Committee on Natural Resources
Subcommittee on Fisheries, Wildlife, Oceans and Insular Affairs
Legislative Hearing
1324 Longworth House Office Building
March 5, 2014
10:00 a.m.

U. S. Fish and Wildlife Service Response:

(1). What were the original reasons that the National Fish Hatchery System was established in 1871?

The United States Commission of Fish and Fisheries (more commonly known as the U.S. Fish Commission) was authorized by a joint Congressional resolution on February 9, 1871. President Ulysses S Grant then established the U.S. Fish Commission and appointed Spencer Fullerton Baird as the first Commissioner. The U.S. Fish Commission was established to investigate the causes of declines in stocks of commercial fish in U.S. coastal and inland waters, to provide recommendations to Congress and the States for reversing these declines, and to oversee implementation of restoration actions. This includes the propagation efforts of the National Fish Hatchery System (NFHS). Numerous laws enacted over the years have directed the Service to use the NFHS to carry out actions such as providing food fish, farm pond stocking, mitigation, and restoration and recovery of imperiled species.

(2). Isn't it true that one of the fundamental goals of the hatchery system was to compensate or mitigate for the loss of fish and recreational opportunities because of federal water projects?

One of the fundamental responsibilities of the NFHS over the years has been to seek and provide for mitigation of fishery resources that were impaired due to Federal water-related development. Mitigation for Federal water projects is still an important goal of the NFHS, but not at the expense of higher priorities such as the restoration or recovery of threatened and endangered species, or fulfilling Tribal Trust responsibilities. With full reimbursement, the NFHS will continue its mitigation programs.

(3). Since the vast majority of the federal water projects are still in place, how has the statutory responsibility for this mitigation been removed?

Over the past 40 years, our many partners, Congress, the Office of Management and Budget (OMB), and the Department of the Interior (DOI), have directed the Service to secure mitigation reimbursement from the entities responsible for the respective water development project. Over the past decade, Congress, OMB, DOI, and our partners have asked the Service to intensify our efforts to obtain reimbursement for fish mitigation production from these agencies. The Service is making every effort to comply with that direction and to shift the funding for this mitigation work to the responsible party. We understand that the fish supplied by our hatcheries provide important economic

opportunities to the states and the recreational community in general, and we support the continuation of mitigation work on a reimbursable basis.

(4). When did the primary focus of the hatchery system change from stocking and mitigation of federal water projects to the recovery and restoration of federally listed species?

Since the inception of the Endangered Species Act in 1973, there has been an increasing need to attempt to prevent the loss of native species through captive rearing and subsequent stocking, as identified in approved recovery and restoration plans.

Although Congress provided the Service with $46,528,000 to operate the NFHS in the recently enacted FY 2014 Omnibus, a significant increase compared to FY 2013, funding is still not sufficient to continue all existing propagation programs at current levels. The Service is using the *National Fish Hatchery System Strategic Hatchery and Workforce Planning Report* (Report) to engage stakeholders (Congress, state fish and wildlife agencies, Tribes, and other partners) to discuss the Report and its findings, as well as our budget challenges. We're seeking input on how we should operate the NFHS more efficiently and within available resources into the future. Working together, we would like to chart a course forward for the NFHS that is financially sustainable, addresses today's most pressing conservation challenges, and, in collaboration with our partners and stakeholders, continues to serve the public interest.

(5). Of the 140 million fish that are propagated by the hatchery system each year, how many are used for the recovery and restoration of a federally listed species?

In 2013, nearly 80 million eggs were transferred to federal, state, and tribal hatcheries by the NFHS, and approximately 128 million fish were released into the wild. Of those fish released, 13.3 million were classified as threatened or endangered.

(6). At the Craig Brook National Fish Hatchery in Maine, how many Atlantic salmon, which is a listed species, are propagated and released each year? What is the cost of this program?

Craig Brook National Fish Hatchery (NFH) is entirely focused on recovery and preventing extinction of Atlantic salmon. As part of the recovery program for the Penobscot River, Craig Brook NFH receives sea-run adult Atlantic salmon trapped from the Penobscot River for use as broodstock. These adults are spawned in the fall of every year and produce approximately 3 million eggs. Eggs are then transferred to Green Lake National Fish Hatchery for Penobscot River smolt production. The rest of the eggs are raised at Craig Brook NFH and released as fry.

In addition, Craig Brook NFH supports the recovery of six Atlantic salmon populations within the Gulf of Maine Distinct Population Segment (DPS) that were listed as an endangered species in 2000. Juvenile Atlantic salmon are captured from the Dennys, East Machias, Machias, Narraguagus, Pleasant, and Sheepscot rivers annually and

brought to Craig Brook NFH for captive rearing. These juveniles are reared at Craig Brook NFH to sexual maturity and spawned to produce fry that are stocked back into the same river where the parents were captured.

An important component of both programs at Craig Brook NFH is the genetic screening of broodstock. All broodstock, both Penobscot sea-run adults and DPS juveniles, are genetically characterized through DNA analysis to ensure that no undesirable genes are inadvertently introduced into the broodstock population.

Total cost for the Craig Brook NFH program is $958,607, which includes operations and salaries for Craig Brook NFH and the genetic and fish health costs associated with running the program. That does not include cost for smolt production at Green Lake NFH.

(7). How many of these fish are counted toward the recovery goals of this species? How many survive to adulthood after their release?

Attached is a summary of all adult returns from 1970 until 2013 and it includes a breakdown of natural reared and hatchery origin fish.

The recovery goals are still being developed and a revised Atlantic salmon recovery plan is expected to be released soon for the entire DPS.

(8). During the past five years, why has the Obama Administration requested less money for the operation and maintenance of the hatchery system?

At the direction of Congress and several Administrations, the Service has asked that responsible federal agencies fund their share of the expenses of mitigation hatcheries. The Service has been successful in engaging these agencies. In the face of declining budgets, the Service reduced the amount requested for hatcheries, relying on the reimbursements as offsets. For FY 2015, the Administration has requested $48,617,000 for National Fish Hatchery Operations, approximately $2 million more than Congress appropriated in FY 2014.

(9). Since the Congress has appropriated more money than the Obama Administration requested for the operation, maintenance and equipment of the hatchery system over the past five years, why is it not fair to conclude that the Congress places a higher priority on the system, than the Fish and Wildlife Service?

The Service appreciates the support for the National Fish Hatchery System provided by Congress. In requesting funding to operate the National Fish Hatchery System, the Service is complying with Congressional direction to seek reimbursement for fish production operations to mitigate for the impacts associated with Federal water development projects. Over the past several years, the Service has successfully negotiated reimbursement or developed agreements with the U.S. Army Corps of Engineers, the Tennessee Valley Authority, and others, to help cover the costs associated

with mitigation fish production. The Service has also conducted a review of our 70 propagation hatcheries and is using that report as a basis for discussions with stakeholders on how best to operate the system in a more sustainable manner while supporting the highest priority fish and aquatic conservation programs. Implementation of the report will be phased and carried out in consultation with Congress, states, tribes, and other partners.

(10). According to the Fish and Wildlife Service's Workforce Planning Report, there are 291 propagation programs within the hatchery system. Of these, 171 are for ESA recovery and restoration efforts, 56 are for tribal interests, and 70 are for native and non-native fish mitigation. By my count, the last category represents less than 25 percent of the programs and less than 10 percent of the money being spent. Are my figures correct?

When the team was evaluating each and every propagation program individually, they classified propagation programs that covered more than one category into the highest priority category. For example, if a propagation program is both restoration and mitigation, it is classified as restoration. Based on our counts, there are 30 propagation programs that are classified as native and non-native mitigation. Fewer than 25 percent of the propagation programs fall into the native and non-native species categories, and approximately 10 percent of the FY 2012 hatchery operations and annual maintenance funding supported native and non-native species programs.

(11). Why would a five percent increase in funding for the operation and maintenance of the hatchery system result in the termination of programs and personnel in your Southeast Region?

The *National Fish Hatchery System: Strategic Hatchery and Workforce Planning Report* (Report) is not a decision document. It offers management options and recommendations under different funding scenarios. As stated in the Report under the five percent increase scenario, "The Review Team chose to allocate the additional funding to the regions based on existing allocation formulas, such that each region with propagation facilities received a portion of the funding." The Southeast Region was already struggling with a $2.1 million shortfall in FY 2012 when the Report was developed. If a five percent increase was distributed based on existing allocation formulas, the Southeast Region would still be facing a deficit under that scenario in FY 2012.

(12). What is the average per unit cost to operate a national fish hatchery?

As shown in Appendix B of the Report, hatcheries vary greatly in size, staffing levels and complexity. The average cost by category is as follows:

- $3,561,303 for a large multi-station complex
- $906,271 for a complex of at least 2 facilities
- $848,500 for a large stand alone hatchery
- $532,182 for a small stand alone hatchery

The report can be found at:
http://www.fws.gov/home/feature/2013/pdf/NFHSReviewCoverPageandReport.pdf

The appendices can be found at:
http://www.fws.gov/home/feature/2013/pdf/NFHSReportAppendices.pdf

(13). What is the current operations backlog within the National Fish Hatchery System?

To answer this question, the Service queried unfunded projects that were entered into our Fisheries Operational Needs database between 2008 and 2012. On this basis alone, we identified 135 outstanding projects totaling $14.5 million at our National Fish Hatcheries, Fish Technology Centers and Fish Health Centers.

(14). What is the current maintenance backlog within the National Fish Hatchery System?

Our deferred maintenance backlog numbers are calculated at the end of every fiscal year (FY). At the end of FY 2013, the National Fish Hatchery System (NFHS) had 4,602 assets valued at $2,328,078,720. The Deferred Maintenance backlog for the NFHS totaled $167,364,849.

(15). In the mid-1990's, the Clinton Administration decided it wanted to get out of the hatchery business and the Fish and Wildlife Service supported legislative efforts to transfer, at no cost, a number of federal fish hatcheries to various states and local governmental entities. Would the Service support the transfer of some, or all, of the so-called mitigation hatcheries to the various states?

The Service has not entered into discussions regarding hatchery transfers. However, if a state were to contact us, we may be willing to discuss a transfer depending on the hatchery.

(16). How much of the work being performed within the federal fish hatchery system is the result of unpaid volunteers? How many hours are being volunteered, how many individuals volunteer their time in 2013 and what is the financial value of their efforts?

Whether they want to give back to communities, want to be good stewards of the land, set examples for future generations, or want to share their wealth of knowledge, volunteers are critical to the operation of national fish hatcheries across the country. In FY 2013, National Fish Hatchery System facilities recorded 98,265 hours by adult volunteers valued at $2,215,876. The National Fish Hatchery System also recorded 12,618 hours by youth volunteers.

(17). When will the Service make a decision on the future of its National Broodstock Program? What is the annual cost of keeping this program?

The Service has deferred a decision on the National Broodstock Program until we can conduct a similar analysis of all egg requests made of our broodstock facilities. We have not established a timeframe for our decision. The total amount of Service funding that was spent at Ennis, Erwin, and White Sulphur Springs National Fish Hatcheries specifically for the National Broodstock Program in FY 2012 was $928,577. Reimbursement from the U.S. Army Corps of Engineers in FY 2012 for the three hatcheries totaled $548,841. These costs do not include associated fish health costs.

(18). Is it fair to say that the Service does not intend to terminate the broodstock programs at the Ennis, Erwin and White Sulphur Springs National Fish Hatcheries which are producing millions of rainbow trout fish eggs which the Service indicates can no longer be obtained from the wild? What is the cost of these three programs? What is the value of this work?

The Service does not intend to terminate broodstock programs at Ennis, Erwin and White Sulphur Springs National Fish Hatcheries in the near-term. We have deferred a decision on the National Broodstock Program until we can conduct a similar analysis of all egg requests made of our broodstock facilities. The total amount of Service funding that was spent at the three hatcheries specifically for the National Broodstock Program in FY 2012 was $928,577. Reimbursement from the U.S. Army Corps of Engineers in FY 2012 for the three hatcheries totaled $548,841. These costs do not include associated fish health costs.

(19). Why did the Fish and Wildlife Service terminate the rainbow trout production program at the Willow Beach National Fish Hatchery in Arizona? Hasn't this hatchery been propagating and releasing these fish for over 50 years?

The Service terminated trout production at Willow Beach NFH in fall 2013 due to a failure in the water supply line. The river intake system for trout production at Willow Beach NFH is a dual pipeline combination, and has been compromised by structural and biofouling issues. Half of its flow capacity was eliminated when one pipeline collapsed. The intake to the remaining half was clogged with vegetation this past summer to the point where flows were stopped, resulting in loss of trout. The intake was dewatered this fall as water levels were drawn down in Lake Mohave, causing mortalities in half the hatchery raceways. Each failure of the intake resulted in the loss of the fish that were dependent upon the water flowing to the raceways, culminating in the last incident that killed thousands of trout. The remaining trout were only saved because hatchery staff worked well into the night to immediately release them to the river.

(20). Why weren't locally elected officials informed prior to the termination of this program?

This was not a planned termination. Local officials were not informed in advance because it was an emergency and hatchery staff had to respond in an urgent manner to save as many fish as possible.

Since the collapse of the deeper water supply line, Willow Beach NFH has had to rely on the shallower water line to maintain trout production. Fish were lost in the summer of 2013 when the remaining water line became clogged with vegetation. When the Lake Mohave water levels were drawn down last fall, there was no water available to keep the fish alive. Hatchery staff saved as many fish as they could by releasing them into the river.

(21). It is my understanding that the Service has told the affected communities that they stopped rainbow trout production because of a broken hatchery pipe. What is the cost to replace this pipe and how long would it take to get this production back on line?

The Service requested contractor bids in 2012 for repair of the existing pipeline. Even without a system to remove quagga mussels from the river water, contractor bids ranged from $1.37 to $2.43 million to repair the existing pipeline.

The Service developed an engineering estimate in 2011 to construct a system to deliver clean water from the river in sufficient quantities to rear both the endangered species and the trout. That estimate totaled $8.46 million, with a significant increase in operational costs to then maintain the new delivery and treatment systems.

The Service lacks sufficient funding in both our Construction and Hatchery Deferred Maintenance accounts to repair or replace the existing pipeline or to construct a new system.

(22). How many other stocking programs throughout the United States have been terminated in the last twelve months? Please provide a complete list of those propagation programs and the reasons they are no longer producing fish.

In Region 3, the Service discontinued two propagation programs at Neosho NFH (MO): (1) rainbow trout that were surplus to our mitigation needs; and (2) rearing of walleye fry obtained from the Missouri Department of Conservation, an in-kind exchange program that last produced fish in 2008

In Region 4, the Service discontinued several lower priority propagation programs at the following hatcheries: cobia at Bears Bluff NFH (SC); largemouth bass and bluegill at Edenton NFH (NC); smallmouth bass and walleye at Mammoth Spring NFH (AR); largemouth bass at Natchitoches NFH (LA); largemouth bass and bluegill at Orangeburg NFH (SC); and largemouth bass, bluegill, redear sunfish, and channel catfish at Private John Allen NFH (MS).