

## Landowner Incentive Program

### Appropriation Language

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4 through 11), including administrative expenses, and for private conservation efforts to be carried out on private lands,[\$50,000,000] \$40,000,000 to be derived from the Land and Water Conservation Fund, and to remain available until expended: Provided, That the amount provided herein is for a Landowner Incentive Program established by the Secretary that provides matching, competitively awarded grants to States, the District of Columbia, federally recognized Indian tribes, Puerto Rico, Guam, the United States Virgin Islands, the Northern Mariana Islands, and American Samoa, to establish or supplement existing landowner incentive programs that provide technical and financial assistance, including habitat protection and restoration, to private landowners for the protection and management of habitat to benefit federally listed, proposed, candidate, or other at-risk species on private lands. (Department of the Interior and Related Agencies Appropriation, 2005)

### Authorizing Statutes

**Endangered Species Act of 1973**, as amended (16 U.S.C. 1531-1544). Prohibits the import, export, or taking of fish and wildlife and plants that are listed as threatened or endangered species; provides for adding species to and removing them from the list of threatened and endangered species, and for preparing and implementing plans for their recovery; provides for interagency cooperation to avoid take of listed species and for issuing permits for otherwise prohibited activities; provides for cooperation with States, including authorization of financial assistance; and implements the provisions of the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES). Authorization of Appropriations: Expired September 30, 1992.

**Fish and Wildlife Act of 1956**, as amended (16 U.S.C. 742(a)-754). Establishes a comprehensive national fish and wildlife policy and authorizes the Secretary to take steps required for the development, management, advancement, conservation, and protection of fisheries resources and wildlife resources through research, acquisition of refuge lands, development of existing facilities, and other means.

**Fish and Wildlife Coordination Act**, as amended (16 U.S.C. 661). The Secretary of the Interior is authorized to provide assistance to, and cooperate with, Federal, State, and public or private agencies and organizations in the development, protection, rearing, and stocking of all species of wildlife, resources thereof, and their habitat, in controlling losses of the same from disease or other causes, in minimizing damages from overabundant species, in providing public shooting and fishing areas, including easements across public lands for access thereto.

Landowner Incentive Program		2004 <sup>1</sup> Actual	2005 Enacted	Uncontrollable & Related Changes (+/-)	Program Changes (+/-)	2006 Budget Request	Changes From 2005 (+/-)
Landowner Incentive State Grants	\$(000) FTE	25,867	18,939		+15,981	34,920	+15,981
Landowner Incentive Tribal Grants	\$(000)	2,874	2,104		+1,776	3,880	+1,776
Administration	\$(000) FTE	807 7	589 7		+549	1,136 7	+547
CAM (see General Business Operation Expenses)		82	62			64	
<b>Total, Landowner Incentive Program</b>	<b>\$(000) FTE</b>	<b>29,630 7</b>	<b>21,694 7</b>		<b>+18,306</b>	<b>40,000 7</b>	<b>18,306</b>

**Program Overview**

The Landowner Incentive Program provides grants to state and tribal conservation agencies to help landowners restore habitats of listed, proposed, candidate, or other species determined to be at risk on private and Tribal lands. The competitively awarded grants leverage Federal funds through cost-sharing provisions with state, territorial, and tribal fish and wildlife agencies. The Service requires a 25-percent non-Federal share of project costs for this program. The Landowner Incentive Program is based on the Secretary's Four C's program to enhance conservation work through communication, consultation, cooperation, and conservation.

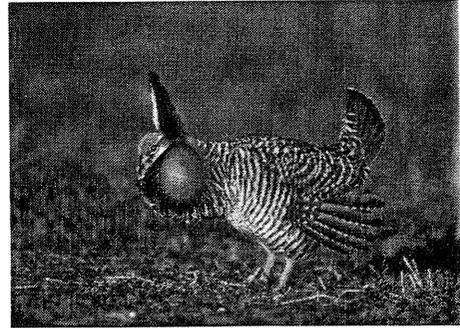
The Landowner Incentive Program began in FY 2002 and is funded from the Land and Water Conservation Fund. Since its inception, Congress has provided over \$91 million for the Landowner Incentive Program. The grant program features two tiers of competition and funding. Tier 1 grants are capped at a maximum of \$180,000 per state and are intended to provide a base for states to fund staff and their associated support to develop a new or to enhance an existing landowner incentive program. Tier 2 grants are intended for the actual, on-the-ground implementation of landowner incentive programs. They provide technical or financial assistance to private landowners through a variety of means for these implementation projects. The Tier 2 awards per State are capped at 5 percent of the total funds available.

Because Federal funding for wildlife conservation activities on private lands has historically been limited, the additional funding provided by the Landowner Incentive Program is allowing many states and territories to begin implementing conservation actions that they previously were unable to fund. Examples include:

- Minnesota Department of Natural Resources - The Minnesota agency signed 25 management agreements with private landowners resulting in 1,400 acres of prairie habitat enhancement or restoration from May 2003 through June 2004. State or federally listed plants or animals were documented on 19 of the 25 sites. Listed plants and animals were documented adjacent to or in the near vicinity of the other 6 sites.
- North Carolina Wildlife Resources Commission - The North Carolina agency is working with private landowners to maintain and/or enhance habitat for red cockaded woodpeckers on 2,000 acres of longleaf pine savannahs on private lands in the coastal plain and sandhill regions of the State.
- Colorado Division of Wildlife - The Colorado agency purchased two perpetual conservation easements on 3,260 acres of land in Gunnison and Montrose Counties to permanently protect and manage important Gunnison sage-grouse habitat for a core population in southwestern

Colorado. The Gunnison sage grouse is a candidate for listing under the Endangered Species Act.

- The Oregon Department of Fish and Wildlife - The Oregon agency obtained conservation easements on approximately 370 acres of land along 2 miles of Crystal Creek in Klamath County. The easement protects crucial habitat for endangered short-nose and Lost River suckers as well as State-wide sensitive redband trout, bald eagles, and numerous other wildlife species. The partners involved in this project include private landowners, Ducks Unlimited, Friends of Rock Creek, and Trust for Public Lands.



Species such as the Greater Prairie Chicken will benefit from the Landowner Incentive Program

#### Use of Cost and Performance Information

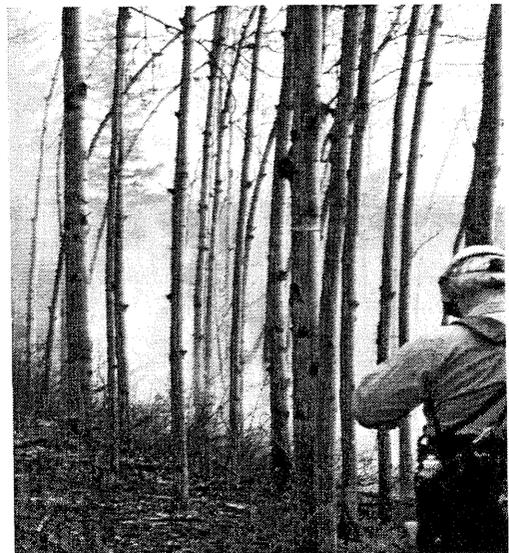
The Landowner Incentive Program has been using performance based information for several years in its resource allocation process.

- The Service is ensuring that successful grant applicants define the benefits of their programs and have in place mechanisms that monitor project actions for program efficiency and effectiveness. LIP award criteria was recently revised to clarify and address this need.
- To improve program accountability and encourage more rapid obligation of grant funds, the Service has increased communications with program stakeholders regarding grant and financial information on their awards. This is being accomplished by data sharing between Regional offices and State wildlife agencies.
- The use of Activity Based Costing will provide the appropriate avenue to report our accomplishments and accurately document our efforts while further aiding our identification, prioritization, and utilization of our recognized expertise.

### 2004 Program Performance Accomplishments

Several significant accomplishments were completed in FY 2004. A major factor in the success of this program is the continued, cooperative work of the Service and the State wildlife agencies to ensure the development of the State landowner incentive programs. Other Landowner Incentive Program accomplishments include:

- South Carolina developed a fully operational multiple-species, State Landowners Incentive Program for landowners enrolled in the Red-Cockaded Woodpecker Safe Harbor program, with coordinating benefits under the South Carolina State Endangered Species Tax Credit Law.
- Tennessee's State Landowner Incentive Program has focused on habitat protection and restoration along priority rivers and streams. This will directly benefit 41 endangered and threatened mussel species. Since the 2003 funding, Tennessee has begun working on partnerships in the Duck and Hatchie River watersheds.



Some states are completing prescribed burns with Landowner Incentive Program funds.

- The Arkansas Game and Fish Commission has begun the renovation, remediation, and habitat improvement of up to 15 miles of the South Fork Spring River through cooperation with landowners whose property includes the riverbank. To date, their focus has been on increasing contacts and visits with private landowners to provide education and encourage participation in the program.
- The Washington Department of Fish & Wildlife has 64 active projects throughout the State with a variety of partners including individual landowners, land conservancies, consortiums of land owners, local conservation organizations, and other non-governmental organizations. The projects range in size from 5 to 1,000 acres, and include efforts to restore wetland habitats to natural functions. This is accomplished through replanting and restoring riparian areas along streams, rehabilitating oak woodlands, restoring native grasslands, removing obstructions in salmon streams, placing habitat features in salmon streams, restoring natural functions to degraded estuaries, fencing and protection of shrub-steppe areas, creating snags and nesting areas in degraded forests, eradicating invasive non-native vegetation, and enhancing foraging and resting areas for migratory birds and salmonids.

### **2005 Planned Program Performance**

The Service expects the accomplishments by grantees to accelerate in FY 2005 since most have now been able to secure funding for their cost share and have begun implementing more on-the-ground conservation activities. For example, Montana Game, Fish and Parks will begin providing incentives to private landowners for their cooperation in protecting critical habitat for sage grouse. The goal of this effort is to ultimately protect 183,000 acres of private lands from being converted into agricultural cropland, though it is likely to take more than 1 year to accomplish this large task. On a smaller scale, the Minnesota agency will be restoring and enhancing 230 acres of bluff prairie to benefit the State-wide threatened timber rattlesnake and 34 other State listed plants and animals that have been documented on these sites. The majority of the work will be done in winter and early spring of 2005 when timber rattlesnakes are hibernating.

The Service plans to finalize baseline measures during this fiscal year to more effectively monitor the performance of this program. The Service has attempted to establish measures for this program in previous fiscal years. However, these efforts have not been successful because of the lag between the initial program grant awards and the ability of wildlife agencies to acquire State spending authority for their landowner incentive programs. In addition, project periods are usually 1 year or longer and final project accomplishment reports are usually submitted 3 – 6 months after completion of the project. With this timeline in mind, the Service believes that program accomplishments reported in FY 2005 will provide a sound basis to develop effective baseline performance measures.

The FY 2005 grant cycle will start by early February 2005 with a request for proposals in the *Federal Register*. There will be a 60-day period for the states to submit proposals. Ranking of those proposals will occur in April, and a list of approved projects is planned for May. The cycle for FY 2006 has not yet been determined.

<b>Landowner Incentive Program Awards by State</b>		
CFDA - 15.633		
<b>State</b>	<b>FY 2003</b>	<b>FY 2004</b>
Alabama	\$0	\$180,000
Alaska	\$1,642,500	\$100,000
Arkansas	\$158,512	\$1,300,000
Arizona	\$1,740,000	\$180,000
California	\$1,740,000	\$1,300,000
Colorado	\$1,740,000	\$1,300,000
Connecticut	\$180,000	\$1,028,999
Delaware	\$180,000	\$1,080,000
Florida	\$1,020,000	\$180,000
Georgia	\$180,000	\$180,000
Hawaii	\$1,731,750	\$1,300,000
Iowa	\$1,080,000	\$180,000
Idaho	\$180,000	\$180,000
Illinois	\$0	\$180,000
Indiana	\$180,000	\$0
Kansas	\$0	\$180,000
Kentucky	\$1,495,000	\$862,000
Louisiana	\$0	\$180,000
Massachusetts	\$1,080,000	\$1,080,000
Maryland	\$180,000	\$180,000
Maine	\$180,000	\$1,300,000
Michigan	\$1,536,718	\$0
Minnesota	\$1,514,542	\$0
Missouri	\$180,000	\$180,000
Mississippi	\$0	\$180,000
Montana	\$1,489,639	\$177,797
North Carolina	\$165,000	\$534,500
North Dakota	\$890,500	\$0
Nebraska	\$1,740,000	\$180,000
New Hampshire	\$180,000	\$180,000
New Jersey	\$180,000	\$1,300,000
New Mexico	\$180,000	\$1,300,000
Nevada	\$180,000	\$364,500
New York	\$180,000	\$1,300,000
Ohio	\$180,000	\$0
Oklahoma	\$1,495,000	\$180,000
Oregon	\$1,713,900	\$1,300,000
Pennsylvania	\$1,495,000	\$940,000
Rhode Island	\$0	\$75,000
South Carolina	\$975,000	\$0
South Dakota	\$0	\$173,550
Tennessee	\$180,000	\$1,300,000
Utah	\$0	\$1,300,000
Virginia	\$1,734,093	\$180,000
Virgin Islands	\$0	\$75,000
Vermont	\$180,000	\$1,151,250
Washington	\$180,000	\$940,000
Wisconsin	\$180,000	\$0
West Virginia	\$180,000	\$0
Wyoming	\$180,000	\$0
<b>Total</b>	<b>\$34,797,154</b>	<b>\$25,762,596</b>

**Justification of 2006 Program Change**

Subactivity		2006 Budget Request	Program Change (+/-)
Landowner Incentive Program	\$(000)	40,000	18,306
	FTE	7	0

The proposed funding level increase of \$18,306,000 allows the Service to meet a growing need and expectation for continued support of conservation of habitat on private lands. The proposed budget will assure states and tribes, which are continuing to develop their infrastructure and program capacity, of substantial and continued financial support through FY 2006. The proposed funding for FY 2006 will allow additional land acreage to receive planned and professional fish and wildlife conservation actions that are completed by state agencies. Also, as states gain experience with this program and find more ways to convey to private landowners a solid understanding of the program, more and more private landowners will readily seek partnerships with their States in order to participate in the conservation opportunities presented.

The FY 2005 grant cycle will start by early February 2005 with a request for proposals in the *Federal Register*. There will be a 60-day period for the states to submit proposals. Ranking of those proposals will occur in April, and a list of approved projects is planned for May. The cycle for FY 2006 has not yet been determined.

The Service is working in FY 2005 to develop a baseline of measured accomplishments. This year, the Service is receiving greater numbers of State accomplishment reports from grants that were awarded with FY 2003 and some FY 2004 LIP funds. As more of these reports become available, the Service will accumulate enough performance data to develop a meaningful, statistically viable baseline that can be used to predict future, measurable accomplishments.

The Landowner Incentive Program supports the DOI Strategic Plan mission of Resource Protection and its outcome goal, *Sustain Biological Communities on DOI Managed and Influenced Lands and Waters in a Manner Consistent with Obligations Regarding the Allocation and use of Water*. This grant program employs Strategy 1—create habitat conditions on private land for biological communities to flourish—in supporting the Department’s mission. Through the Landowner Incentive Program, the Service and States help achieve this strategic goal through the protection, restoration, and maintenance of habitat on private lands. With the proposed funding increase, we also expect a substantial increase in the number of private landowner partners and the number of acres conserved for listed, proposed, candidate, or other species determined to be at risk.

It should be noted that the grant cycle, from opening of the competition to grant closure and subsequent accomplishment reporting, easily spans 2-3 years. As a result, when the Service is better able to develop a baseline of performance, results from any one appropriation (and its increase or decrease from the prior appropriation) will be seen 1 to 2 years following the year of the appropriation. Thus, once the Service establishes its baseline of measured program accomplishment, it will be able to estimate performance changes associated with a budget change, but when presented in tabular form, the performance changes will be spread across approximately the 2 years following the appropriation year.

Standard Form 300

DEPARTMENT OF THE INTERIOR  
FISH AND WILDLIFE SERVICE  
LANDOWNER INCENTIVE PROGRAM

Program and Financing (in thousands of dollars)			
	2004 Actual	2005 Estimated	2006 Estimated
<b>Identification code 14-5496-0</b>			
<b>Obligations by program activity:</b>			
00.01 Landowner Incentives Grant Program	19,017	29,000	43,000
00.02 Administration	532	776	804
10.00 Total obligations	19,549	29,776	43,804
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance available, start of year	23,496	34,482	26,400
22.00 New Budget authority (gross)	30,000	22,000	40,000
22.10 Recoveries	1,373		
40.36 Rescission of FY 2002 Unobligated Balances			
40.36 Rescission of New BA (PL108-108)	-194		
40.36 Rescission of New BA (PL108-108) Omnibus	-176		
40.36 Rescission of New BA (PL108-447)		-306	
23.90 Total budgetary resources available for obligation	54,499	56,176	66,400
23.95 New obligations (-)	-20,017	-29,776	-43,804
24.40 Unobligated balance available, end of year	34,482	26,400	22,596
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.20 Appropriation (Special Fund) LWCF	30,000	22,000	40,000
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	15,782	31,363	29,139
73.10 New obligations	19,549	29,776	43,804
73.20 Total outlays, gross (-)	-3,968	-32,000	-34,000
74.40 Obligated balance, end of year	31,363	29,139	38,943
<b>Outlays, (gross) detail:</b>			
86.97 Outlays from new discretionary authority	500	7,000	12000
86.98 Outlays from discretionary balances	3,468	25,000	22000
87.00 Total outlays (gross)	3,968	32,000	34,000
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	30,000	22,000	40,000
90.00 Outlays	3,968	32,000	34,000

<b>Object classification (in thousands of dollars)</b>			
<b>Direct obligations:</b>			
11.1 Full-time permanent	441	459	477
11.3 Other than full time permanent	3	3	3
11.5 Other personnel compensation	6	6	6
11.9 Total personnel compensation	450	468	487
12.1 Civilian personnel benefits	120	125	130
21.0 Travel and transportation of persons	56	57	58
22.0 Transportation of things	53	54	55
23.2 Rental payments to others	4	4	4
25.2 Other Payments	4	4	4
25.3 Purchases of goods and services from Gov't Accts	35	36	36
25.7 Operation and maintenance of equipment	2	2	2
26.0 Supplies and materials	2	2	2
31.0 Equipment	24	24	25
41.0 Grants, subsidies and contributions	18,767	29,000	43,000
99.9 Total obligations	19,517	29,776	43,804
<b>Personnel Summary</b>			
<b>Direct:</b>			
Total compensable work years:			
1001 Full-time equivalent employment	7	7	7