

TESTIMONY OF PAUL R. SCHMIDT, ASSISTANT DIRECTOR FOR MIGRATORY BIRDS, UNITED STATES FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE HOUSE COMMITTEE ON RESOURCES, SUBCOMMITTEE ON FISHERIES AND OCEANS, , REGARDING H. R. 1494, THE ELECTRONIC DUCK STAMP ACT OF 2005 AND H.R. 3179, REAUTHORIZING THE JUNIOR DUCK STAMP CONSERVATION AND DESIGN PROGRAM ACT.

JULY 21, 2005

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Mr. Chairman, I appreciate the opportunity to be here today to discuss H.R. 1494, the "Electronic Duck Stamp Act of 2005," and H.R. 3179, the reauthorization of the Federal Junior Duck Stamp Conservation and Design Act. The Administration supports both bills with a few changes, and looks forward to working with the Subcommittee.

As Members of the Subcommittee are aware, the Migratory Bird Hunting and Conservation Stamp, commonly known as the Duck Stamp, has produced wildlife conservation results for decades and continues to do so. Likewise, the Federal Junior Duck Stamp has introduced tens of thousands of school children to the concept of wildlife habitat conservation and an appreciation for waterfowl and wildlife. The Service is dedicated to building upon these conservation accomplishments and believes that the two bills before the Subcommittee today offer an opportunity to do just that.

#### H.R. 1494 - The Electronic Duck Stamp Act of 2005

The evolution of digital technology over the past few decades has impacted virtually every aspect of our society. Despite its focus on the natural world, the field of wildlife conservation is no exception. Computer technology has revolutionized and streamlined the way we collect, analyze, and present information.

With this evolution of technology comes challenges and opportunity. The Service supports efforts to make the Duck Stamp more accessible and readily available to the public, and we recognize that providing convenience to our customers will promote the program and, ultimately, habitat conservation. However, we also recognize the value and importance of preserving the tradition, history, and integrity of the Duck Stamp and the associated art contest. Let me explain why this is so important.

By any measure, the Duck Stamp ranks as one of the most successful conservation initiatives in history. Since the program's inception in 1934, sales of Duck Stamps have generated more than \$700 million that has been used to help acquire and preserve more than 5.2 million acres of migratory bird habitat. Funds have been used to purchase land at hundreds of National Wildlife Refuges in nearly every state in the nation. The program continues to enjoy the broad support of the hunting community that conceived of it, and is gaining popularity with stamp collectors, birdwatchers, and others who recognize that buying a Duck Stamp is a great way to make a direct contribution to conservation. Preserving and expanding this broad public support is the highest priority for the Service and essential for the continued conservation success of the Duck Stamp. In fact, the most exciting conservation story of the year, the re-discovery of the ivory billed woodpecker, took place on National Wildlife Refuge lands purchased, in part, with Federal Duck Stamp dollars.

Beyond the direct conservation benefits the Duck Stamp provides, the beauty of the waterfowl artwork featured on the Duck Stamp is also critical to its success and public acceptance. Recognized worldwide for its conservation message and artistic significance, the Duck Stamp has evolved from a few naturalists' hobby many decades ago into the full-blown art form we know today. The beautiful art featured on the Duck Stamp is selected during the oldest and most well known federally-mandated art contest, whose competitors are among the most highly talented artists in the world. The winning entry is selected as the design for the following year's Duck Stamp, and it can be a lifelong career achievement for the chosen artist. It is this vibrancy among the art community and the public's admiration for the artwork that must also be preserved and protected.

The blending of the traditional artwork with the need to evolve the Duck Stamp into today's technologies is challenging. Observing the historic conservation success of the Federal Duck Stamp, a majority of states offer their own state migratory waterfowl hunting stamp to support the conservation efforts in that state. While some continue the artwork and contest example of the Federal Duck Stamp, many states have lost this tradition as they have incorporated their state conservation stamp into their electronic licensing capabilities. In those states adopting this system, waterfowl hunters may purchase a state stamp through the same system they use to acquire their state hunting license. This arrangement is becoming increasingly common. Currently, 28 states have some form of point-of-sale electronic licensing and stamp sales, while 29 states offer telephone sales and 48 offer internet sales.

Another continuing challenge for the Federal Duck Stamp has been the retail distribution and availability of Duck Stamps for over-the-counter purchase. The Service is aware of instances when waterfowl hunters have needed to travel long distances

and visit multiple retailers, including United States Postal Service Offices, in order to find a Duck Stamp available for purchase. Retailers are accountable for the value of Duck Stamps consigned to them, without any compensation for the service they are providing. As a result, some retailers have chosen to discontinue their participation in the program, making it even more difficult for purchasers to locate Duck Stamps for over-the-counter sale. In recognition of these challenges, the Service desires to reduce the burden on both retailers and the hunters who are required to purchase the Duck Stamp.

As introduced by Congressman Kind, the "Electronic Duck Stamp Act of 2005" creates a three-year pilot program that allows the Service to enter into agreements with up to fifteen individual states to integrate the Duck Stamp into existing state electronic licensing systems. This pilot program will allow waterfowl hunters and others who wish to purchase a Duck Stamp the convenience and availability to do so anywhere a state electronic hunting license is sold.

In addition, nearly every state allows the purchase of a state electronic hunting license over the Internet. The legislation will enable waterfowl hunters in states participating in the pilot to simultaneously purchase their state hunting license and Duck Stamp instantaneously from any computer with internet access, twenty-four hours a day. In place of the traditional Duck Stamp featuring waterfowl artwork, the purchaser will receive a unique identification number that will serve as a valid Federal Duck Stamp for a specified period. This will result in greater availability of the Duck Stamp to purchasers and fewer accountability and distribution challenges for retailers.

The Service supports amending the legislation to require that the electronic Duck Stamp, as signified by the unique identification number to be assigned by individual states, be valid for only as long as it takes to deliver to the purchaser the traditional Duck Stamp that we know today. The electronic Duck Stamp should not replace the traditional Duck Stamp featuring waterfowl artwork, and serves only as a means of instantaneous and convenient distribution. By requiring that each purchase of an electronic Duck Stamp results in a traditional Duck Stamp being delivered to the purchaser, the Service believes the integration of technology with the Duck Stamp can be achieved while ensuring the tradition of the program.

The Service would also like to emphasize that the customary retail purchase of the traditional Duck Stamp will continue. The electronic Duck Stamp is meant to supplement, not replace, the distribution and sale of the traditional Duck Stamp. For those collectors, conservationists, and hunters who prefer buying the artwork of the Duck Stamp in person, they may still do so at any participating retailer and many United States Post Offices. Catalog, telephone, and online sales through the United States Postal Service and the Service's consignment contractor, Amplex Corporation, will also continue by mail.

The Service does have concerns with the legislation as introduced, including the potential cost to administer the proposed pilot program. We estimate the cost to implement the pilot program to be no more than \$750,000 over the three years of the program, with \$250,000 of that amount necessary in FY2006. We believe these costs can be funded within current receipt estimates and appropriations requested in the FY2006 President's Budget. There are other concerns but the Service is committed to working with the Subcommittee to address these concerns.

The Service looks forward to successfully implementing the pilot program, reducing the administrative burden on retailers, and providing added convenience to the public while ensuring that the Duck Stamp continues its strong record of conservation success.

#### H.R. 3179 - Reauthorization of the Junior Duck Stamp Conservation and Design Program

The Federal Junior Duck Stamp Conservation and Design Program (Program) is a dynamic, active, arts curriculum designed to teach wetlands and wildlife conservation to students in kindergarten through high school. This Program incorporates scientific and wildlife management principles into a visual arts curriculum. This non-traditional pairing of subjects brings new interest to both the sciences and the arts and crosses cultural, ethnic, social, and geographic boundaries to promote a greater awareness of our nation's natural resources. This Program benefits not just waterfowl, but all migratory birds, including shorebirds, wading birds, neotropical migratory songbirds, and hundreds of other plants and animals that depend on wetlands habitat for their survival.

The Program evolved from an elementary school teacher's efforts in 1989 to creatively involve her class in conservation activities at nearby J.N. "Ding" Darling National Wildlife Refuge in Sanibel, Florida. The National Fish and Wildlife Foundation (NFWF) provided a grant for a pilot program, which has since expanded to every state, the District of Columbia, and several U.S. territories.

The Service became the official sponsor with the passage of the Junior Duck Stamp Conservation and Design Program Act of 1994 (Public Law 103-340, October 6, 1994)(Act). This Act authorized the use of revenue generated by sales of Junior Duck Stamps and licensed products to fund scholarships, awards, and environmental education programs for Junior Duck Stamp participants.

In 2000, Congress reauthorized the Act for another five years, adding language to include the District of Columbia and U. S. territories in the program (Public Law 106-316, October 19, 2000).

In 2001, the United States Postal Service began selling Junior Duck Stamps in its USA Philatelic Catalog, greatly increasing stamp sales and the revenue available for environmental education activities and program materials. In 2005, nearly 27,000 students entered the Junior Duck Stamp Contest. Many thousands of other students participated in the curriculum but did not submit an entry for the art contest. The first-place design of a pair of ring-neck ducks by Kerissa Nelson of Grantsburg, Wisconsin, became the thirteenth issue of the Junior Duck Stamp.

The Program is administered by dedicated state and regional coordinators, most of whom are employees of the Service, state resource agencies, or nonprofit conservation organizations, who do this as a collateral duty to their regular full-time jobs. The Service's Federal Duck Stamp Office also provides staff and national level support for this program. Participation however, is largely dependent on the dedicated teachers and interested parents who utilize the Junior Duck Stamp curriculum.

The contest offers positive reinforcement for all participants; each participant receives a certificate of appreciation, and 100 students in each state, the District, and the territories are awarded prizes at the state level of the competition. Prizes vary among the states and are dependent on the donations and support the state program receives from sponsors. One "Best of Show" entry from each state is sent to the national competition each year. At the national level, cash awards are provided to students with the top three art entries and the top three conservation messages.

Each year, the winning entry from the national contest is used as the design for the next Junior Duck Stamp. Proceeds generated from the sale of Junior Duck Stamps are deposited into the Junior Duck Stamp fund where they are used to pay for awards for those who participate in the Junior Duck Stamp Program, environmental education, and marketing of the program. In 2004, Junior Duck Stamp sales raised over \$172,000 for awards, environmental education activities throughout the U.S. and its territories, and Junior Duck Stamp marketing materials.

The Service commends Congressman Ortiz for introducing H.R. 3179 and the Subcommittee for its efforts to reauthorize and strengthen the Junior Duck Stamp, and strongly supports the legislation. The Service does have some recommendations for technical changes to the legislation, and will work with the Subcommittee to make any necessary changes.

Despite these concerns, the Service anticipates even greater success of the Federal Junior Duck Stamp Conservation and Design Program in the coming years.

Mr. Chairman, this concludes my written testimony and will be happy to answer any questions you or the Subcommittee Members may have.