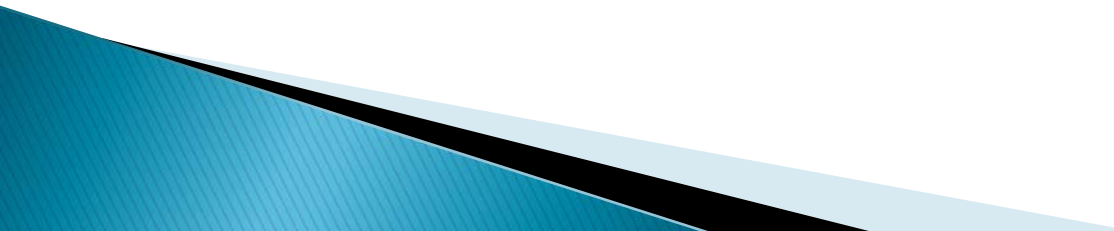


Wildlife and Sport Fish Restoration Program



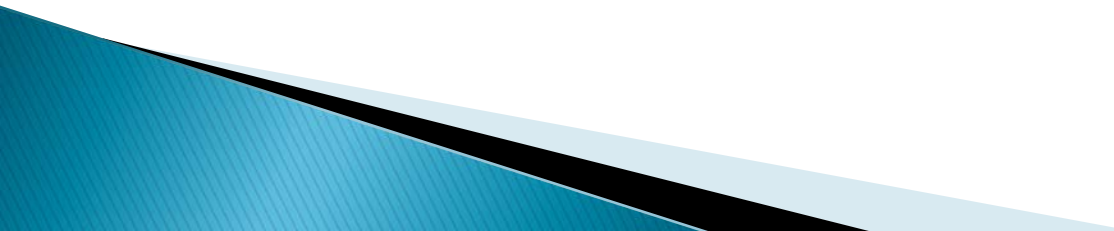
Diversion Issues

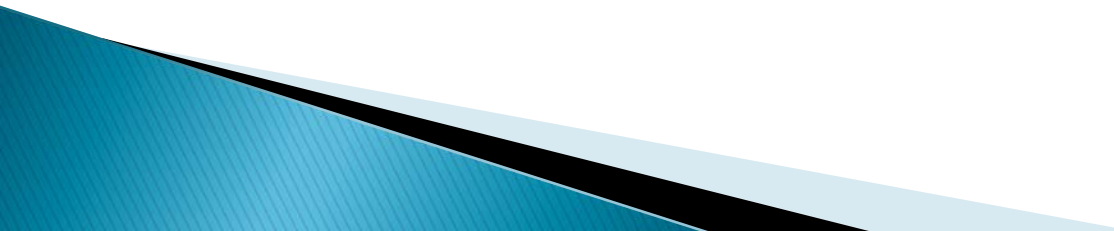
Background

- ▶ The Pittman–Robertson Wildlife Restoration Act and the Dingell–Johnson Sport Fish Restoration Act (Acts) required all States and territories to pass legislation assenting to the provision that hunting and fishing license revenue will be used exclusively for the administration of the State fish and wildlife agency.
 - ▶ This assent legislation remains one of the eligibility criteria for States to receive grant funds under the Acts.
- 

- ▶ The Assent Legislation requirement and the license revenues and related assets protected under this provision of the Acts are addressed in regulation under 50 CFR 80.3 and 80.4.
- ▶ License fees include any revenues the State receives from the sale of licenses issued by the State to take wildlife or fish. This also includes revenue from: 1) special licenses, permits, stamps, tags, access and recreation fees or other charges; 2) sale, lease, or rental of real or personal property acquired or produced with license revenue; 3) Interest, dividends or other income earned on license revenues; and, 4) Project reimbursements to the States to the extent that license revenues originally funded the project.
- ▶ If these protected license fees are used for other than administration of the State fish and wildlife agency, it is considered a diversion.

The Process

- ▶ In addition to grant monitoring and auditing, the Fish and Wildlife Service monitors State actions related to diversion of license revenues.
 - ▶ The Wildlife and Sport Fish Restoration Program (WSFR) regional staffs are frequently alerted by concerned groups, agencies and others to review and analyze the effects of actions, such as proposed legislation, to determine if there is an effect on protected license revenues and assets.
 - ▶ In general, diversion issues are handled by the Regional WSFR Division through informal and formal communication. On more substantive issues, the Assistant Regional Director for Migratory Birds and State Programs and the Regional Director may get involved in the process. And, if warranted, the WSFR Washington Office may also become involved.
- 

- ▶ If the Regional review or investigation of a situation finds that a diversion has occurred, the Regional Director then forwards a recommendation to the Washington Office that the State be declared ineligible to participate in the benefits of the Acts.
 - ▶ Only the Service Director can declare a State ineligible for future apportioned funds. To become eligible again, the State must show that adequate legislative prohibitions are in place and that all license revenues or related assets, including interest, are restored to the control of the agency.
 - ▶ The frequency and scope of proposed State actions that could result in diversions has increased substantially since Fiscal Year 2009 as states are experiencing harsh economic times and facing statewide budget shortfalls.
- 

List of States in FY 2009

- ▶ Alaska, Arizona, California, Delaware
 - ▶ Illinois, Iowa, Kansas
 - ▶ Maryland, Massachusetts, Michigan
 - ▶ Montana, New Jersey, North Carolina
 - ▶ Pennsylvania, South Dakota, Vermont
 - ▶ (Total of 16)
- 

List of States in FY 2010

- ▶ Alaska
 - ▶ Connecticut
 - ▶ Idaho
 - ▶ Kentucky
 - ▶ New Mexico
 - ▶ Virginia
- 