangered species like the silvery minnow and Southwestern willow flycatcher. In order to fund high priority programs within the Refuge System, we made the difficult decision of reducing the Refuge Maintenance program by \$1.7 million. The Service also expects to realize a savings of \$2.8 million by streamlining the Conservation Planning process.

Law Enforcement

To support the highest priority work in the Law Enforcement program, we request \$57.3 million, an overall increase of \$1.2 million over 2006. Our requested increase includes \$496,000 to allow the Office of Law Enforcement to participate in the International Trade Data System. Full participation in this project, which is being spearheaded by Customs and Border Protection, will give Service enforcement officers access to integrated trade and intelligence information that will be critical to detecting and disrupting the black market wildlife trade.

Migratory Bird Management

We request \$41.3 million for Migratory Bird Management, an overall increase of \$3.1 million. This includes a priority operations increase of \$396,000 for the recovery of the ivory-billed woodpecker, with the remainder targeting the performance goal of increasing the number of healthy and sustainable bird populations and assessing webless game bird populations like the American woodcock.

With the success of the Joint Ventures, we request an additional \$1.0 million to support two new joint ventures and implement four new Joint Ventures to better address migratory bird needs and to create more partnerships. These proposed new Joint Ventures include Rio Grande, Appalachian, East Gulf Coastal Plain, and Central Texas/Oklahoma . Since 1986, Joint Venture partners expended approximately \$2.3 billion on habitat conservation projects, leveraging funds from multiple private, State and federal sources to protect, restore, or enhance nine million acres of U.S. wetlands, grasslands, forests, and riparian habitat to help achieve the U.S. habitat objectives under the North American Waterfowl Management Plan.

Fisheries

For the National Fish Hatchery System we request \$61.1 million, a net increase of almost \$4.0 million above the 2006 enacted level. This includes funding to implement high priority recovery projects to complete recovery plan tasks, implement projects to fulfill Tribal trust responsibilities, and provide long-term benefits in aquatic species health and applied research.

We request \$53.5 million for the Fish and Wildlife Management program, a net decrease of \$5.8 million. Reductions target \$5.1 million in un-requested projects and allow for a \$1.4 million increase to the Fish Passage program that will result in fish access to an additional 4,087 miles and 12,949 acres. We also request an increase of \$2.0 million to implement the National Fish Action Plan by utilizing multi-state partnerships to direct funds to high priority projects that will double the number of stream miles re-opened for fish passage, stream and shoreline miles restored, and wetland acres restored.

International Conservation

An increase of \$297,000 will support conservation capacity building efforts in Africa through the Wildlife Without Borders program, resulting in our International Affairs total program request of \$10.0 million. We also request \$8.2 million for the Multinational Species Conservation Fund. Within this fund, we propose to include \$4.0 million for the Neotropical Migratory Bird Conservation Fund. Included in this request is \$990,000 each for African and Asian Elephant Conservation, Rhinoceros and Tiger Conservation, and Great Ape Conservation. The request also includes \$297,000 for

Marine Sea Turtle Conservation.

Land Acquisition

For the acquisition of high priority lands, we request \$27.1 million, a decrease of \$911,000 from 2006. Our request includes funding for such high priority projects as the Upper Klamath National Wildlife Refuge (\$3.5 million) in Oregon, the Eastern Shore of Virginia National Wildlife Refuge (\$2.3 million), and the Rocky Mountain Front Conservation Area in Montana (\$2.0 million). The request also includes \$2 million for land conservation partnerships with Connecticut, New Jersey, New York, and Pennsylvania to acquire land to permanently protect, conserve, or preserve land consistent with the Highlands Conservation Act of 2004.

Conclusion

Thank you very much for the opportunity to appear before the Subcommittee. We appreciate your past support, and look forward to working with you on the 2007 budget.