

Meeting Notes
Joint Federal/State Task Force on Federal Assistance Policy (JTF)
Meeting Date: May 20-21, 2013
Location: Minneapolis, MN

JTF Co-chairs: Kelly Hepler (ADFG) and Hannibal Bolton (USFWS)
AFWA Contact: Ashley Salo, AFWA, Multistate Conservation Grants Coordinator
USFWS Contact: Joyce Johnson, Special Assistant for Program Development and Analysis
JTF Members: Gary Armstrong, Lisa Evans, Wayne MacCallum, Steve Barton, Jon Gassett, Thomas Barnes, Larry Voyles, Joyce Johnson, Curtis Taylor
Legal Counsel: Carol Bambery and Larry Mellinger
Guests: John Frampton, Sherry Crouch, Jim Hodgson

Action Item: Joyce Johnson, Lisa Evans, and Kelly Hepler will create a document detailing the process on how to bring forward and process issues through the JTF for distribution to state Directors, Federal Aid Coordinators, and Regional Chiefs by June 30, 2013.

Action Item: Chairman Curtis Taylor will work with Ron Regan (AFWA) to determine if an existing work group that was appointed by President Jeff Vonk would be the appropriate body to assist the JTF with concerns of the National Survey (current strengths, weaknesses, and potential long-term funding solutions). Curtis Taylor will work with President Jeff Vonk on this issue.

Action Item: Steve Barton, Tom Barnes, and Hannibal Bolton will add the portion of the JTF minutes to the guidance document on TRACS summarizing the agreement between the Service and the JTF on state wildlife agencies authority to manage the information added and displayed in public TRACS by next JTF meeting.

Action Item: Lisa Evans, Joyce Johnson, John Organ, and Gary Armstrong will draft a memo from the JTF Co-Chairs based on the white paper findings regarding the eligible use of PR/DJ funds for recruitment and retention programs/projects for distribution by June 15, 2013.

Action Item: Tom Barnes and Steve Barton will develop a document that presents options on how to count people who hold senior/multiyear licenses in the annual license certification. The document will explain the legal and historical background of the issue and the pros and cons of each option. The JTF Co-chairs will review the document and approve it for sending to the Federal Aid Coordinators Working Group to request review and comment. Tom Barnes and Steve Barton will consult with the Co-chairs as to whether any changes are needed based on the working group's comments. They will finalize the document for discussion by the JTF at the November 2013 meeting. The document will then be distributed to state Directors for review and comment.

Action Item: Hannibal Bolton/Paul VanRyzin will discuss FWS/State review of SWAP process at Chiefs meeting in October 2013.

Action Item: Hannibal Bolton will discuss SHPO coordination with Chiefs by June 15, 2013.

Monday May 20th

1. Welcome and Introductory Remarks (8:00am) – Bolton/Hepler

2. Process to bring forward, analyze and resolve issues through the JTF and Communication with AFWA/FWS/State Directors/Regional Chiefs – Kelly Hepler/Lisa Evans/Gary Armstrong/Joyce Johnson

- Summary of the previous JTF process: The process to bring forward, analyze and resolve issues through the JTF previously involved sending out an initial poll to state directors soliciting any state or regional issues that needed to be addressed. Issues which appeared to be consistently misapplied nationally would be vetted through a small working group who would develop a white paper on those issues with possible solutions and recommendations. The white paper would then be brought forward and reviewed by the JTF. After being finalized by the JTF, the white paper with its recommendations would be distributed to the state directors and regional chiefs for review and comments. The next JTF meeting would involve finalizing the recommendations and developing new policy.
- This was a consistently thorough process which helped address many national issues facing the state directors, chiefs, regions, federal aid coordinators, etc. The further the JTF has deviated from this original process, the more questions have come up.
- Need to have a clear and well defined process to vet the issues which are discussed and addressed by the JTF.
- Larry Voyles, Director AZ Game and Fish, is currently looking into compliance issues.
- Communication among JTF members, state directors, regional chiefs, federal aid coordinators is a key missing item in the current process which is raising questions such as: why does the JTF exist?
- The current minutes from the JTF meetings are being distributed to the state directors through AFWA's DL. This is helping to address some of the communication barriers.
- The JTF needs to formalize and document the process for clarity.
- Each region should have a contact list of federal aid coordinators. This would be the ideal way to disseminate a document on JTF's process to them.
- This information can also be discussed and disseminated to the state directors during the directors' retreat.

Action Item: Joyce Johnson, Lisa Evans, and Kelly Hepler will create a document detailing the process on how to bring forward and process issues through the JTF for distribution to state Directors, Federal Aid Coordinators, and Regional Chiefs.

3. WSFR Updates – Steve Barton

- The 2nd quarter receipts are in for Wildlife Restoration. Total receipts are at \$354 million. Already 103 million dollars ahead of this time in 2012. Expecting this year to be another “bump” year.
- 329.6 million for firearm and ammo receipts. The ammo component is up roughly 30% from last year.
- FY12 receipts for Sport Fish Restoration was up significantly in August and September, however, hit a correction in March and the net excise taxes was minus 20 million dollars.
 - The most recent National Survey showed an increase in angling but most states saw a decrease in rods and reels, fishing licenses, etc. This is continuing evidence that the most recent National Survey has major data holes.
 - Staff are researching new mechanisms to reach survey participants, i.e. cell phones, mailing etc. Were unaware of an issue before the survey was rolled out.
 - A number of states noted an issue with the validity of the most recent National Survey.
 - There are many different variables with the National Survey. The survey looks at participation, not at receipts.
 - There are issues with the survey, which are being addressed by staff. But there is more to the data than simply comparing the participation numbers indicated with the excise tax receipts. Many of the issues deal with the sample size and the FWS ability to reach survey participants. Need to work to address this issue while staying within the current cost of the survey.
 - Need to convey the information to State Directors regarding the timeline of the National survey compared to the information received by the excise tax receipts.

Action Item: Chairman Curtis Taylor will work with Ron Regan (AFWA) to determine if an existing work group that was appointed by President Jeff Vonk would be the appropriate body to assist the JTF with concerns of the National Survey (current strengths, weaknesses, and potential long-term funding solutions). Curtis Taylor will work with President Jeff Vonk on this issue.

- The amount determined for sequestration for the Wildlife and Sport Fish Restoration programs is based off the President’s budget.
- The amount sequestered is currently sitting in the trust fund account and will be available for apportionment in 2014. The fixed amounts (ex: multistate grant program) will not receive the funds which were sequestered. These funds will go to the states
- The Sport Fish Restoration sequestration amount was 4.69%.
- Need to be careful with the messages we are disseminating to the sportsmen regarding sequestration. On the one hand, they are being told that Congress had no right to sequester the funds. They are also being told that it doesn’t matter that the funds were sequestered because the funds are at an all-time high.
- For the first time State Wildlife Grant program received a preliminary apportionment.

- FWS is now in the normal phase of ASAP and FBMS. Should not expect the same initial delays in grant processing when FBMS was first rolled out.
- September 24th –October 1 2013 ASAP blackout.
- Currently working with seven states with assent legislation concerns.
 - Funds need to be in control of state fish and wildlife agencies.
 - FWS faces 5-10 assent legislation issues every year.
 - These issues happen outside the control of the state agencies. This is legislation that is being done to the states.
- Had spring combined meeting with regional chiefs/federal aid coordinators in April 2013.
 - Will travel be authorized for federal aid chiefs to travel to the federal aid coordinator meeting? FWS: Yes. This is in line with the critical mission of the FWS.
- Financial assistance wiki will be released to the public in late June. The website for the wiki is: fawiki.fws.gov.
- TRACS has the beta version released in March. All of the WSFR staff have been trained. State training began in Denver and Alaska. Have received positive responses from the training. Production version will be released later this month.
- Initial production release will have 3 of the 9 initial modules. It will take approximately 12 months, at the existing staffing levels to complete the initial 9 modules.
- No policy issues have arisen from the beta testing.
- The last item that needs to be completed is adding a disclaimer to the public TRACS website.
- Guidance committee (consists of Federal Aid Coordinators, and State and Service staffs) has drafted a system guidance document for TRACS with questions and answers. It follows all the general policies established in the JTF.
- The legacy data (FAIMS) is in the process of being converted to TRACS. Fair amount of time needed to get this accomplished.
- Information that is displayed in public TRACS will be a high level summary (summary of project, estimated cost, where the project is located, etc) and will be determined by state agencies not FWS. This information will be under the control and discretion of the states.
- States can also create tailored public TRACS websites.
- State agencies will have two licenses for their staff to access the TRACS program. If a state will need additional licenses then they will need to coordinate with Paladin not FWS. These licenses will be good for five years when the contract between FWS and Paladin is renegotiated.
- States will have unlimited licenses for data TRACS because this is a federal system which FWS will operate.
- Land acquisition projects in TRACS should be as detailed as possible. This information will be up to the discretion of the state agencies to determine how detailed they will be.
- It's important to document the agreement made regarding the state wildlife agencies ability to determine what information will go into public TRACS.

- Add this information in to the guidance document rather going through the process of creating a policy manual chapter.
- Easiest way to accomplish this would be to add the JTF minutes to the guidance document.
- Biannual compliance audit is underway. First time having a compliance audit versus a fiscal audit.
- Tom Barnes has developed three real property chapters.

Action Item: Steve Barton, Tom Barnes, and Hannibal Bolton will add the portion of the JTF minutes to the guidance document on TRACS summarizing the agreement between the Service and the JTF on state wildlife agencies authority to manage the information added and displayed in public TRACS by next JTF meeting.

4. Eligible use of PR/DJ funds for recruitment and retention – JTF Action on Hunter Ed funding for archery programs – John Organ, Lisa Evans, Gary Armstrong, Joyce Johnson

- People are still being given inaccurate information regarding recruitment and retention. The primary purpose of the white paper was to educate all the regions as well as many state agencies on the eligible uses of PR/DJ funds for recruitment and retention efforts. The newly added attachment to the original white paper addresses the range of concerns expressed in order to fund Archery in the Schools or other similar programs.
- Need to determine if this information needs to be included in CFR.
- Could send the information out as a joint memo from the JTF co-chairs to state directors, federal aid coordinators, etc.
- Initial discussions on the topic could be held during the Industry-Agency summit on May 22-23rd.

Action Item: Lisa Evans, Joyce Johnson, John Organ, and Gary Armstrong will draft a memo from the JTF Co-Chairs based on the white paper findings regarding the eligible use of PR/DJ funds for recruitment and retention programs/projects for distribution.

5. Feasibility and/or necessity of conducting a national WSFR customer satisfaction survey – Kelly Hepler, Lisa Evans, Joyce Johnson

- Do not currently have the funding to conduct a national WSFR customer satisfaction survey.
- The cost of the potential survey would be approximately \$40-50,000 dollars. The same results could be achieved through a JTF poll.
- Recommend not conducting a national WSFR customer satisfaction survey at this time.

6. Update on WSFR Lands Chapters and other ongoing FA Policy Issues – Tom Barnes

- There are two basic processes in policy: 1) regulation: communicate to states what they have to do in order to comply with law and 2) Service manual chapters where the Director gives instructions to Service employees.
- A Service Manual chapter can indirectly affect a grantee because the Director can instruct a Service employee to award a grant subject to a specific term or condition.
- Currently responsible for 38 manual chapters published for Service. State agencies often use these chapters to help with communication with Service employees.
- The 38 chapters date all the way back to 1992. Many of them are outdated and need to be restructured or removed.
- There are three sets of program regulations: 50 CFR 80 for the Wildlife Restoration, Sport Fish Restoration, and Hunter Education grant programs; 50 CFR 85 for the Clean Vessel Act grant program; and 50 CFR 86 for the Boating Infrastructure Grant program.
- The National Coastal Wetlands Conservation Grant program primarily falls under the Assistant Director for Fisheries and Habitat Conservation.
- The goal is to reduce the number of chapters from 38 to 9.
- Will take information that belongs in regulation and will put it in 50 CFR 80 or the planned 50 CFR 75. The regulations in 50 CFR 75 would be applicable to grant programs as a whole.
- There are 12 chapters significantly out of date (1992-2001).
- We have only one real property chapter right now which was written in 1992. It is out of date and does not go into enough detail to ensure nationwide consistency.
- Have distributed three draft chapters on real property for comments to Chiefs in February. In the process of addressing the three issues which were raised from the comments. Once the issues have been addressed, the chapter will be distributed to states, regional offices, and the JTF for a 90-day comment period.
- In 1970 Congress passed the Uniform Relocation Assistance and Real Property Acquisition Policies Act. In 1971, the Department of Justice developed the Uniform Appraisal Standards for Federal Land Acquisition, which are commonly called the yellow book standards.
- In developing the final versions of the real property chapters, we will review the U.S. Forest Service's Forest Legacy program to determine if any of its policies would be appropriate for land acquisition in our grant programs.
- New chapters will include information on: qualification standards for review appraisers, when costs are incurred, title insurance, certificates of title, criteria for use of waiver valuation, buying land at an auction, the ineligibility of endowment funds for monitoring and enforcement of conservation easements, etc.
- We will consult with the JTF before initiating any revisions of Service Manual chapters 522 FW 16–25, which are based on the JTF's recommendations during 2003–05.
- An appendix to Chapter 8 will detail every step in land acquisition that requires prior approval.

7. State Certification – multiyear licenses (includes senior/Lifetime/bundled)– Steve Barton

- 50 CFR 80.10 : (3) Licenses valid for more than one year, either a specific or indeterminate number of years, may be counted in each of the years for which they are valid; provided that:
 - (i) The net revenue from each license is commensurate with the period for which the hunting or fishing privileges are granted; and
 - (ii) Sampling or other techniques are used to determine whether the licensee remains a license holder in year of certification
- Commensurate was added in 1974.
- The following additional requirements apply to multiyear licenses:
 - A multiyear license may be valid for either a specific or indeterminate number of years, but it must be valid for at least 2 years.
 - The agency must receive net revenue from a multiyear license that is in close approximation to the net revenue received for a single-year license providing similar privileges:
 - Each year during the license period; or
 - At the time of sale as if it were a single-payment annuity, which is an investment of the license fee that results in the agency receiving at least the minimum required net revenue for each year of the license period.
 - An agency may spend a multiyear license fee as soon as the agency receives it as long as the fee provides the minimum required net revenue for the license period.
 - The agency must count only the licenses that meet the minimum required net revenue for the license period based on:
 - The duration of the license in the case of a multiyear license with a specified ending date; or whether the license holder remains alive.
 - The agency must obtain the Director's approval of its proposed technique to decide how many multiyear-license holders remain alive in the certification period. Some examples of techniques are statistical sampling, life-expectancy tables, and mortality tables.
- In order to allow some degree of discounting, the term “in close approximation to the net revenue” was added.
- Determine comparable annual license:
 - Interest Rate = Federal Funds Rate
 - Published by Federal Reserve
 - <http://www.federalreserve.gov/releases/h15/data.htm>
 - Average Interest Earnings Rate (1955–2012) = 5.284%
 - Life-Time Licenses
 - Use Social Security Administration Actuarial Life Table
 - <http://www.socialsecurity.gov/OACT/STATS/table4c6.html>
 - May Use Immediate Single-Payment Annuity Calculator
 - <http://www.freeannuityrates.com/annuities/calculators/immediate-annuity-calculator.php>
- The Service could develop a survey, similar to what was done for recreational boating access with questions and answers on the background of the issue, and options to resolve the issue. Each State agency could choose its preferred option.
- Need to determine a resolution here that makes sense for the states.

- At the recommendation of FWS, South Carolina began charging for senior licenses (they were initially free). Were advised that they could count the senior license sold as a dollar a year for eight years. Now they are being told they cannot count these license which was a unilateral decision by the Service which cost South Carolina approximately \$200,000.
- It would be beneficial to walk through the process of how these decisions were made to better understand the process and what can be improved upon.
- This information (language presented in 50 CFR 80.35) was vetted through the JTF. Additionally, FWS cannot anticipate every type of license that exists.
- Need to better define “close approximation” for state licenses.
- Intent of Congress was for these dollars to get to the states as fast as possible. There needs to be sufficient input from the states.
- The JTF could consider charging a small working group to begin a dialogue on this issue. Need to know the starting point/bottom line.
- AFWA President Jeff Vonk has assembled a small working group to determine if there’s a level playing field among states with the state licenses. This group was not asked to look into the senior license issue.
- The JTF first needs to define what the problem is before it can be addressed..
- We had defined license certifications to result in at least one dollar in net revenue. Why would it be switched to “a close approximation?”
- The policy is set out in the regulation. It has to return a close approximation of what a single year license would have returned.
- In the regulation, a multiyear license has to meet the minimum net revenue requirements for each year that the license is valid and in 50 CFR 80.35 it’s “net revenue ... in close approximation to the net revenue received for a single-year license providing similar privileges.”.
- States need to know if they need to fix their license certification and should have ample amount of time to address the concerns/issues.

8. Small Groups convene –

- **Small Group discussion: License Certification** - Larry Mellinger (Chair), Sherry Crouch, Steve Barton, Gary Armstrong, Jim Hodgson, Joyce Johnson, Lisa Evans, Kelly Hepler, Tom Barnes, Hannibal Bolton, John Frampton
 - The guidance on 50 CFR 80.35 was widely circulated prior to implementation. There are options available to address the concerns which aren’t in conflict of the current regulation.
 - A license needs to return at least a dollar a year in order to be counted. If you read the constituents parts, it very much allows for having an annual senior license. When you calculate the number of years you’re going to count a lifetime senior license, as long as it counts the minimum return for a year you’re following the guidance.
 - What would you recommend on the special multiyear license?
 - A policy decision that would need to be made by the Service in consultation from the states.

- The license revenue in the old rule had to be directly proportional/valid and the only way to connect that was through the annual license.
- Do we want to re-address the time period you count a multiyear license? What happens when the rule is changed?
- Most legislation, at least on state level, is usually grandfathered.
- Other component on this issue is to make sure there is a level playing field among the states. Equivalent ability to count folks.
- One particular problem with grandfathering is the issue of how to interpret the rules from 1974 to 2011. Even though the best interpretation was commensurate with the income of an annual license, it clearly was not the most common interpretation.
- The Service should consult with the states on how to interpret the regulation.
- States should have a couple of years to fix any issues if their interpretation will need to be changed.
- Should have a small working group tackle this issue and develop a white paper.
- The Service should identify reasonable options on how to comply with the law.
- One of the options that needs to be considered is you cannot always write into policy every possible scenario or contingency.

Action Item: Tom Barnes and Steve Barton will develop a document that presents options on how to count people who hold senior/multiyear licenses in the annual license certification. The document will explain the legal and historical background of the issue and the pros and cons of each option. The JTF Cochairs will review the document and approve it for sending to the Federal Aid Coordinators Working Group to request review and comment. Tom Barnes and Steve Barton will consult with the Cochairs as to whether any changes are needed based on the working group's comments. They will finalize the document for discussion by the JTF at the November 2013 meeting. The document will then be distributed to state Directors for review and comment.

Tuesday May 21st

9. Small Groups Report Out on Identified Topics w/Recommendation(s) for action:

-Small Group discussion: License Certification (Curtis Taylor, Larry Voyles, Jon Gassett, Carol Bambery)

- AFWA President Jeff Vonk has appointed a small working group through AFWA's Executive Committee to evaluate the status of the license certification construct, from a state perspective, in terms of mechanisms used by states to generate or grow license sales and the impact, if any, on annual license certification and concomitant allocation of federal assistance dollars to the states.
- The bottom line is no matter how license certification is regulated states will be able to develop new ways to recruit and retain hunters and anglers. If the

regulation is to be changed, data driven analysis of what the causes and/or benefits of new recruitment methods should be determined first.

- Is there a level playing field for states license certification? What was the original intent of the Wildlife and Sport Fish Restoration programs in regard to tactical distribution?
- There is a lack of clear definition for license certification which leaves states open for audits.
- Where does counting license become contrary to providing opportunity to recruit and retain hunters and anglers? Where is the line?
- Data should be reviewed first regarding the actual disparity among states versus perception before regulatory change should be considered.
 - This should be considered a policy call not a regulation change.
- Who would determine if the money benefiting one state is too much or too little?
- This is about participation in hunting and angling. The discussions have become centered on how states charge for certifications. The discussion needs to look at participation first. Need to first come up with a better way for states to increase participation.
- Need to go back and pull congressional record for intent. Participation was always at the center. It was a way to fund conservation. There was no vision of using licenses to recruit and retain hunters. Whatever future system is put into place states will try to maximize their benefit, however possible.
- There are significant amount of hunters and anglers paying money into the system, but their funds don't count (ex: recreational shooters).
 - The National Survey should show changes in participation rates.
- A small group should calculate what the effects of using licenses to recruit and retain hunters and anglers. If the results are high enough policy change should be considered. This could be done between now and AFWA's Executive committee meeting at the September annual conference. The Executive committee may then come forward with recommendations.
- The numbers should be reviewed by an economist. Past experience has shown that finding a price with many different variables will be extremely difficult.

AFWA small working group will present to the AFWA Executive committee at AFWA's annual conference in September 2013. If a consensus cannot be reached during this meeting, the AFWA small working group will bring the issue forward to the JTF to review.

10. FWS/State Review of SWAP – Kelly Hepler

- Regional team of state directors and an ARD review and approve state SWAP plans.
- Process should be clear for new ARDs (Ex: new ARD in Alaska).

Action Item: Hannibal Bolton/Paul VanRyzin will discuss FWS/State review of SWAP process at Chiefs meeting in October 2013.

11. Working with Industry – Larry Voyles /Carol Bambery /John Frampton

- John Frampton has been working on industry coordination through a multistate grant. Some of the work being done includes the following:
 - Review the fairness in the application and enforcement of the excise tax among manufacturers and the first sales point in the U. S. through increased involvement by the Association of Fish and Wildlife Agencies with the Tax Fund Collection Work Group and through working with the Alcohol and Tobacco Tax and Trade Bureau (ATTB) and the IRS (significant PR/DJ dollars are lost through internet sales).
 - Enhance the awareness of the essential value of the WSFR (and its connection to license revenues and assent language through proclamations, resolutions, orders or other means by governors, legislatures or commissions for at least 90% of the states.
 - Enhance the “Tool Kit” developed for the 75th Anniversary Celebration of the WSFR and increase visibility of the WSFR at industry trade shows and special events. To obtain visible program opportunities at the trade functions including formal presentations at their events during key functions (breakfast, lunch or banquet events/press conferences; seminars).
 - Distribute WSFR educational messaging in product packaging, on industry web sites and on other forms of media utilized by industry partners in order to help brand and inform constituents and the public on the success and need for the WSFR.
 - Create a listing of all hunting, shooting, fishing, boating and related sporting industries in each state with appropriate contact information on key industry staff for each agency.
 - Video segments promoting the success and need for the WSFR will be developed and provided to the states, industry, NGOs, AFWA and CAHSS for use on their web sites and at events. The segments will be stand-alone videos promoting the WSFR and highlighting the value of the program utilizing spokespeople from industry, state and federal partners as well as celebrity individuals.
 - Assemble a strategic group of industry-state leaders (think tank) to recommend proactive measures that meet the future challenges to angling,

boating, hunting and shooting. A broad scale understanding of the nature of the challenges and an agreement on solutions to enhance each activity will be developed.

- Put state agency directors in touch with experts who can assist the agencies on best business practices (mining license information as an example). States need to better use their data base to further conservation and angler, hunter and shooting sports participation. Industry has staff or associates who can share this information with the states.
- A think tank with Industry members and state directors will take place prior to the Industry/Agency meeting in May.

11. Parking lot, Related issues, and Meeting Wrap-up –Kelly Hepler/Hannibal Bolton

- Coordination with the State Historic Preservation Office (SHPO):
 - Alaska was recently approached by the regional FWS office to accept delegation of authority and was also told the FWS cannot accept State consultation with the SHPO as sufficient for the purposes of Tribal consultation or as the final determination to fulfill federal responsibilities of Section 106 of the National Historic Preservation Act. Discussions with the Regional WSFR office seem to indicate this change is happening across the nation.
 - Have any states accepted delegation? What has that meant for them in regards to grant costs? Have there been delays in grant processing for states who have not accepted delegation?
 - Methodologies have been developed in each FWS region which has not been consistent with historic preservation act. Therefore FWS is looking at the process nationally for a consistent WSFR policy.
 - If WSFR is developing new policy on this topic, the JTF should be involved in the process.
 - FWS is currently looking at if new policy assistance is needed first before policy will be changed/revised.

Action Item: Hannibal Bolton will discuss SHPO coordination with Chiefs.

- Schedule for JTF Meetings:
 - November 6-7th (5th and 8th travel days) 2013; New Orleans, LA
 - April 2014, possibly with annual Chief meeting; Denver CO