

U.S. Fish and Wildlife Service  
National Fish Hatchery Report – Frequently Asked Questions  
November 2013

**1. What was the purpose of the NFHS Strategic Hatchery and Workforce Planning Report?**

The NFHS report is a document that reflects the Service’s vision of a hatchery system that will be adequately positioned to support the agency’s highest fish and aquatic conservation priorities in an increasingly constrained budget environment. The report is an analysis of the ongoing budget challenges confronting the system and offers management options and recommendations that will put the system on a more sound and sustainable footing. The report is not intended to be a decision document.

**2. What sparked the need for this report?**

In the fall of 2012, the Service launched a comprehensive review of the 70 fish and aquatic species propagation hatcheries to ensure it will be positioned to address highest priority aquatic resource needs now and into the future while working within its budget limitations.

The NFHS has struggled with declining funding and significant increases in operations costs (utilities, fuel, and fish food) for several years. The FY 2014 President’s Budget proposed \$46,528,000 for National Fish Hatchery Operations. However, funding levels remain uncertain for FY 2014, and we’re anticipating significant reductions from previous years. If sequestration continues into FY 2014, the Service will have lost close to \$6 million in appropriations from hatchery operations funding since FY 2012.

**3. Why is Appendix E not included in the posted report?**

Appendix E was part of an earlier draft of the report and included various scenarios for how the report’s recommendations theoretically could be implemented across the hatchery system. Since neither the report nor the scenarios are decision documents, Appendix E is not included so as to focus stakeholder discussions on the 2015 budget process and not on presumed decisions.

**4. What actions will be taken based on this report?**

The Service is not recommending any facility closures in FY 2014. To cover the existing and growing funding gap in FY 2014 for NFHS operational expenses, the Service will need to redirect funds from higher priority activities and may need to reduce or discontinue some propagation programs. Clearly, this approach is no longer sustainable.

In the weeks ahead, the Service will work with all of its partners through an open and transparent process to determine whether the options identified by the report, or others, are necessary and appropriate to address these financial challenges. Absent new funding, the Service will have no option but to make tough choices in FY 2015 to bring expenses in line with available resources.

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**5. How can Congress and stakeholders engage with the Service and provide input on the report?**

In the current budget environment, the Service needs to realign the NFHS, and the Service wants to consult with a wide variety of stakeholders – including Congress, states, tribes, partners, and others – about how to move forward with the program. We will be providing additional information regarding the outreach process in the weeks ahead.

**6. Considering the time-table remaining to set the 2015 budget for the NFHS, what is the framework for that engagement and how it will unfold?**

The Service is moving forward to set up meetings with interested stakeholders in the coming weeks to receive feedback and facilitate discussion about the report, its conclusions and the path ahead as the Service positions itself to address budget challenges facing the hatchery system in fiscal year 2015.

**7. What does this report mean for hatchery employees in FY 2014 and FY 2015?**

While the Service does not intend to implement any closures in Fiscal Year (FY) 2014, facility closures as soon as FY 2015 may be necessary if the Service does not receive additional resources.

Our employees are our highest priority so we will place our greatest emphasis on relocating any affected employees. We will ensure that impacted individuals have access to the appropriate resources throughout the process. Human Resources professionals in the Regions and in Headquarters will be available to answer questions that arise.

We know that this is a difficult time for employees who may be faced with uncertainty. We've witnessed the dedication of our hatchery employees and their passion for the fishery resource, and we are taking every step possible to protect them.

**8. Where is the Service redirecting funding from to fill the shortfall in funding for the NFHS?**

To cover the existing and growing funding gap in FY 2014 for NFHS operational expenses, the Service will need to redirect funds from higher priority activities. We are currently working with Congress to align funds to cover this shortfall within the NFHS.

**9. What are the NFHS's priorities?**

The following priorities for the NFHS propagation programs, established by the report, are consistent with the Service's overall mission and consistent with fish and aquatic resource conservation needs:

1. Recovery of species federally listed as threatened or endangered;
2. Restoration of imperiled species;
3. Tribal trust responsibilities;

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4. Other propagation programs for native species;
5. Other propagation programs for non-native species.

**10. What do we anticipate in the FY 2014 budget?**

The FY 2014 President’s Budget proposed \$46,528,000 for National Fish Hatchery Operations, approximately the FY 2012 funding level. However, final funding levels remain uncertain for FY 2014, and we’re anticipating further significant reductions from previous years. The Service’s NFHS has been in a state of declining funding for several years and we have no reason to believe that will change in the near future. In FY 2012, the NFHS incurred a \$2.1 million shortfall in overall funding. If sequestration continues into FY 2014, we will have lost close to \$6 million in appropriations for hatchery operations since FY 2012. Consequently, to cover the existing and growing funding gap in FY 2014 for NFHS operational expenses, the FWS will need to redirect funds from higher priority activities. Clearly, this approach is no longer sustainable.

**11. Why did the report consider budget scenarios for reductions of 11 percent, 15 percent, and 24 percent?**

The Report outlines a number of potential options that may be used to guide management of the hatchery system, and help Service leaders make strategic, priority-driven investments aimed at the recovery and restoration of imperiled fish and aquatic species within available funding limits.

**12. Budgets for mitigation hatchery operations have been the focus of attention for a couple of years. Mitigation hatcheries and the fish they produce provide significant recreation and economic benefit. What’s the status of those hatcheries and the fish they produce that support local economies?**

One of the Service’s mission-driven priorities is to protect and restore native fish and other aquatic species and their habitats. We must be able to produce these priority fish while operating the NFHS within its budget.

Reimbursable funding is an important resource for the NFHS, particularly for propagation programs that mitigate the impacts of federal water development projects. We recognize the positive economic impact mitigation fish have in our communities when it comes to recreational sportfishing, and we are committed to this activity to the extent we can continue to secure funds to fully reimburse us for these activities.

To this end, the Service is continuing to work to secure long-term reimbursable funding for this work from the appropriate agencies as directed by the Congress and the Office of Management and Budget. Over \$25 million in reimbursable funding is received annually through existing and new agreements with the U.S. Army Corps of Engineers, the Bureau of Reclamation, the Bonneville Power Administration, the National Marine Fisheries Service, the Tennessee Valley Authority, states and others.

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**13. When management options were developed through this report, did the Service have all of the mitigation and other funding in place?**

No, the Service had some new financial developments since the Report was completed in March 2013. For example, in April 2013 the Tennessee Valley Authority (TVA) agreed to provide funding for three years to mitigate the impacts of its water development projects. In addition, the U.S. Army Corps of Engineers has agreed to significant mitigation reimbursements.

**14. Does the Director and the Service’s leadership support the agency’s Fisheries program?**

The Director strongly supports the Fisheries program. Across all of its programs – from the refuge system to its ecological services and endangered species work - the Service faces difficult budget decisions. In FY 2012, the Fisheries program incurred a \$2.1 million shortfall in overall funding. To cover the existing and growing funding gap in FY 2014 for NFHS operational expenses, the Service will need to redirect funds from higher priority activities.