

**AGENDA--Joint Federal/State Task Force on Federal Assistance Policy  
August 12 and 13, 2008  
Radisson Hotel Albuquerque  
2500 Carlisle Boulevard NE  
Albuquerque, NM 87110  
Hotel Telephone (505) 888-3311**

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Group Name: Joint Federal/State Task Force on Federal Assistance Policy (JTF)  
 Meeting Title: 19th Meeting of the Joint Task Force  
 Meeting Days/Dates: Tuesday and Wednesday, August 12 and 13, 2008  
 Travel Days/Dates: Monday, August 11 and Thursday, August 14, 2008  
 Start and End Times: 8:00 am Tuesday, August 12, 2008–4:30 pm Wednesday, August 13, 2008  
 Meeting Contacts: Tom Barnes at 703 358 1815, Kim Galvan at 703 358 2420  
 JTF Co-Chairs: Glen Salmon (IN) and Rowan Gould (USFWS)  
 JTF Staff: Kim Galvan, FWS, and Christina Zarrella, MSCGP Coordinator, AFWA

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**Meeting Notes**

**Tuesday**

**8:00 am**

- **Cochairs' welcome and review of agenda** – Rowan Gould and Glen Salmon  
 What is the best time to schedule small working groups? Is agenda repair necessary?

Rowan and Glen welcomed the group and gave introductions. The only absent member was Ken Elowe from Maine. Because this left the group one state representative short, Gary Armstrong, Federal Aid Coordinator for the Indiana Dept. of Natural Resources, attended. Steve Robertson from USFWS also joined the group as a representative from Albuquerque. In regard to the agenda, the Strategic Habitat Conservation presentation has been shortened. Also, small groups will have the opportunity to meet during the afternoon of the first meeting day. A high priority for the group is to address the hunting and fishing license certification issue. Carol suggested including on the agenda the issue of program income in regard to carbon sequestration. John Organ suggested having a discussion about the five year state audit cycle.

- **Review of action items from the JTF's February 2008 meeting in Arlington, Virginia** – Tom Barnes

See Action Item Status Report Handout for a status of all items. The below action items were discussed including:

1) Climate Change Small Group will deliver a Q&A handout at the Association's Annual Meeting in September 2008

Chris McKay provided two handouts that discussed the issue. Congress is unlikely to pass legislation during this administration and AFWA has been monitoring this issue closely. Therefore Chris made the recommendation that there is no unique role for the JTF to engage in at this time. However the JTF or subgroup is ready to engage if/when there is a need. Rowan reminded the group that the goal was to notify Matt Hogan (AFWA) and Dale Hall (USFWS) of any impact specifically to the PR/DJ programs. The group suggested that the AFWA's Climate Change Committee be notified of this decision and also to continue to address any new issues that arise.

8) Glen Salmon will report with Steve to TWW Committee at the North American on SWG Program Review.

Glen asked the group if the SWG Audit Project was still something that needed to be done, and if so how would it be paid for. Rowan asked the group to consider the potential impact of the passage of any climate change legislation on SWG in regard to this evaluation. Some members of the group thought an evaluation would be helpful and also internally assist USFWS implement any new program that develops. Glen suggested that he or Rowan brief the TWW committee at the upcoming Annual Meeting in September. Lisa also suggested examining the five year audit cycle and potentially moving it to eight years. Rowan suggested notifying Gary Taylor at AFWA about this as the Sport Fish Reauthorization is underway.

The JTF assigned a small group to examine this issue. Members included: Chris, Keith and Tom Niebauer.

9) Glen Salmon will have a discussion with Industry, along with John Frampton, about the role of Lori Bennett (USFWS Industry Liaison) in getting them additional information that will not be included in the Conservation Heritage Measures for OMB.

There was a slight correction to this item: Brian Bohnsack is the interim liaison and has not yet been selected to fill the post permanently.

13) Lisa Evans will draft the cover letter to accompany the Strategic Plan when it goes to Federal Aid Coordinators for review.

Lisa reported that this item was completed.

18) Everyone on the JTF will consider resources for the Industry outreach DVD.

This issue will be discussed by the JTF tomorrow.

Additionally, Rowan provided a brief overview of recent personnel changes at USFWS.

- **License Certification Issues** - Glen Salmon, Rowan Gould and Steve Barton

Glen explained that the JTF previously developed license certification language. States made comments on this language, which was edited and published in the Federal Register. Several issues were raised with this publication and need to be addressed.

Steve thanked Tom Barnes, Tom McCoy, and Kim for their efforts on the development of this policy. Most of the concerns dealt with 50 CFR 80.10 (license certification.) The goal was to make the process fair to all states. In past years there had been a difference of up to five years in the submission of license information from states. It is important to develop wording that complied with the law. This past Friday a new version was signed (see the handout pages 23-24) and published and will be effective August 25<sup>th</sup>. The license certification data is due September 2<sup>nd</sup>. What we are discussing is whether another round of edits to the language should be conducted. See pages 33-34 of the packet – these issues should be discussed by the JTF. Some issues include: how lifetime licenses are treated, states purchasing licenses to inflate the numbers, and whether the reference to “state” should be changed to “state fish and wildlife agency.”

John Organ suggested an argument could be made that states buying licenses does not contradict the purpose of the program as long as the money goes into the license fund. He also thought Lori Bennett (USFWS) had already completed research on lifetime licenses. He suggested the JTF check with her on the status. Joyce believed that part of the issue was addressed with that research but that this may be a different issue.

Rowan suggested issues remain that people are uncomfortable with in regard to the language. The JTF should identify and address these issues. States in general must be comfortable and it is not necessary to address individual states. Glen suggested providing guidance to auditors to ensure states are being consistent. Gary noted that many of these questions arise from differing ideas of what it means to hold a license. Do states need to be able to identify each individual? Can the state demonstrate that they count each person once? What about purchase timeframe? Is participation required (one person could buy a license for another person)?

The JTF discussed these issues and decided to send this topic to a small group. Carol suggested that the term “gratis” be clearly defined. Steve clarified that general appropriated funds could not be used to purchase licenses because it would not result in a net \$1 revenue to the state. Keith and Lisa noted that this creates an issue related to military hunting licenses, which are paid for with state appropriated funds and under this guidance could not be certified.

All issues that arose from the reviews are listed on page 30 of the packet and include: motorboat access funds (open to non-motor boats), defining aquatic education process, timber revenue and real property, and the deleted item about giving the USFWS Director some discretion to overrule. Tom Barnes reviewed each of these issues.

## **Break**

The JTF had a discussion about issue #1 on page 30. It was decided that a small group would examine this. Members include: Lisa, Joyce, Gary, and Rowan.

The JTF had a discussion of issues #4 and #5 on page 30. Tom Barnes explained the issue with audits in WI – was timber real property, disposition, or program income? This has not really been an issue, although the grazing issue does occasionally arise but can vary state to state depending on how a lease was constructed. John Frampton noted that the JTF already discussed this issue and decided it was program income and wanted it treated consistently. Tom Niebauer agreed that the JTF previously addressed the timber issue. However the guidance is only in the handbook and not the regulation. Maybe it does not need to be codified for timber, but then grazing and animal products are separate issues. Larry noted that the terminology is irrelevant for the other issues (grazing and animal products) as the same rules apply as with diversion. Joyce suggested addressing this as a manual chapter and including some language there and not altering the language in 50 CFR.

The JTF assigned a group to address the hunting and fishing certification issues. Members included: John Organ, Carol, Robyn, Kelly, John Frampton, Steve, Larry, Gary, Tom Barnes, Steve Robertson.

- Break for lunch

#### **Afternoon**

- **Small working groups** - Time for small working groups to meet (as necessary) on all topics discussed so far.
- **Large group** - Interim reports of small groups to large group and continued work by the small groups; review small group recommendations; make changes; finalize products.

**SWG Audit Group:** Chris, Keith and Tom Niebauer

Why? - A few folks may be expecting an audit

- Someone may call for an audit
- Terrific support for SWG w/States, FWS, and appropriators
- SWG likely continue under CC legislation
- Some of the financial transactions differ compared to WR/SFR
- Managing risk good business, good management

Timeline:

- Sept '08 Check w/Trust Funds Committee, TWW, Federal SWG grants managers & financial specialists, and members of the FA Coordinators Work Group on the need and urgency for an audit. Ask: Are there existing or emerging financial issues with SWG?

- If yes, obtain okay from the JTF co-chairs then Chris & Jay, Keith & Sheila, Tom and Ord will develop questionnaire and pilot test instrument in October.

- Then follow with a written survey during November and December.

- Jan-Feb '09 small group w/their auditors develop informational/educational/training curriculum/work plan.

- March '09 present, clarify, and adjust work plan based on feedback from the JTF.

- April-September'09 implement work plan

Lisa noted that questions arose in the past related to partnerships and this is what needs to be captured and identified to make sure that the state and federal interests remain intact and that appropriate language is incorporated into agreements and contracts. This topic will be discussed in the TWW Committee and Fish&Wildlife Trust Finds Committee at the upcoming Annual Meeting.

**Boating Access Funds Group:** Lisa, Joyce, Gary, and Rowan

The JTF Boat Access small group recommendation:

1. Continue to support the current 15% set aside since boating access remains a national priority and the funds are derived from registered motorized craft.
2. Within the Boating Access Chapter of the FWS Manual, expand allowable activities to include:
  - ↳ Acquisition and development of multiple use recreational boating access sites provided they accommodate and provide legal access to at least small (13 feet in length or less) gasoline-powered motorized watercraft.
  - ↳ Operation and maintenance of multiple use recreational boating access sites (needs to be reviewed by appropriate stakeholder groups).
3. Questions and comments have arisen regarding the expansion of allowable activities such as land acquisition and infrastructure development for non-motorized boats. We should contact appropriate stakeholder groups to see if this issue should be explored further.

Item 2, bullets 2 and 3, need to be vetted with stakeholders groups at the upcoming AFWA Annual Meeting including the Angler/Boating Participation Committee, Fish & Wildlife Trust Funds Committee, RBFF etc. No formal language will be developed until there is discussion.

**Hunting License Certification Group:** John Organ, Carol, Robyn, Kelly, John Frampton, Steve, Larry, Gary, Tom Barnes, Steve Robinson

These changes will be recommended to incorporate in the statutory language:

(2) The State may count only those persons who possess a license that produced net revenue of at least \$1 per year returned to the State **Fish and Wildlife Agency** after deducting costs directly associated with issuance of the license. Examples of such costs...

(3) The State may count persons possessing a single-year license (one that is legal for less than 2 years) **once which must be** in the State-specified license certification period in which the **paid** license **becomes legally valid**.

Steve explained that the group planned to develop and send a clarification letter explaining the current rule. The letter would presume the reader had no background on the issue and would address the major issues including: licenses paid for by state dollars cannot be used to be certified, lifetime licenses may be counted from date of purchase but a license can only be counted once as a hunter and/or angler, and the certification year must end between October 2006 and September 2007. The new rule revision will be discussed at the upcoming Fish & Wildlife Trust Funds Committee meeting, at the chiefs meeting in November, and then go out for public comment. Kelly emphasized the importance of getting all states engaged in this, whether or not the comments are positive or negative.

- **3:30 Strategic Plan Conservation Heritage Strategic Plan/Performance Measures – review; approval; distribution and future coordination steps** – Glen Salmon, Rowan Gould and Christy Kuczak via phone (703 358 1748)

Christy explained that any changes need to be made ASAP because the copy will be going to the printer by late August to be printed in mid-September. John Frampton suggested including an image that depicts some part of manufacturing (arrows, guns etc.) The group made some photo suggestions photos and Chris McKay would follow up with Christy on images. Glen said that if an appropriate image could not be found then the printing should move forward. The JTF co-chairs and members thanked Christy for her excellent work.

Rowan also mentioned the status of the Conservation Heritage Measures document. JTF needs to discuss it before it is finalized - especially regarding the measures selected and how the states and federal agencies will get the infrastructure in place to measure. Christy will e-mail a copy to the JTF and members will send comments back to JTF co-chairs by September 12th. There will be no re-writing, only the identification of major edits/issues.) The document will also be discussed with the Fish & Wildlife Trust Funds Committee.

- **Carbon sequestration on PR lands and possible implications from program income** – Glen Salmon

Glen explained the background on this issue: if an entity wanted to plant trees on the land purchased with PR/DJ dollars, would carbon sequestration and the selling of carbon credits be considered program income?

Tom Niebauer suggested examining the chapter on recreational use of land: Does it interfere with the purpose of why the land was purchased? Larry asked about a potential scenario if a state agency's management plan included a need to plant trees: What if an entity donated seedling but then requested the carbon credits? John Organ thought that could be considered bartering/program income. John Frampton asked if it could be considered mitigation. Robyn suggested that currently this would be in a donation/bartering/acquisition realm but could move into mitigation. Glen emphasized that states cannot lose control of these lands, which may be a concern. States need to be able to control land in the context and for the reason it was purchased. Glen will report back on this issue. There is no clear answer but there are existing rules and regulations.

**4:30PM**

- **Meeting adjourned for the day**

### Wednesday

**8:00 am**

- **Update from industry/state meetings chaired by Glen Salmon – Glen Salmon**

Glen explained that he had two issues to update the JTF about: Steering Committee and Wallop-Breaux Reauthorization.

In regard to the Steering Committee, Glen provided background about how this group formed out of the Industry Summit meetings. The Industry Summit provided a forum for states and federal agencies to reach out to industry partners and answer questions about how the excise taxes are collected and used. The Steering Committee was formed out of those efforts and met in May. Doug Painter (NSSF) and Glen are co-chairs. Additionally, USFWS is funding a position for a liaison housed at AFWA to help coordinate the activities of the Steering Committee. Small working groups were formed to make progress on issues including: Outreach, Partner Communication, Funding Challenges, and Recruitment and Retention. Also the Excise Tax Working Group, which worked under the Fish & Wildlife Trust Funds Committee, is now housed under the Steering Committee. Another major project is developing a nationwide communication strategy to reach out to public, partners and others. There is also an MSCGP grant submission pending to assist the coordination efforts. The next Steering Committee meeting will be September 16<sup>th</sup> and this effort is also connected to the White House Conference. Our industry partners must feel connected to the WR/SFR programs. They share our concerns about recruitment and retention and also about a funding base. The four main trade groups ATA, ASA, NSSF, and NMMA are represented on the committee. Glen also noted there has been some discussion about creating a counterpart to RBFF on the PR side, although this is very preliminary.

Other important projects the Steering Committee is working on is creating a DVD that tells the story of the WR/SFR programs and also creating a database of industry manufacturers by state to use for outreach and communications efforts. Brian Bohnsack, the interim liaison, hopes to get this information collected and distributed to federal aid coordinators. Lisa said it would be helpful for regional associations to have this information too, and Robyn suggested that regional directors also have access. Carol explained that industry has requested to get information from states that might be useful for marketing efforts. AFWA had a legal intern, funded by NSSF, who examined the state statues and determined what information was available for public use.

The JTF members expressed support for this effort and the partnerships. On the federal side, Pam Matthes and Lori Bennett have also been contributing. On the state side many state directors have been involved and attended industry events. John Frampton (SC) and Jeff Vonk (SD) are also on the Steering Committee and involved with the working groups. Christina will send the Steering Committee meeting minutes to the JTF Members

Glen also explained an issue that arose in regard to taxes on youth arrows that ATA would like support for. There was a change in the tax at one point to 43 cents per arrow, which is levied against youth/toy arrows in addition to other arrows. ATA has requested that the tax be removed from both wood and aluminum arrows. This would cut into the PR program, but these arrows will never be used for hunting.

In regard to Wallop-Breaux Reauthorization, Glen reported that AFWA and NASBLA have formed a partnership to work on reauthorization. There is a four-person team put together by AFWA and includes: Ken Herring, Virgil Moore, Dave Chanda, and Glen to work with NASBLA. A consensus document has been drafted, which included the items agreed to. This document has been reviewed by the AFWA Executive Committee, who has given approval for us to move forward with sharing this document with committees for feedback. There have also been meetings with stakeholders to hear and address their concerns. We will continue to work with NASBLA and our partners to refine a document that addresses everyone's needs to the extent possible. For boating, the funds come from the number of boats registered, and as long as registrations stay steady or increase that account will continue to grow substantially. The challenge was splitting the money between fishing and boating. We need to ensure the needs of the boating and fishing folks are addressed and we also have funds to cover administrative expenses.

Lisa suggested it would be helpful to have a primer on how tax collection works and also to have solid financial projections for the WR/SFR accounts. Tom Niebauer recommended some handouts available on the USFWS website that illustrate how the tax is collected and funds are distributed. Steve said they are working on forecasting the financial projections and will share this as soon as it is available. The next step is to have committee discussions at the upcoming AFWA meeting and hopefully bring the document to State Directors at the Business Meeting.

- **Strategic Habitat Conservation (SHC) Presentation and Discussion** - Rowan Gould and Charlie Baxter, USFWS

Charlie gave a PowerPoint presentation entitled: Strategic Habitat Conservation – An Operational Response to the Changing Nature of Conservation. He wanted to focus especially on the issue of more horizontally integrated, leveraged state/federal relationships being an issue of national significance to the WSFR program

The JTF Discussion:

Rowan emphasized that USFWS cannot accomplish Strategic Habitat Conservation on its own, and that federal agencies and state agencies need to plan together to achieve conservation accomplishments and use this approach for business. We need to share a vision, goals and outcomes and need states to be engaged. Brian Hanson explained that he is the only full-time SHC employee at USFWS. Each region has implementation teams. In Region 2 they went through a four month planning process and focus on three areas. It is timely to engage partners with the development of the State Wildlife Action Plans. Currently USFWS is assessing the skills that employees possess within the SHC skill set to move forward. Skills employees lack can be addressed through training, contractors, or new hires.

Lisa asked how coordination is evolving between the regions. She felt that in her region, plans had been developed but the state was not involved. Rowan explained that developing the focal areas is a workforce planning exercise, and may not necessarily involve states. Robyn said that SHC is moving at different paces throughout the regions because the context, skills, and partners differ. John Organ said Region 5 is putting a lot of effort into in-reach and getting organized. Challenges are in the structure/process partners where partners are engaged at a later step. He believed that partners should be involved from the onset in order to have ownership. Charlie commented that USFWS has responded as biologists and, while there are technical challenges, this is a change management issue: we need to alter institutional and cultural dimensions.

Kelly commented that agencies go through many planning changes. He agreed with this approach, but emphasized the importance of knowing there is commitment and will be follow up as challenges arise with funding and ownership. This change is about a mindset and an institution and it is a difficult effort to implement, but a worthwhile pursuit. Robyn agreed there are issues of trust that needs to be overcome, which can take decades to build. The fiscal future must be considered this kind of approach is not adopted, and PR/DJ dollars must support landscape initiative efforts. John Frampton suggested this work does not need to start on a large-scale as quicker success and more buy-in can occur at smaller scales and then grow. Christina commented that this will be the topic for the plenary session at AFWA's upcoming Annual Meeting.

- **Vesting of Title with Third Party Subawardees** – Rowan Gould and Don Morgan, Chief, Branch of State Grants, Endangered Species Program, USFWS

Don gave a PowerPoint presentation, which is also included in the meeting packet.

The JTF Discussion:

The JTF members agreed that this issue needed to be vetted through the normal JTF process in order to assess what kind of an impact this change would have. A white paper will be developed by Don and will then be reviewed by Lisa and John Organ. Don will work with Tom Barnes regarding process. The paper should identify all of the grant programs that could be affected by this change. The paper will be vetted through Group Systems and then it will return to the JTF. Glen said that reviewers also needed to include both federal and state folks, and suggested it also be brought to the Association's Threatened and Endangered Species and Legal Committees for input.

At Rowan's request, Don also briefly explained another issue regarding the term "mitigation" and cost sharing for section 6 grants. USFWS has disallowed the use of funds or acreage set aside for mitigation to be used as a cost-share. However, this may be more of a semantics issue as the state of California, for instance, has local/state level mitigation requirements, which may be different than federal. We cannot have a cost-share with a federal requirement, but if it is a state/local requirement it could be used as a cost-share. Rowan said that USFWS will be developing guidance on what can/cannot be used as a match, and this issue may eventually come to the JTF.

- **H.R.6767 – Mark Udall's (Colorado) Bill**

Carol explained that this Bill amends the Pittman-Robertson Act to allow eligible states to apply for up to 90% of the cost of acquiring land for construction of new, expanded or improved shooting facilities (current law caps federal share at 75%). The Bill would allow eligible States to use up to 10% of the Pittman-Robertson funds provided for wildlife management and conservation for acquiring land for construction of new, expanded, or improved shooting ranges and to assist in lead cleanup to allow federal lands to be used for target practice. This provision expires after 10 years. The Association will be working with Udall on the language for this Bill. Page 2, Finding no. 3 (only public target ranges are safe) is not necessarily a finding we want Congress to state. Page 3 (c) – the types of federal lands that this law would affect could be expanded beyond federal lands managed by the Forest Service and BLM. It was phrased this way to avoid issues with public shooting on NPS lands. This has not been reviewed by any Association committee's yet. Tom Niebauer suggested that the Fish & Wildlife Trust Funds Committee review it at the upcoming meeting. Christina will send a copy of the Bill to the Committee and put on agenda. The JTF members will send comments to Carol by Jan 1, 2009.

- **Future meetings and challenges of JTF** – Identify a meeting date and location for next meeting(s) – Rowan Gould and Glen Salmon

Potential dates are: Feb 9, 10 or 11, 2009

Potential location: DC

This could be a one-day meeting

**Noon – meeting adjourned**

**Action Items:**

All Members:

- Will send comments on Conservation Heritage Measures document to JTF co-chairs by September 12<sup>th</sup>. (No re-writing, just major edits/issues.)
- Will send comments on H.R.6767 to Carol by January 1, 2009.

Chris McKay:

- Will notify AFWA's Climate Change Committee of the JTF's involvement with and monitoring of the climate change legislation.
- Will follow up with Christy on manufacturing images for Strategic Plan.

Christina Zarrella:

- Will e-mail Steering Committee meeting minutes to JTF members.
- Will add issues to TFC agenda including:
  - o Boating Access Funds
  - o SWG audit
  - o Hunting and fishing license certification
  - o Conservation Heritage Measures
  - o H.R.6767

Christy Kuczak:

- Will e-mail Conservation Heritage Measures document to the JTF

Don Morgan:

- Will develop white paper on "Vesting of Title with Third Party Subawardees" issue.

Glen Salmon:

- Will brief the TWW Committee about the status of the SWG audit at AFWA's Annual Meeting in September.
- Will report back to Dave Chanda on carbon sequestration issue. There is no clear answer but there are existing rules and regulations.
- Will notify AFWA's Climate Change Committee of the JTF's involvement with and monitoring of the climate change legislation (along with Chris McKay.)

John Organ:

- Will check with Lori Bennett on the research collected on lifetime licenses.
- Will review white paper developed by Don Morgan on "Vesting of Title with Third Party Subawardees" issue.

Lisa Evans:

- Will review white paper developed by Don Morgan on "Vesting of Title with Third Party Subawardees" issue.

Steve Barton:

- Will share SFR account projection data as soon as it is developed in regard to Wallop-Breaux reauthorization.