

North American Wetlands Conservation Fund

Appropriations Language

For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, as amended (16 U.S.C. 4401-4414), \$42,646,000, to be derived from the Land and Water Conservation Fund, and to remain available until expended.

Authorizing Statutes

North American Wetlands Conservation Act of 1989 (16 U.S.C. 4401). Section 4406 of the Act (NAWCA) authorizes fines, penalties, and forfeitures from violations of the Migratory Bird Treaty Act to be made available for wetlands conservation projects. Section 4407 authorized interest on excise taxes for hunting equipment deposited for wetlands conservation grants and costs for administering this grant program. On October 11, 2006, this section was extended through fiscal year 2012. The Act authorizes appropriations to be used to encourage partnerships among public agencies and other interests to protect, enhance, restore, and manage wetland ecosystems and other habitats for migratory birds and other fish and wildlife; to maintain current or improved distributions of migratory bird populations; and to sustain an abundance of waterfowl and other migratory birds consistent with goals of the North American Waterfowl Management Plan and international obligations with other countries. The Act authorizes annual appropriations not to exceed \$55 million in FY 2003, \$60 million in FY 2004, and increasing annually by \$5 million until reaching an amount not to exceed \$75 million in FY 2007. The allocation of funds available for projects in Canada and Mexico is “at least 30 per cent and not more than 60 per cent” and the allocation of funds available for projects in the United States is “at least 40 percent and not more than 70 percent.” *Coastal Wetlands Planning, Protection and Restoration Act* funds are available only for U.S. projects.

Coastal Wetlands Planning, Protection and Restoration Act (16 U.S.C. 3951-3956). Establishes the National Coastal Wetlands Planning, Protection and Restoration Program within the Sport Fish Restoration Account for projects authorized by NAWCA in coastal states. Authorization of Appropriations expires September 30, 2009.

Aquatic Resources Trust Fund (26 U.S.C. 9504). Authorizes appropriations from the Sport Fish Restoration Account to carry out the *Coastal Wetlands Planning, Protection and Restoration Act*.

Other Authorizations

Appropriations Act of August 31, 1951 (P.L. 82-136, 65 Stat. 261)

Federal Aid in Wildlife Restoration Act of 1937, as amended (16 U.S.C. 669-669i)

Migratory Bird Conservation Act, as amended (16 U.S.C. 715)

Migratory Bird Treaty Act of 1918, as amended (16 U.S.C. 703-712)

Nonindigenous Aquatic Nuisance Prevention and Control Act, as amended (16 U.S.C. 4701 et seq.)

Federal Aid in Fish Restoration Act, as amended (16 U.S.C. 777-777k)

| | | 2006 Enacted | 2007 CR | 2008 | | | Change from 2007 (+/-) |
|---------------------------------|----------------|-----------------|---------------|---|-----------------------------|---------------------------|---------------------------------|
| | | | | Fixed Costs & Related Changes (+/-) | Program Changes (+/-) | 2008 Budget Request | |
| <u>Appropriations:</u> | | | | | | | |
| Wetland Conservation | (\$000) | 37,836 | 39,980 | - | +960 | 40,940 | +960 |
| Administration | (\$000) | 1,576 | 1,666 | | +40 | 1,706 | +40 |
| Subtotal, Appropriations | (\$000) | 39,412 | 41,646 | - | +1,000 | 42,646 | +1,000 |
| Estimated User Pay/Cost Share | (\$000) | [325] | [260] | | | [278] | |
| Impact of CR | | | -5,000 | | +5,000 | | +5,000 |
| Total, Appropriations | (\$000) | 39,412 | 36,646 | - | +6,000 | 42,646 | +6,000 |
| | FTE | 12 | 12 | - | - | 12 | - |

Other Major Resources:

| | | | | | | | |
|---|----------------|---------------|---------------|----------|---------------|---------------|---------------|
| <u>Receipts:</u> | | | | | | | |
| Migratory Bird Treaty Act Fines | (\$000) | 800 | 481 | - | +19 | 500 | +19 |
| Wetlands Conservation (in Federal Aid in Wildlife Restoration and WCRP interest Accounts) | (\$000) | 14,176 | 14,771 | - | +620 | 15,391 | +620 |
| Coastal Wetlands Conservation (in Sport Fish Restoration Account) | (\$000) | 13,513 | 16,372 | - | +949 | 17,321 | +949 |
| Subtotal, Receipts (Non-Appropriated) | (\$000) | 28,489 | 31,624 | - | +1,588 | 33,212 | +1,588 |

Summary of 2008 Program Changes for North American Wetlands Conservation Fund

| Request Component | Amount | FTE |
|-------------------------------|---------------|----------|
| • Wetlands Conservation | +1,000 | 0 |
| • Impact of CR | +5,000 | 0 |
| TOTAL, Program Changes | +6,000 | 0 |

Justification of 2008 Program Changes

The 2008 budget request for the North American Wetlands Conservation Fund (NAWCF) is \$42,646,000 and 12 FTE, a net program change of +\$1,000,000 and 0 FTE from the 2007 President's budget, and a net program change of +\$6,000,000 from the 2007 continuing resolution.

Wetlands Conservation (+\$1,000,000)

The wetland protection and restoration projects that are funded through NAWCA are chosen based on their contribution to waterfowl and wetland dependent migratory bird conservation, the geographic priority of their locations, their contribution to long-term wetlands conservation, their ability to contribute to the conservation of habitat for wetland associated endangered and declining species, and the ability of these projects to foster, create and maintain cooperative partnerships. The additional \$1 million in funding when combined with partner match and other partner resources will be closer to \$2 – 3 million increase for

wetlands conservation. These funds will ultimately protect at least another 3,984 acres and restore approximately 2,415 more.

These acres will directly contribute to the President’s wetlands conservation commitment and Secretary’s cooperative conservation priorities. Additionally, these acres will contribute to the Migratory Bird Programs longterm outcome goal of “percent of migratory birds at healthy and sustainable levels.”

Impact of 2007 Continuing Resolution (+\$5,000,000)

The 2008 Budget includes a \$5,000,000 increase to align the priorities of the 2007 President’s Budget with the 2007 continuing resolution level, including eliminating unrequested congressional earmarks, implementing the program enhancement and other program reduction proposals included in the 2007 President’s budget, including fixed costs for 2007

Program Performance Change

| Measure | 2004 Actual | 2005 Actual | 2006 Actual | 2007 CR ¹ | 2008 Base Budget (2007 PB + Fixed Costs) A | 2008 Plan B=A+C | Program Change Accruing in 2008 C | Program Change Accruing in Outyears D |
|--|---|-------------|-------------|----------------------|---|--------------------|--------------------------------------|--|
| Restore/enhance x acres of wetland and wetland associated habitat in North America | 358,077 | 365,747 | 483,800 | 501,090 | 455,300 | 455,300 | 0 | 3,984 |
| Comments | Acres of habitat reported restored, or enhanced are the result of projects funded from several years previous that were completed during a particular fiscal year. The reduction in performance from 2006 to 07 and 08 demonstrates the variability inherent in multi-year grants as well as the year to year variability in the acreages associated with proposed projects | | | | | | | |
| Protect/secure x acres of wetland and wetland associated habitat in North America | 455,340 | 458,820 | 1,945,573 | 1,032,500 | 850,300 | 850,300 | 0 | 2,415 |
| Comments | Acres of habitat reported as protected or secured are the result of projects funded from several years previous that were completed during a particular fiscal year. The reduction in performance from 2006 to 07 and 08 demonstrates the variability inherent in multi-year grants as well as the year to year variability in the acreages associated with proposed projects | | | | | | | |
| | <p>1 The performance and cost data in the 2007 CR column is presented at the 2007 plan level, which is based upon a projection of 2007 likely enacted made during the first quarter of 2007. The 2008 plan builds on the 2007 plan. To the extent congress enacts a 2007 appropriation that is different from the 2007 projection, the 2008 plan may require revision.</p> <p>Note: Projected costs may not equal program change as these are full costs, which may include funds from other sources and (or) use averages.</p> <p>Column A: The level of performance and costs expected in 2008 at the 2007 President's Budget level plus funded fixed costs. Reflects the impact of prior year funding changes, management efficiencies, absorption of prior year fixed costs, and trend impacts, but does not reflect the proposed program change.</p> <p>Column D: Outyear performance beyond 2008 addresses lagging performance – those changes occurring as a result of the program change (not total budget) requested in 2008. It does NOT include the impact of receiving the program change again in a subsequent outyear.</p> | | | | | | | |

Program Overview

The North American Wetlands Conservation Act (NAWCA) grant program is an internationally-recognized conservation program that provides grants throughout North America for the conservation of waterfowl and other wetland associated migratory birds. For over 17 years, grants made available through NAWCA have helped a multitude of partnerships protect and improve the health and integrity of the landscapes on which our fish and wildlife resources depend. Through FY 2006, the Service together with over 3,100 partners has advanced 1,558 projects in 50 U.S. states, Puerto Rico, the U.S. Virgin Islands, 13 Canadian provinces and 31 Mexican states.

| Country | Protected Acres | Enhanced, Restored, and Created Acres | Number of Projects |
|----------------------|-------------------|---------------------------------------|--------------------|
| <i>Canada</i> | 13,830,216 | 2,948,196 ^a | 460 |
| <i>Mexico</i> | 1,461,688 | 756,818 | 194 |
| <i>U.S.</i> | 3,438,930 | 2,686,276 | 904 |
| All Countries | 18,730,834 | 6,391,290 | 1,558 |

Acreages represent total proposed acres approved for funding, to date, some acres are included in both "Protected" and "Enhanced, Restored and Created" due to multiple activities occurring on the same property. Therefore, while the two categories should not be added to demonstrate total acres affected, it can be said that approximately 23.1 million acres have been affected by protection, enhancement, or restoration activities. Table compiled August 2006.

a – This figure includes 413,910 acres of moist soil management completed prior to 1998.

The NAWCA program has effectively used Federal funds to leverage private non-federal match, and will continue to do so in building strong partnerships with a variety of private landowners, states, non-governmental conservation organizations, tribes, federal agencies, trusts, and corporations, to advance the President's commitment to wetland conservation.

NAWCA contributes to the success of the Department's Strategic Goal of Resource Protection. Through voluntary habitat restoration projects, this program furthers the DOI End Outcome Goal to sustain biological communities (PIM.2.01.001. - Habitat restoration: Number of acres restored or enhanced to achieve habitat conditions consistent with management documents, program objectives, and consistent with substantive and procedural requirements of State and Federal water law; and, PIM.2.01.003. – Habitat Protection: Number of acres of landscapes and watersheds managed through partnerships and networked lands that achieve habitat protection.).

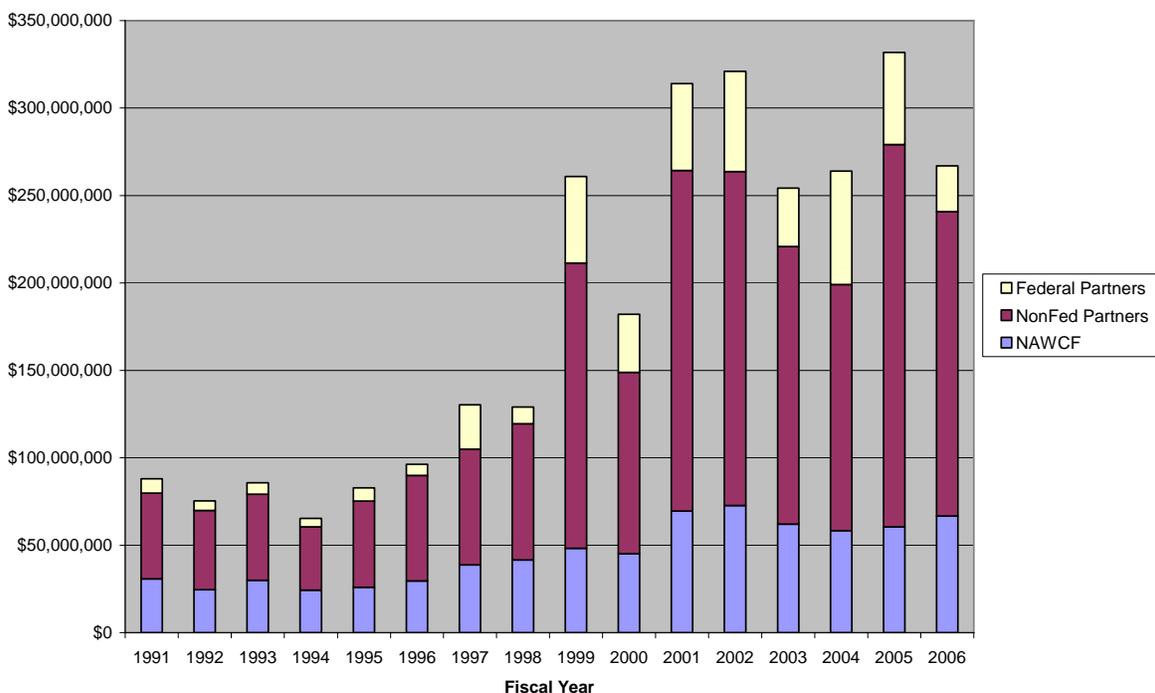
NAWCA grants support the goals of the North American Waterfowl Management Plan (NAWMP), signed by the U.S., Canada and Mexico, which responds to the loss of wetland habitats essential to the survival of waterfowl populations and other migratory bird species. In addition to advancing the North American Waterfowl Management Plan, NAWCA advances many other bird conservation initiatives such as Partners in Flight, the North American Bird Conservation Initiative, the U.S. Shorebird Plan, and the North American Waterbird Conservation Plan.

In 2004, the Migratory Bird Program was reviewed by the Administration using the Program Assessment Rating Tool (PART). The NAWCA program was included in this evaluation, as it is an integral part of the Service's overall Migratory Bird Program. New long-term and annual performance measures were crafted during this review. Baselines and goals for these new measures developed in 2005 are integrated with existing strategic goals to improve future analyses of efficiency and effectiveness. Use of these new measures over time will help managers improve program performance, link performance to budget decisions, provide a basis for making recommendations to improve results, and contribute to the achievement of the long term health and sustainability of migratory bird populations.

NAWCA grants act as catalysts in bringing partnerships together to support wetland projects and leverage non-federal funding. These grants successfully:

- Generate average partner contributions 2-3 times in excess of federal NAWCA dollars invested;
- Foster public and private sector cooperation for migratory bird conservation, flood control, erosion control, and water quality;
- Sustain cultural traditions;
- Provide a major source of funds to implement the tri-national North American Waterfowl Management Plan and other national and international bird conservation plans; and,
- Assist in the recovery of endangered and threatened species.

Partner Funds Leveraged by NAWCF Grants (Canada, Mexico, United States)



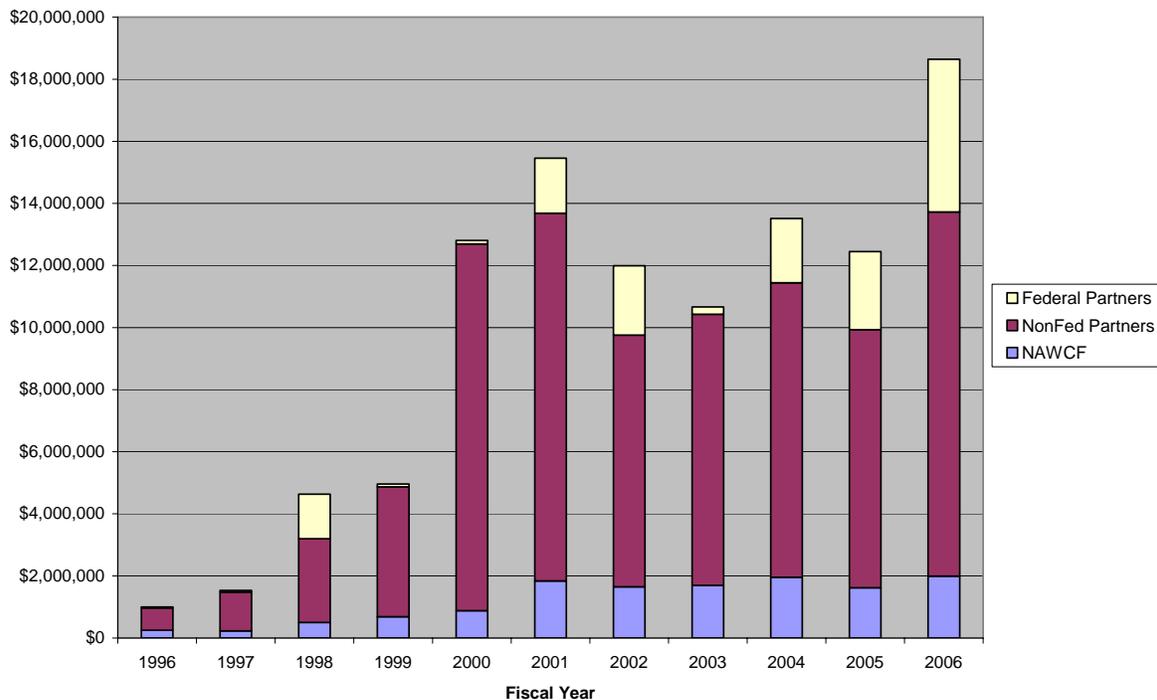
NAWCA administers both a standard and small grants program. The Standard Grants Program is open to applicants in the U.S., Canada, and Mexico. In the U.S., maximum standard grant amounts are generally \$750,000 to \$1,000,000, and eligible grantees must generate an equivalent or greater match in non-federal funds. The Small Grants Program is available only in the U.S., and is designed to assist smaller non-federal partners and projects to compete and participate in NAWCA, thus expanding the potential universe of partners and diversity of projects. For FY 2007, small grants may not exceed \$75,000.

For Standard Grants, during the years FY 1991 through FY 2006, approximately 2,400 partners including environmental organizations, sportsmen’s groups, corporations, farmers and ranchers, small businesses, federal, state and local governments, and private landowners implemented 1,239 projects worth over \$2.9 billion under the Act’s Standard Grants Program. NAWCA has contributed over \$728 million to support these projects, with partner funds of \$2.21 billion. Since 80% of these partners funds are from non-

Federal sources, the match ratio of non-Federal/grant funds is \$2.44 for every \$1.00 of grant funds. These projects have protected, restored, or enhanced more than 22.9 million acres of wetlands and associated uplands in the U.S. and Canada. In addition, millions of acres within Mexico’s large biosphere reserves have benefited from conservation actions including environmental education, management, and planning efforts.

In the U.S., the small grants program started in 1996 with \$250,000. Currently up to \$2 million of NAWCA funds may be used for small grant awards each year, depending upon the availability of qualifying projects. To date, 313 projects have been approved for a total of about \$13.3 million. Eligible partners will contribute more than \$94.3 million (including in-kind contributions) to these projects. Small grants leverage more than five non-federal match dollars for every federal grant dollar. Small grant projects have been funded in 45 states and Puerto Rico, benefiting an extremely diverse assortment of wetland and wetland-associated upland projects.

Partner Funds Leveraged by Small Grants

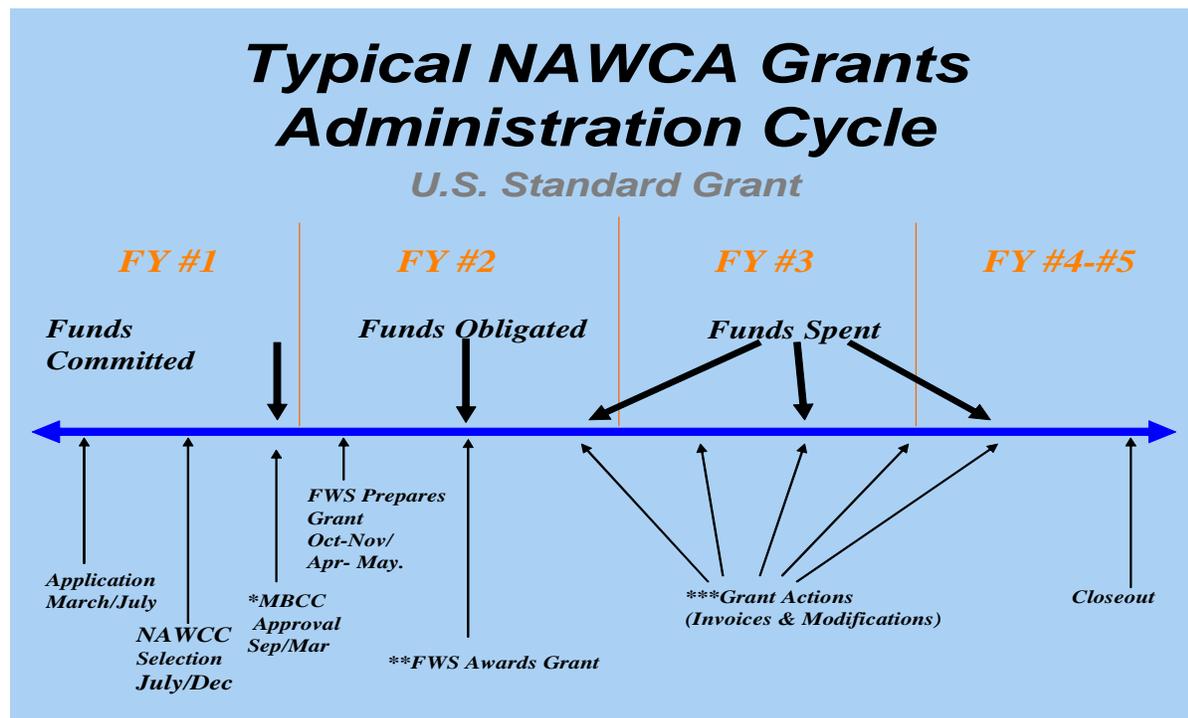


A nine-member North American Wetlands Conservation Council recommends projects for final approval by the Migratory Bird Conservation Commission (MBCC). The Council is comprised of the following: the Service Director, the Secretary of the Board of the National Fish and Wildlife Foundation, the Directors of State Fish and Game Agencies representing each of the four migratory bird flyways (Atlantic, Mississippi, Central, Pacific) and representatives from three nonprofit conservation organizations actively involved in wetlands conservation projects.

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(Atlantic, Mississippi, Central, Pacific) and representatives from three nonprofit conservation organizations actively involved in wetlands conservation projects.

The MBCC includes the Secretaries of Interior and Agriculture, the Administrator of the Environmental Protection Agency, two U.S. Senators and two U.S. Representatives. The MBCC approves or rejects projects, or may reorder the priority of any Council-recommended project list.



May not accurately represent the less complex small grants.

* 100% of NAWCA grants are approved and committed by the MBCC in the same fiscal year in which those funds are appropriated.

** Processing/obligation of grants often requires 3-6 months due to the nature of NAWCA projects and FWS administrative procedures.

*** Funds are expended as requested by each grantee over the life of the grant, typically 3-4 fiscal years.

The Act authorizes funding from four sources:

- Direct appropriations
- Interest from receipts in the Federal Aid in Wildlife Restoration account
- Fines, penalties and forfeitures resulting from violations of the *Migratory Bird Treaty Act*, and
- Receipts from the Sport Fish Restoration account for U.S. coastal projects (Pacific and Atlantic coastal states, states bordering the Great Lakes, Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa).

Section 8(a)(1) of the Act, as amended, authorizes the Secretary to use up to four percent of appropriated, interest, fines and coastal funding available in a given year for administering the wetlands conservation program. To more efficiently administer the program as well as increase the level of customer service,

the Service has implemented enhancements such as moving to all electronic payments to grantees, assuming programmatic responsibility for grant awards, and incorporating electronic grant application systems for the small grants program. All information technology system enhancements are coordinated with the larger DOI effort to implement IT reforms.

2008 Program Performance

In FY 2008, the NAWCA program will select and fund wetland protection, restoration, and enhancement projects that will ultimately conserve almost 1,305,600 acres of wetland and wetland associated habitat. NAWCA grants are typically multi-year projects so there is not a direct correlation between the funding received in a fiscal year and the accomplishments reported that year. The planned performance for FY 2008 is 1,305,600 acres of habitat protected, restored, or enhanced; these acres are the result of projects funded from several years previous that are reaching their completion during this fiscal year. The FY 2008 numbers are approximately 15% less than those currently expected in FY 2007, this demonstrates the variability inherent in multi-year grants as well as the year to year variability in the acreages associated with proposed projects.

In FY 2008 NAWCA will continue to contribute to both the long term Outcome and Annual Output measures for the Service’s Migratory Bird Program. The acres of habitat protected, restored, or improved through NAWCA are an integral part of ensuring that migratory bird species that are at healthy and sustainable levels remain there; and that suitable habitat is available and not a limiting factor for species that are on the FWS Birds of Management Concern List. NAWCA acres contribute significantly to meeting the habitat needs necessary to achieve healthy and sustainable levels of migratory birds.

| Measure | 2004 Actual | 2005 Actual | 2006 Plan | 2006 Actual | 2007 Plan | 2007 Change from 2006 | 2008 Request | 2008 Change from 2007 |
|--|--|-------------|-----------|-------------|-----------|-----------------------|--------------|-----------------------|
| Protect/secure x acres of habitat (PIM 2.01.003) (PIM 344) (NAWCF) (BUR) | 455,340 | 458,820 | 557,692 | 1,945,573 | 1,032,500 | -913,073 | 850,300 | -182,200 |
| Comments | Acres of habitat reported as protected or secured are the result of projects funded from several years previous that were completed during a particular fiscal year. The reduction in performance from 2006 to 2007 and 2008 demonstrates the variability inherent in multi-year grants as well as the year to year variability in the acreages associated with proposed projects | | | | | | | |
| Restore/enhance x acres of habitat in North America (PIM.2.01.001) (PIM 380) (NAWCF) (BUR) | 358,077 | 365,747 | 438,590 | 483,800 | 501,090 | -17,500 | 455,300 | -45,790 |
| Comments | Acres of habitat reported as restored, or enhanced are the result of projects funded from several years previous that were completed during a particular fiscal year. The reduction in performance from 2006 to 2007 and 2008 demonstrates the variability inherent in multi-year grants as well as the year to year variability in the acreages associated with proposed projects | | | | | | | |

Standard Form 300

**DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
NORTH AMERICAN WETLANDS CONSERVATION FUND**

Program and Financing (in millions of dollars)

| Identification code 14-5241-0-2-303 | 2006 Actual | 2007 Estimate | 2008 Estimate |
|--|----------------|------------------|------------------|
| Unavailable Collections (in millions of dollars) | | | |
| 01.99 Balance, start of year | 1 | 0 | 0 |
| Receipts: | | | |
| 02.00 Fines, penalties, and forfeitures from Migratory Bird Treaty Act | 0 | 1 | 1 |
| Appropriations: | | | |
| 05.00 North American Wetlands Conservation Fund (-) | -1 | -1 | -1 |
| 07.99 Balance, end of year | 0 | 0 | 0 |

| | | | |
|---|----|----|----|
| Obligations by Program Activity: | | | |
| 00.03 Wetlands conservation projects - Title 1 LWCF | 55 | 42 | 43 |
| 00.04 Administration - Title I LWCF | 2 | 2 | 2 |
| 10.00 Total obligations | 57 | 44 | 45 |

| | | | |
|--|-----|-----|-----|
| Budgetary Resources Available for Obligation: | | | |
| 21.40 Unobligated balance available, start of year | 27 | 10 | 4 |
| 22.00 New budget authority (gross) | 40 | 38 | 44 |
| 23.90 Total budgetary resources available for obligation | 67 | 48 | 48 |
| 23.95 Total new obligations | -57 | -44 | -45 |
| 24.40 Unobligated balance carried forward, end of year | 10 | 4 | 3 |

| | | | |
|--|----|----|----|
| New Budget Authority (gross), detail: | | | |
| Current: | | | |
| 40.00 Appropriation (total discretionary) | 40 | 37 | 43 |
| 40.35 Appropriation permanently reduced | -1 | 0 | 0 |
| Permanent: | | | |
| 60.20 Special fund (indefinite) | 1 | 1 | 1 |
| 70.00 Total new budget authority (gross) | 40 | 38 | 44 |

| | | | |
|--|-----|-----|-----|
| Change in Unpaid Obligations: | | | |
| 72.40 Obligated balance, start of year | 66 | 80 | 85 |
| 73.10 Total new obligations | 57 | 44 | 45 |
| 73.20 Total outlays, gross (-) | -43 | -39 | -42 |
| 74.40 Obligated balance, end of year | 80 | 85 | 88 |

Standard Form 300

DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
NORTH AMERICAN WETLANDS CONSERVATION FUND

Program and Financing (in millions of dollars)

| Identification code 14-5241-0-2-303 | 2006 Actual | 2007 Estimate | 2008 Estimate |
|--|----------------|------------------|------------------|
| <u>Outlays, (gross) detail:</u> | | | |
| 86.90 Outlays from new discretionary authority | 28 | 26 | 30 |
| 86.93 Outlays from discretionary balances | 12 | 12 | 11 |
| 86.97 Outlays from new mandatory authority | 1 | 1 | 1 |
| 86.98 Outlays from mandatory balances | 2 | 0 | 0 |
| 87.00 Total outlays (gross) | 43 | 39 | 42 |
| <u>Net Budget Authority and Outlays:</u> | | | |
| 89.00 Budget authority | 40 | 38 | 44 |
| 90.00 Outlays | 43 | 39 | 42 |
| <u>Direct Obligations:</u> | | | |
| 11.1 Personnel Compensation :Full-time permanent | 1 | 1 | 1 |
| 25.2 Other services | 1 | 1 | 1 |
| 32.0 Land and structures | 2 | 2 | 2 |
| 41.0 Grants, subsidies, and contributions | 52 | 40 | 41 |
| 99.95 Below reporting threshold | 1 | 0 | 0 |
| 99.9 Total obligations | 57 | 44 | 45 |
| <u>Personnel Summary</u> | | | |
| 1001 Full-time equivalent employment | 12 | 12 | 12 |