

**STATEMENT OF
P. LYNN SCARLETT, ASSISTANT SECRETARY
FOR POLICY, MANAGEMENT & BUDGET
U.S. DEPARTMENT OF THE INTERIOR
ON
S. 2590, AMERICANS OUTDOORS ACT
BEFORE THE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE**

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Mr. Chairman and Members of the Committee, I appreciate the opportunity to appear before you today to discuss S. 2590, the “Americans Outdoors Act of 2004.”

The American Outdoors Act presents an ambitious vision. It proposes mandatory spending for a stream of funding, using revenues from oil and gas development from federal offshore lands, to (1) establish a Coastal Impact Assistance Program; (2) provide Land and Water Conservation Fund (LWCF) Act assistance to states; (3) conserve and restore wildlife; and (4) provide grants to local governments consistent with the Urban Park and Recreation Recovery Act. The bill would provide for the automatic funding of four programs at levels higher than they have been funded in the past. The Administration strongly supports the goals of these activities. However, we cannot support moving funding for these programs off the discretionary spending ledger and converting it into nondiscretionary automatic spending. The total cost of the bill would be \$1.425 billion annually.

A central goal of S. 2590 is to better enable local communities to carry out activities that benefit conservation and recreation. In this respect, the legislation highlights goals that the Administration has pursued in recent years through a suite of cooperative conservation grants. By partnering with states, tribes, community organizations, and citizens, the Department of the Interior is achieving conservation through cooperation, communication, and consultation—what Secretary Norton calls the 4 C's.

These partnerships exemplify Secretary Norton's cooperative conservation vision. By applying a caring hand to the local lands where they live, work and play, citizen stewards are working with federal agencies to conserve habitat and enhance outdoor recreation opportunities while maintaining working landscapes that support dynamic economies and thriving communities.

To implement this vision, the Department has provided since 2002 over \$1.3 billion in grants to states, tribes, local governments, and private landowners through programs that conserve open space, restore habitat for wildlife, and protect endangered species. With our partners, we have restored millions of acres of habitat; removed invasive exotic species; replanted native grasses; improved riparian habitat along thousands of miles of streams; conserved limited water resources; and developed conservation plans for endangered species and their habitat. To help meet this challenge, the President's fiscal year (FY) 2005 budget includes \$507 million for cooperative conservation programs.

These cooperative conservation grants leverage non-federal funding and the initiative of landowners, nonprofit organizations, tribes, and other governments to achieve conservation results and outdoor recreation opportunities. The Department has a strong interest in enhancing these efforts.

We appreciate the efforts put forward in S. 2590 to support conservation at the local level, but we believe funding allocation decisions should be made through the appropriations process and not through new mandatory spending. Mr. Chairman, I would like to take a few minutes to walk you through the provisions of our recent budget proposal that reflect many of S. 2590's purposes and goals.

Land and Water Conservation Fund State Grant Program

Title III of S. 2590 would provide for \$450 million in LWCF state conservation grants to be apportioned among states, the District of Columbia, and territories to be used for the planning, acquisition (but not condemnation), and development of projects under the LWCF. Tribes, through a competitive grant program to be developed by the Secretary, and political subdivisions, through grants from states, would also be eligible to receive funds. The legislation would also require states to develop "action agendas" that describe priorities and criteria for selection of outdoor recreation and conservation acquisition and development projects, among other things.

The President's FY 2005 Budget proposes, through the appropriations process, \$900 million in LWCF funding for a mix of programs that advance many of the goals set forth

in S. 2590. Over the past several years, we have developed a comprehensive approach to funding a wide array of state recreation and conservation needs through grant programs. This approach offers states, tribes, local governments, and citizens the flexibility to determine priorities among various program purposes. These grants also encourage innovation in conservation tools. Conservation of wildlife and habitat is a major component of conserving and enjoying our natural resources. States, tribes, and local partners should be able to use these funds for projects that protect or enhance habitat for an array of fish and wildlife, including wetlands for migratory birds and other species.

One of the criticisms of previous legislation like S. 2590 was the increase in funding for federal land acquisition and its implications for private land ownership. Our cooperative conservation approach offers an alternative to land acquisition as the central way to achieve conservation of land. The Administration's Land and Water Conservation Fund's budget for FY 2005 includes \$679 million for such grant and cooperative programs. Secretary Norton strongly believes that conservation dollars can go farther and conserve more open space and wildlife habitat if more land is left in private ownership and private landowners are provided with incentives for private stewardship. The President's budget proposal funds a number of programs to facilitate local and private conservation efforts, including \$50 million for competitively awarded cost-shared grants for state landowner incentive programs, and \$10 million for competitively awarded private stewardship grants to support individuals and groups engaged in local, private, and voluntary land and wildlife conservation efforts.

Conservation and Wildlife Restoration

Title IV of S. 2590 would provide \$350 million in funding to the Wildlife Conservation and Restoration Account established under recent amendments to the Pittman-Robertson Wildlife Restoration Act. These monies would be made available to states, the District of Columbia, territories, and tribes for use in fish and wildlife conservation and related recreational opportunities.

The Department's FY 2005 budget proposes a number of grant programs that enhance habitat for fish and wildlife and for projects that support wildlife-based recreation. More than 50 percent of the U.S. Fish and Wildlife Service's budget is currently devoted to payments and grants to states, local communities, and landowners.

One of the cornerstones of the Department's partnering program is the Cooperative Conservation Initiative (CCI) challenge cost-share grants. These challenge cost share grants fund conservation partnerships with our land management bureaus, enabling them to work with local communities to achieve common conservation goals. Our CCI program also includes the coastal program, Migratory Bird Joint Ventures, and Partners for Fish and Wildlife, all in the Fish and Wildlife Service; and Take Pride in America, a public lands volunteer program. In FY 2005, we propose \$129.5 million for CCI-related funding. Through the Partners for Fish and Wildlife program alone, the Department has worked with nearly 9,000 landowners and communities to restore over 150,000 acres of wetlands and over 700,000 acres of prairie and grasslands from 2001 to 2003.

Our FY 2005 budget also includes \$90.0 million for the Cooperative Endangered Species Conservation Fund and \$54.0 million for the North American Wetlands Conservation Fund. A significant portion of the remaining request will support technical assistance at the local level under programs such as Endangered Species Act Consultation and Habitat Conservation Planning and Fish and Wildlife Assistance.

Coastal Impact Assistance

Finally, Title II of S. 2590 would establish a new \$500 million program of payments to states with approved coastal impact assistance plans. The bill delineates several purposes for these funds, including projects and activities related to the conservation, protection, infrastructure, or restoration of coastal areas. The funds protect wetlands, mitigate of damage to fish and wildlife or natural resources, as well as mitigate the impact of OCS activities. Generally, funds would be allocated to states in the proportion that the amount of qualified OCS revenues generated off the coastline of the producing state bears to the amount of qualified OS revenues generated off the coastline of all producing states. In addition, 35 percent of the funds allocated to each state would be further payable by the Secretary directly to coastal political subdivisions in the producing state.

While we recognize the importance of and are investing in coastal conservation, we would also like to mention that coastal communities enjoy benefits from offshore development activities. Rather than establish a new and complicated process for automatically distributing receipts to coastal states, the President's Budget proposes to allocate funds to priority coastal conservation needs through existing discretionary

programs. Our proposed FY 2005 budget includes \$13.1 million for the Fish and Wildlife Service's Coastal program, through which the Fish and Wildlife Service and its partners work to conserve fish and wildlife and their habitats to support healthy ecosystems. This program provides assessment and planning tools to identify priority habitats for protection and restoration; conserves coastal habitat through voluntary conservation easements and locally initiated land acquisition; restores degraded coastal wetlands, uplands, and stream habitat; and focuses resources through partnerships that leverage financial and technical resources. On average, the Coastal program leverages federal funding at a rate of 4:1. In addition, the Department provides coastal wetlands grants, over \$90 million for refuge operations in coastal areas, and over \$50 million in U.S. Geological Survey science, mapping, and hazards programs that pertain to coasts and ocean areas. Our Coastal Program protected over 200,000 acres of wetlands and more than 750,000 acres of uplands in 2001 to 2003.

In addition, the Department of Commerce's proposed FY 2005 budget includes a request for almost \$64 million for Coastal Zone Management grants to states. These grants are intended to provide matching funds to support state and local projects that address a broad spectrum of coastal management issues.

Conclusion

The Administration strongly supports discretionary spending for conservation programs that are consistent with many of the principles of set forth in S. 2590. As you know, the cost of this legislation, over \$1.425 billion per year over the next 5 years, is not in

keeping with the President's budget for FY 2005 or with the Administration's efforts to control increases in federal spending over the next several years. Moreover, the Administration has stressed the importance of strong conservation funding under the programs listed above, under the conservation title of the 2002 Farm Bill, for wetlands projects, for National Parks operations and maintenance, and for forest and rangeland fuels reduction. However, the Administration opposes the mandatory nature of the funding mechanism, which removes the ability of both Congress and the Administration to weigh the programs funded under this legislation against other national priorities and needs.

I can, however, pledge to you this Administration's willingness to work with this Committee and others in the Congress on the issues embodied in S. 2590, those of working in partnership with states, local governments, and individuals in conserving the Nation's natural and historic resources and providing outdoor recreation opportunities. This Administration has a clearly developed record of success with cooperative conservation initiatives. I believe that as more of the public becomes involved, our Nation will have healthier lands and a whole new generation of self-motivated citizen stewards.

Mr. Chairman, this concludes my prepared statement. I am pleased to respond to any questions that you or other Members of the Committee might have.