

CONGRESSMAN  
FRANK BUCK (CA)  
INTRODUCED FIRST  
LEGISLATION  
MAY 1939

CONGRESSMAN BUCK  
REINTRODUCED  
LEGISLATION  
FEBRUARY 1941

LUXURY TAX PASSED —  
EXCISE TAX ON  
GENERAL FISHING EQUIPMENT;  
REVENUES TO GENERAL FUND  
OCTOBER 1941

CONGRESSMAN BUCK  
REINTRODUCED  
LEGISLATION  
FOLLOWING WWII  
JULY 1946

# HISTORY OF THE FEDERAL AID IN SPORT FISH RESTORATION PROGRAM

## INTRODUCTION

The Federal Aid in Sport Fish Restoration (SFR) Program is a cooperative effort involving federal and state government agencies, the sport fishing industry, anglers, and boaters. Designed to increase sport fishing and boating opportunities through the investment of anglers' and boaters' tax dollars in state sport fishery development projects, the program was originally created in 1950 through the Federal Aid in Sport Fish Restoration Act, popularly known as the Dingell-Johnson Sport Fish Restoration Act. Over the next 50 years, it was substantially revised through four major amendments.

The SFR Program is an outstanding example of a “user pays /user benefits,” or “user fee” program. In this case, anglers and boaters are the users. Excise taxes on fishing tackle (deposited by manufacturers), motorboat fuel taxes, and import duties on tackle and boats, along with other special fuel taxes on small engines, are deposited in the U.S. Department of Treasury, and are subsequently allocated to state fishery agencies for sport fishery restoration, wetlands conservation, boat safety, aquatic resource education, and boating access and facilities projects. The enhanced fishing and boating opportunities complete the cycle of “user pays /user benefits” (Figure 1). The U.S. Fish and Wildlife Service (USFWS) Division of Federal Aid evaluates the benefits of the program through the Federal Aid Information Management System (FAIMS).

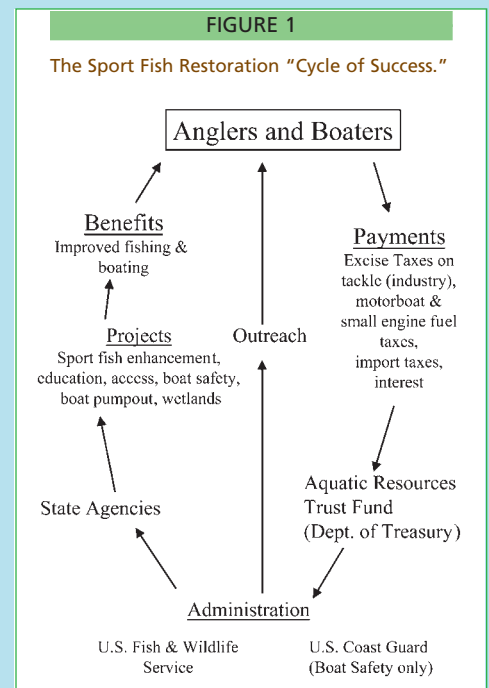
## PROGRAM HISTORY

The current Federal Aid in Sport Fish Restoration Program is the result of five major Congressional actions: 1) enactment of the original act in 1950; 2) the Wallop-Breaux Amendments of 1984 as part of the Deficit Reduction Act of 1984 (Public Law 98-369); 3) the 1990 amendments as part of Title III of the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 (Public Law 101-646), which created the Coastal Wetland Planning and Protection Act; 4) the 1992 amendments through the Clean Vessel Act (Title V of Public Law 102-587), which altered the program to include construction and maintenance of pumpout facilities for recreational boats with sewage holding tanks; and, 5) the 1998 amendments through the Sportfishing and Boating Safety Act of 1998 which focused on improving outreach and boating access infrastructure.

## Initial Years: The Dingell-Johnson (D-J) Sport Fish Restoration Act

The Federal Aid in Sport Fish Restoration Act followed a lengthy and rather arduous legislative process before it was eventually enacted in 1950 under the co-sponsorship of Congressman John Dingell, Sr. (MI) and Senator Edwin Johnson (CO). The process actually began in May 1939

when Congressman Frank H. Buck (CA) introduced legislation to impose a 10 percent manufacturers' excise tax on certain fishing equipment, artificial lures, and all other similar devices for recreational fishing. The monies collected under authority of the proposed legislation would be returned to the states to help fund sport fishery programs. Congressman Buck's bill was modeled after the highly successful and



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CONGRESSMAN  
JOHN DINGELL SR. (MI)  
INTRODUCED  
LEGISLATION  
FEBRUARY 1947

CONGRESSMAN DINGELL AND  
SENATOR JOHNSON  
INTRODUCE LEGISLATION;  
VETOED BY PRESIDENT TRUMAN  
1949

CONGRESSMAN DINGELL  
AND SENATOR JOHNSON  
REINTRODUCE LEGISLATION  
1950

popular Federal Aid in Wildlife Restoration Act (also known as the Pittman-Robertson Act, or P-R Act), enacted in 1937, that earmarked taxes collected on specific firearms, ammunition, and archery products for state wildlife programs. However, Buck's bill received little support and died in the House Ways and Means Committee.

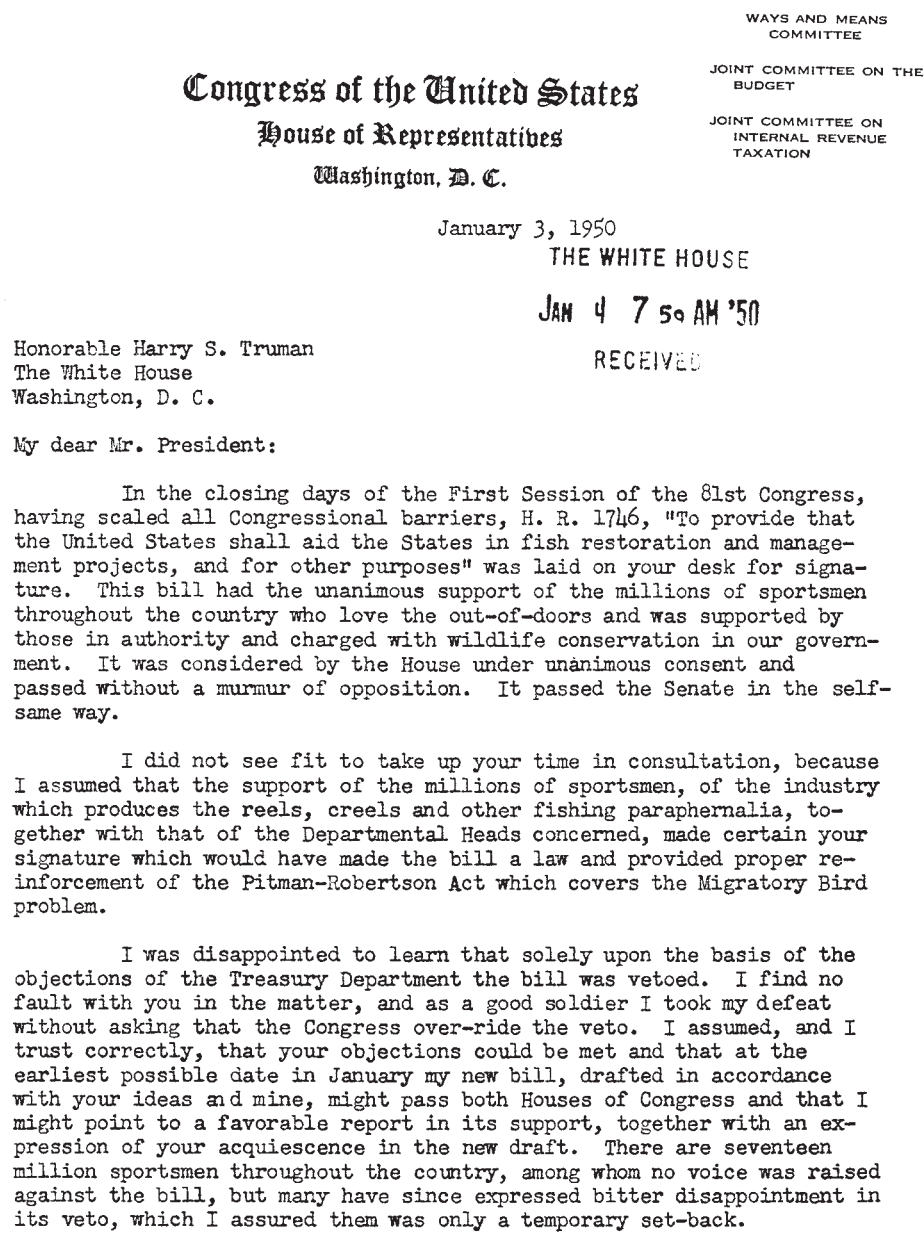
Two years later (February 1941), Congressman Buck introduced a similar bill in the House. Soon after, the United States entered World War II and all action on the bill ceased. However, it is interesting to note that a bill similar to Buck's was passed in October 1941 as part of the "Luxury Tax" to help fund the war effort. The Luxury Act imposed a 10 percent excise tax on rods, reels, creels, and artificial lures. The monies collected by the tax were deposited in the General Fund of the U.S. Treasury. When World War II ended in 1945, the excise tax continued to be collected and deposited into the General Fund.

Following the war, Buck resumed his efforts and reintroduced his bill (the precursor to the SFR Act) into the House of Representatives in July 1946. The bill was referred to the Committee on Merchant Marine and Fisheries and was tabled over objections stemming from commercial fishing interests (which used some of the same equipment that would be taxed) and fishing tackle manufacturers (which feared a reduction in profits

and increased administrative burdens). Buck was not re-elected in 1947 but Congressman John Dingell, Sr. took up the cause. In February 1947, he introduced his version of the bill into the 80th Congress. Although Congressman Dingell rewrote the bill to address the earlier concerns of commercial fishing interests and fishing tackle manufacturers, it failed to pass.

FIGURE 2

Letter from John Dingell, Sr. to President Truman expressing disappointment over Truman's veto of the Sport Fish Restoration legislation (source: Harry S. Truman Library, Independence, MO).



**SPORT FISH RESTORATION  
PROGRAM SIGNED INTO LAW  
BY PRESIDENT TRUMAN**  
AUGUST 9, 1950

**APPORTIONMENT OF FUNDS  
TO THE STATES AND  
TERRITORIES BEGAN**  
JULY 1951

**WALLOP-BREAUX  
AMENDMENTS**  
1984

**AMENDMENTS TO  
SPORT FISH  
RESTORATION**  
SEPTEMBER 1988

President  
The White House

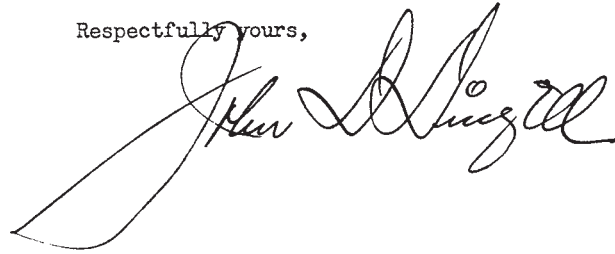
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January 3, 1950

I trust that as a friend of the Administration I may be privileged to request your reconsideration and anticipate approval of the new bill, which I am assured now meets any and all objections.

May God bless you, Mr. President, I subscribe myself

Respectfully yours,



P. S. Attached is a copy of the latest draft minus the objectionable features of the vetoed bill.

J. D. D.

(see Figure 2), the President still objected to certain provisions of the bill and sought to use some of the funds to offset existing federal hatchery programs (Figure 3). Finally, compromise was reached. The bill sailed through both the House and Senate by large margins, making it veto-proof, and was reluctantly signed by President Harry S. Truman on 9 August 1950. The tax on fishing rods, reels, creels, artificial lures, baits and flies already being collected as part of the Luxury Tax immediately was set up in a special account in the U.S. Treasury and state apportionment began 1 July 1951. The legislation was commonly referred to as Dingell-Johnson, or (D-J) Sport Fish Restoration Act, for the two principal con-

In the next two years, sport anglers rallied together and gained support for the legislation. The relentless Congressman Dingell reintroduced his bill early in the 81st Congress. On 1 August 1949, Senator Edwin Johnson introduced an identical bill into the Senate. The bills quickly passed. However, President Harry S. Truman vetoed the legislation on 12 October 1949, on the basis that: 1) it would be poor fiscal policy to earmark taxes, 2) it would be impossible to administer the retroactive features calling for tax revenue from three previous fiscal years, 3) it would isolate one small group of items of many listed on the tax code, and 4) permanent appropriation language was not a desirable method of distributing tax collections.

Although the veto shattered some dreams, it also served to rally new supporters throughout the United States. State fish and game agencies, sportsmen, and many other outdoor recreation enthusiasts recognized the benefits of the popular and successful Wildlife Restoration program. With the help of Senator Johnson and Congressman Dingell, the bill was rewritten and introduced in the House in the Second Session of the 81st Congress on 3 January 1950. Although Congressman Dingell lobbied for President Truman's support

gressional sponsors. The word "sport" in the title is meaningful from the standpoint of taxable items and the fact that the benefits do not include commercial fisheries. Like the Wildlife Restoration Act, the Sport Fish Restoration Act included the permanent appropriations language objected to by President Truman.

### The Next Evolution: Wallop-Breaux Amendment

By the late 1970s, a growing deficiency of available funds for fisheries work under the Sport Fish Restoration Act became apparent. While the Wildlife Restoration Act was providing nearly \$86 million annually for wildlife restoration projects, the Sport Fish Restoration Act was providing in the neighborhood of \$35 million annually for sport fish restoration. Sport fishing interests began to examine ways to increase monetary resources available through the SFR Program.

A grassroots effort emerged, dubbed the "D-J Expansion" (see related feature inset). The effort was led by the Bass Anglers Sportsman Society and the American Fisheries Society and had two elements: extend the excise tax to all items of fishing tackle; and put an excise tax on fishing boats, motors and trailers.

**COASTAL WETLANDS  
PLANNING, PROTECTION,  
AND RESTORATION ACT**  
1990

**SMALL ENGINE FUELS TAX  
DEDICATED TO  
SPORT FISH RESTORATION**  
1990

**CLEAN VESSEL ACT  
AMENDMENTS**  
1992

**SPORTFISHING  
AND BOATING SAFETY  
ACT OF 1998**  
1998

In August 1979, Senator Jennings Randolph (WV) introduced legislation to expand the SFR program by lengthening the list of taxed fishing tackle items. The legislation would have imposed a three percent manufacturers' excise tax on certain boats, outboard motors, and boat trailers in addition to the items already taxed. Congressman John Breaux introduced similar legislation in the House of Representatives in December 1979. However, opposition from boating interests proved to be the legislation's downfall. The boating industry opposed the tax increase because their business was in a depressed state due to the high interest rates and gas prices of the late 1970s. A breakthrough came in 1982 with a compromise proposal developed by the Sport Fishing Institute. The essential element of the compromise was to delete the controversial three-percent excise tax on boats, outboard motors, and boat. In its place, monies collected from motor boat fuel tax provisions of the Recreational Boating Safety and Facilities Improvement Act of 1980 (The Biaggi Act) would be applied to the SFR fund. This would capture boating dollars for fishery development, a goal of the D-J Expansion proponents. The second part of the compromise was to incorporate duties collected on imported fishing tackle into the SFR fund. This compromise fostered a strong coalition of boating and fishing interest groups (later known as the American League of Anglers and Boaters, or ALAB).

FIGURE 3

Letter from President Truman to John Dingell outlining concerns over Sport Fish Restoration legislation (Source: Harry S. Truman Library, Independence, MO).

THE WHITE HOUSE  
WASHINGTON

March 9, 1950

Dear John:

Since my note to you of January 13, I have looked carefully into the proposals which you sent me as a substitute measure for H. R. 1746, and which, I understand, have now been introduced as H. R. 6533.

In the main, the revised bill overcomes the objections to the earlier bill which I set forth in my veto message of last year. As a matter of principle, I am still opposed to the earmarking of Government revenues, but I recognize that a case can be made for certain exceptions. Your bill has more merit than most proposed exceptions and, with certain amendments, I shall be glad to sign it if it is reenacted by the Congress.

The specific amendments which I suggest are as follows:

1. Eliminate the words "effective October 1, 1941," from section 3 of the bill. The date contributes nothing and conceivably it could confuse.
2. Eliminate the second sentence of section 3, authorizing a direct appropriation of two million dollars for the fiscal year 1951. It seems to me that a direct appropriation is contrary to the bill's concept of using revenues from the existing tax on fishing equipment to finance the program, and I see no need to start it earlier than would otherwise be the case. You will remember that in 1937 there was a lapse of time between enactment of legislation which earmarked taxes on firearms, shells and cartridges for wildlife restoration purposes and initiation of the program. I do not believe that the States will object to waiting another year.
3. Change the cost of Federal recreational fish hatcheries to the earmarked fund. Propagation of recreational species of fish is estimated to cost between a million and a half and two million dollars a year. I believe that these costs, in addition to the percentage figure authorized in section 4 for administrative expenses, should be charged against the earmarked revenues. While this amendment will reduce the amount available for allotment to the States, I feel that it is reasonable to require all the States to support Federal operation of hatcheries located throughout the

In July 1984, through the leadership of Senator Malcolm Wallop and then Congressman John B. Breaux, the compromise was written as an amendment to the Federal Aid in Sport Fish Restoration Act. The amendment eventually passed as part of the Deficit Reduction Act of 1984. In recognition of their unrelenting efforts, the amendment became known as the Wallop-Breaux Amendment. A new

- 2 -

country, the primary purpose of which is the propagation of recreational game fish. It would seem to me that such an amendment could best be inserted at the beginning of section 4. It might read "The cost of operating Federal hatcheries for the propagation of recreational species of fish, not exceeding two million dollars per annum and" (go on as the section now reads). This amendment will probably make it advisable to change the word "deduction", occurring in the next sentence, to "deductions".

I am advised that the Committee on Merchant Marine and Fisheries would like to consider the bill in the near future, and I hope that you will be willing to sponsor the amendments I suggest. If you have further questions about them, may I suggest that you get in touch with Mr. Stephen J. Spingarn, who is one of my administrative assistants, or alternatively with the Director of the Bureau of the Budget, Mr. Frank Pace. Both are acquainted with the issues involved and my thinking concerning them.

Sincerely yours,

(sgd) HARRY S. TRUMAN

Honorable John D. Dingell  
House of Representatives  
Washington, D. C.

trust fund, named the Aquatic Resources Trust Fund (popularly referenced as the Wallop-Breaux Trust Fund), was divided into two accounts: 1) the Boat Safety Account; and 2) the Sport Fish Restoration Account. The Wallop-Breaux Amendment collected revenues by expanding the base tax to include essentially all items of fishing tackle, as well as the new motorboat fuel taxes and import duties on fishing tackle and boats.

#### How the 1984 Wallop-Breaux Amendment Affected the SFR Program

The Wallop-Breaux Amendments added several new factors that influence the types of projects that states undertake through the Federal Aid in Sport Fish Restoration Program :

**Program Funding**—Probably the most important feature of the Wallop-Breaux Amendment was the increase in available funds. In the final year of funding under the original SFR program (1985), \$38 million was available to the states through the SFR Program. As a result of the Wallop-Breaux Amendment, annual funding rose to \$224 million by 1998, nearly a six fold increase (Figure 4)!

**Boating Access**—The provision mandated that each state spend at least 10 percent of its annual apportionment on development and maintenance of boating access facilities.

A broad range of access projects are eligible for funding, including construction of boat ramps and lifts, docking and marina facilities, breakwaters, fish cleaning stations, restrooms, and parking areas.

#### Aquatic Resources Education

—Up to 10 percent of a state's annual apportionment could be used to fund an aquatic resources education program. Subjects covered under this provision included aquatic ecology, aquatic resources management, aquatic safety, fisheries conservation ethics, public information, and fishing.

#### Equitable Expenditure Between Freshwater and Saltwater Projects

—The Wallop-Breaux Amendment stipulated that marine coastal states and territories equitably

divide expenditure of program monies between freshwater and saltwater activities based on the proportion of resident freshwater anglers versus resident saltwater anglers. *The National Survey of Fishing, Hunting, and Wildlife Associated Recreation*, conducted by the USFWS, was to be used to establish that proportion. The provision *did not* change the allocation to the states. It only affected how the apportionments were divided between fresh and saltwater programs within a marine coastal state. State allocations remained dependent, in part, on the number of licensed anglers in the state in relation to the number of licensed anglers in the United States.

**Prospective Purchase**—States could acquire or develop facilities over a period of years using future apportionments. This could be accomplished in two ways: 1) states could finance the entire cost of the acquisition or construction from a non-federal funding source and claim reimbursement from the SFR program in succeeding years according to a scheduled reimbursement plan; and 2) states could negotiate an installment purchase or contract whereby periodic and specified amounts are paid to a seller or contractor. Sport Fish Restoration reimbursements were allowed for each payment from any apportionment year current at the time of payment.

**1988 Reauthorization of Wallop-Breaux**

Provisions of the Wallop-Breaux Amendment required spending from the Boat Safety Account to undergo reauthorization after three years of enactment; only the Sport Fish Restoration Account retained the “permanent appropriation” language of the original Sport Fish Restoration Act. Since motorboat fuel taxes collected in the Boat Safety Account that are in excess of the appropriated amount flow automatically into the Sport Fish Restoration Account, reauthorization affected the amount of money going to states for sport fishing and boating access projects. Unlike the Sport Fish Restoration Account, which is administered by the USFWS, the Boat Safety Account is administered by the U.S. Coast Guard. The monies transferred to this account are divided between the Coast Guard and the states. The states’ share is used on a matching basis for boating safety programs.

The reauthorization bill was introduced into the House Merchant Marine and Fisheries Committee in early 1988. In order to expedite passage, the language was later incorpo-

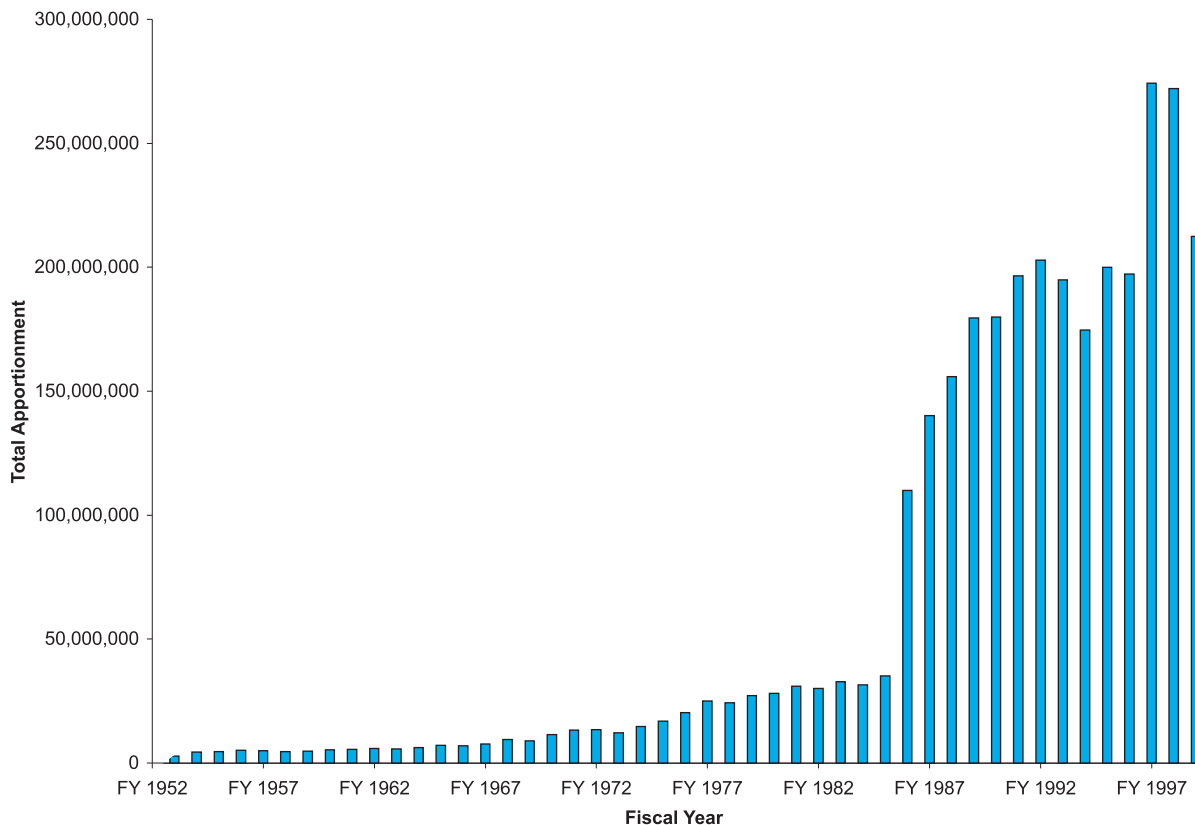
rated into the 1988 Coast Guard appropriation bill, which passed and became law (P.L. 100-448) in September 1988. The new law increased the spending authorization for the Boat Safety Account and altered several administrative procedures of the program:

**Allocation Between Freshwater and Saltwater Projects**—The Wallop-Breaux Amendment stipulated that only the “new monies” collected in the Aquatic Resources Trust Fund as a result of that amendment to be split equitably in coastal states between freshwater and saltwater projects. Under the 1988 Amendment (P.L. 100-448), the distinction between “old” and “new” monies was removed, requiring that all appropriations to coastal states be divided equitably between freshwater and saltwater projects. To protect ongoing freshwater projects in coastal states, allocations to freshwater projects could not be less than the amount allocated by to such projects during fiscal year 1988.

**In-kind Contributions**—The 1988 amendment provided the ability for states to use the contribution of funds, real property, materials, and services on approved projects in lieu of

FIGURE 4

Annual apportionments to the states through Sport Fish Restoration (exclusive of boat safety, wetlands, and pump out).



payment of the state's 25 percent match of the cost of such project. As a result, such a state share is considered to be paid in an amount equal to the fair market value of any contribution so used.

**Survey of Fuel Use by Recreational Vessels**—In order to verify the actual percentage of fuel taxes collected each year attributable to recreational motorboat usage, P.L. 100-448 authorized the Secretary of Transportation and the Secretary of the Interior to jointly conduct a survey of 1) the number, size and primary uses of recreational vessels operating on the waters of the U.S.; and 2) the amount of fuel used by those vessels.

### **1990 Amendments to the Federal Aid in Sport Fish Restoration Act**

During the last days of the 101st Congress, amendments were passed that led to a significant increase in deposits to the Sport Fish Restoration Account and also mandated the creation and funding of a new wetlands restoration effort within the overall SFR Program. The 1990 federal budget reconciliation process allowed for 2.5 cents of the newly approved 5 cents increase in federal fuel excise taxes to be deposited to the Highway Trust Fund. The Aquatic Resources Trust Fund, as in the past, received 1.08 percent of these new revenues.

At the same time, in related legislative action, the federal fuel tax receipts attributable to small gasoline engines were captured for deposit to the Sport Fish Restoration Account. This amendment to the Internal Revenue Code required federal fuel excise taxes attributable to small gasoline engines (lawnmowers, string trimmers, snow blowers, etc.) to be transferred from the Highway Trust Fund to the Aquatic Resources Trust Fund.

### **Coastal Wetlands Planning, Protection and Restoration Program**

In 1990, the Coastal Wetlands Planning, Protection and Restoration Program was established, receiving 18 percent of all funds deposited into the Sport Fish Restoration Account (approximately the anticipated receipts from the new small engine gas tax). The wetlands program consists of three components. The first component, the Louisiana Coastal Wetlands Restoration Program, receives 70 percent of the total wetlands funding. A federal task force was created to prioritize Louisiana coastal wetlands restoration projects which could be completed within a five-year period, and required development of a long-term wetland restoration plan for Louisiana. The goal is to achieve a no-net-loss of wetlands in Louisiana by regulating development activities.

The second part of the wetlands program receives an annual allocation of 15 percent of the wetlands monies for support of the North American Wetlands Conservation Act. These monies are provided to the Secretary of the Interior to undertake projects authorized by the North American Wetlands Conservation Act (Public Law 101-233) in coastal states.

The third part of the wetlands program was the creation of the National Coastal Wetlands Conservation Grants Program. This national program, administered by the Director of the USFWS, provides grants to coastal states (including Great Lakes states) for coastal wetlands conservation programs. The new amendment also required the USFWS to update wetlands maps and to conduct an assessment of wetlands trends in the state of Texas.

### **1992 Amendments to the Federal Aid in Sport Fish Restoration Act**

On 4 November 1992, President George Bush signed the Oceans Act of 1992, which contained a number of environmental provisions. Title V of the Oceans Act was entitled the Clean Vessel Act, which included several modest changes to the Federal Aid in Sport Fish Restoration legislation. Among those changes were new distribution formulas to equitably distribute the additional motorboat fuel tax. A new cost-share program made money available for construction, maintenance, and operation of facilities to handle sewage from boats. The following amounts were available for this purpose: \$5 million in FY 1993; \$7.5 million in FY 1994 and 1995; and \$10 million in FY 1996 and 1997. Additionally, an identical amount of spending authority was provided to enhance state boat safety grants programs.

The amendments also increased the mandatory minimum percentage of state allocations that had to be invested in boating access and facilities projects from 10 percent to 12.5 percent. Two changes were included to provide greater flexibility to states for their boating access and facilities projects. First, the act allowed an *average* state expenditure of 12.5 percent, measured across a region. The states were also provided five years in which to obligate their 12.5 percent boating access and facilities monies, again to provide flexibility to accommodate the imposition of the additional planning and permitting burden associated with the development of boating access.

The final 1992 substantive change was to include the word "outreach" in the pre-existing aquatic resource education program. This allows state agencies to provide aquatic resource education and outreach programs with regard to fishing, boating and the overall SFR program.

# How The Federal Aid In Sport Fish Restoration Program Works

The Federal Aid in Sport Fish Restoration Program operates through a “user pays/user benefits” cycle of tax collection and disbursement. Anglers and boaters (the users) initiate the cycle with payment of taxes on certain items associated with pursuit of their sport. These include excise taxes on equipment, fuels tax attributable to motorboat use and small engine use, import taxes on boats and fishing equipment, and interest on revenues. The taxes, which are levied and paid at the manufacturing or distribution points by businesses, are incorporated in the price of the product paid by consumers (Figure 5).

The USFWS Division of Federal Aid allocates funds among the states using the following formula: 40 percent of the amount apportioned is based on each state’s land and water area (including coastal and Great Lakes waters) in relation to the total land and water area of the U.S., and 60 percent of the amount apportioned is based on the number of paid sport fishing license holders in each state relative to all the paid fishing license holders in the United States. No state may receive more than five percent of the total apportionment and no state may receive less than one percent. Also, Puerto Rico receives one percent, and the District of Columbia, Guam, American Samoa, the U.S. Virgin Islands, and Northern Marianas Islands each receive one-third of one percent.

To receive program funds, a state must have enacted legislation that prohibits sport fishing license fees from being diverted out of the state’s fishery agency. Sport Fish Restoration Program Funds are available only to state agencies responsible for managing the sport fishery resources of that state. However, universities, private organizations, other state agencies, or county and municipal governments, may cooperate with state fishery agencies on sport fishery development projects that are administered by the state fishery agency. The state is responsible for

## 1998 Amendments to the Federal Aid in Sport Fish Restoration Act (TEA-21)

In 1998, the reauthorization of the Sport Fish Restoration Act, known as the Sportfishing and Boating Safety Act of 1998, was conducted as part of the Transportation Equity Act for the 21st Century (TEA-21). The most significant changes enhanced the boating infrastructure components of the SFR Program, along with the boat safety authorization, and public outreach and communication programs.

These amendments guaranteed that states would receive between \$59 million and \$72 million in federal support annually for boating safety programs. Prior to this, budget difficulties often threatened the appropriation of these funds to the states. In addition, the Coast Guard received an additional \$5 million each year for recreational boating safety efforts.

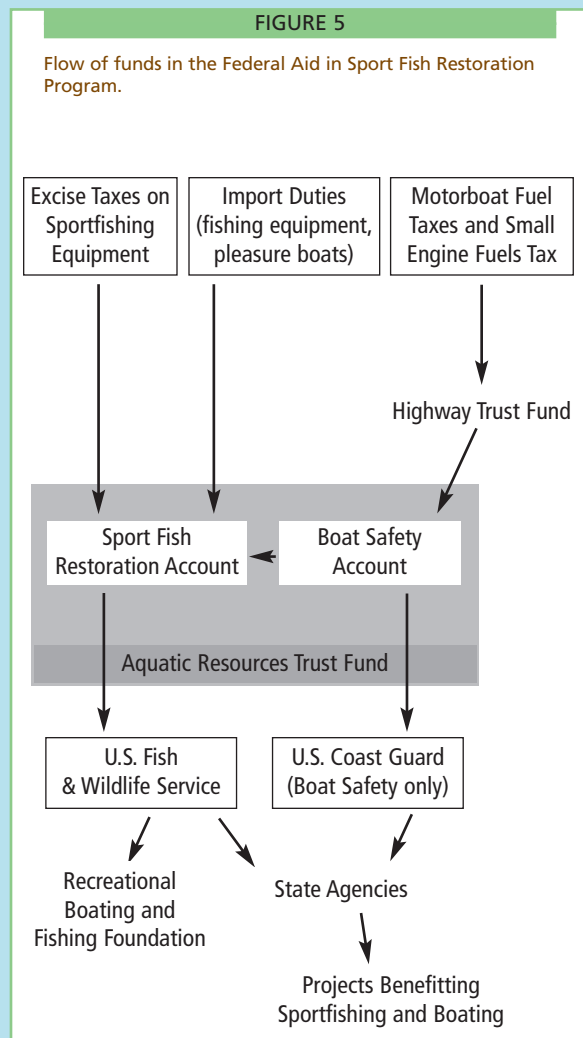
For boating access and facility repair projects, the 1998 amendments increased the mandated amount that states must spend to 15% (up from 12.5%). Significantly, the 1998 amendments reauthorized the Clean Vessel Act (boat pumpout provisions) originally incorporated in 1992. In addition, they created a new “Boating Infrastructure Program” designed to meet the needs of many non-trailerable recreational vessels and mandated that a survey of public boat access needs be undertaken within 18 months.

The new amendments began to correct what many considered an inequity in the transfer of the motorboat fuel taxes. Prior to the amendments, the Aquatic Resources Trust Fund received only 11.5 cents of every 18.3 cents in federal gas tax per gallon paid by boaters and anglers. The 1998 amendments increased this to 13 cents on 1 October 2001 and 13.5 cents on 1 October 2003. This was projected to increase total appropriations to the fund by \$31 million in 2002 and 2003 and \$41 million per year thereafter. The amendments also increased the transfer of small engine (lawnmowers, chainsaws, snow blowers, and similar products) fuel taxes to be identical to taxes on boating fuel, to be utilized for wetlands restoration purposes. This included coastal wetlands and the North American Wetlands Conservation Act in coastal states.



The 1998 amendments substantially enhanced the outreach provisions that were initially established in the 1992 amendments. For the first time, a national outreach and communications program was authorized “to reduce barriers to public participation in angling and boating and to promote conservation and the responsible use of the nation’s aquatic resources.” Authorization levels for this program were \$5 million in 1999; \$6 million in 2000; \$7 million in 2001; \$8 million in 2002 and \$10 million in 2003, plus up to \$2.5 million annually from the U.S. Fish and Wildlife Service. Furthermore, the amendments called for state outreach and communications programs to be developed within 12 months after completion of a national outreach plan.

Finally, the amendment authorized states to spend more on Aquatic Resources Education, outreach, and communication, increasing the level from 10% to 15% of each state’s SFR apportionment.



setting priorities and making project proposals to the USFWS.

Each state fishery agency designates a Federal Aid Coordinator who processes all state project proposals to ensure that the proposals meet USFWS Federal Aid requirements. The state Federal Aid Coordinator sends each proposal to the appropriate regional USFWS Federal Aid office where they are reviewed and evaluated to ensure that they are in compliance with the SFR legislation, associated regulations and policy, and other applicable federal laws.

When the regional Federal Aid office approves a project, an amount up to 75 percent of the estimated cost of the project is set aside for the state to be reimbursed from the Sport Fish Restoration Account. The state must first expend the money on the project and is then reimbursed for up to 75 percent of the cost. The state share must be at least 25 percent of the cost and must be derived from a non-federal source. The regional Federal Aid office monitors projects funded through the program to ensure that program funds are being used properly and that project goals and objectives are achieved. Following completion of each project, the state must submit a final report to the regional Federal Aid office documenting results and accomplishments of the project. These reports are compiled by the Washington office in their Federal Aid Information Management System.

Almost any type of sport fishery restoration, management, or enhancement project that is substantial in “character and design” (Section 7, Federal Aid in Sport Fish Restoration Act) is permissible under the law. Sport fisheries research and management activities, boating access development and maintenance, aquatic resource education projects, lake construction and maintenance, land acquisition, technical assistance, planning, habitat enhancement, administration, and hatchery construction are all allowable types of projects. Law enforcement and public relations are examples of project types that are not allowable. Generally, states have wide latitude to undertake projects that address sport fish priorities.

For a description of the funding cycle for the Boat Safety and Clean Vessel components, see pages S63 and S64.



## AMERICAN LEAGUE OF ANGLERS AND BOATERS CREDITS DIVERSITY ...

BY VERONICA FLOYD AND DERRICK CRANDALL

*Veronica Floyd and Derrick Crandall, Co-Chairs, American League of Anglers and Boaters, 1225 New York Avenue, N.W., Suite 450, Washington, DC 20005; 202-682-9530.*

**A**s we celebrate the 50th anniversary of the enactment of the Sport Fish Restoration (SFR) Act, we should recognize the power of vision, consensus and leadership of a number of individuals in making this program the success that it is. This is especially evident during recent years when the original program was transformed and expanded through the Wallop-Breaux Amendments into one of the nation's most important on-going conservation and recreation efforts. In 1984, a diverse band of companies in the boating and sport-fishing industries, state fish and wildlife agencies, and nongovernmental organizations representing millions of outdoors enthusiasts and conservationists, successfully promoted major amendments to the SFR program. Their efforts were premised on the belief that addressing our nation's sportfishing needs required a blend of national tools and local actions. Their message was that participation in recreational boating and fishing was beneficial to individuals, families, and communities. The results of this success have already improved the lives of tens of millions of Americans, and will continue to yield benefits for generations to come.

The coalition to expand SFR organized around a concept that was elegantly simple in concept but remarkably complex in operation: extend specialized federal excise taxes to restore and enhance boating and fishing opportunities across the nation. Since the 1984 amendments, nearly \$5 billion in federal funds have been made available to an array of programs. Wetlands have been restored and fishing piers accessible to the handicapped have been built, fisheries have been strengthened, and boating safety and aquatic resources classes have been provided for millions of American youths.

The legislative success of 1984 came about only after a process of consensus-building.

The diversity of the supporters of SFR and the Wallop-Breaux amendments has clearly shaped the program in many ways, most obviously by joining fishing and boating interests into one. From the start, the 1984 amendments targeted funds for enhancing boating access and identified aquatic resource education as an objective. Later, other programs would be added to accommodate specific interests: a program for marine sanitation device pump-out stations; a program to restore wetlands; an outreach program to boost participation in boating and fishing; a program for facilities serving larger, transient recreational boaters; and more. The mix of benefits has helped solidify the national coalition, thus safeguarding the program.

Although the broad coalition of supporters was essential, a handful of boating and fishing community leaders and members of Congress can be credited for leadership in elevating the Sport Fish Restoration Program to a national concern and forging the framework for the program's success. Two key individuals who played vital roles in establishing the vision—the big, unifying idea—were Ray Scott, founder of B.A.S.S., and Carl Sullivan, Executive Director of the American Fisheries Society. Scott approached and recruited national political leaders with his wonderful promotional skills while Sullivan built a coalition with substantial grass roots through his passion and professional credentials.

Others also played a key role, including leaders within the recreation industry. Tom Bedell, whose company was then known as Berkley, Sheldon Coleman of the Coleman Company, and Gene Howard of Zebco helped persuade colleagues that investing in enhanced fisheries and improved access to public waters would protect the industry's future, even if increased taxes posed short-term marketing challenges in the intensely competitive boating and fishing industries. The role of industry statesmen, in the past, today, and tomorrow, is vital to securing essential corporate support for the program's excise taxes. Conservation community leaders, including Jack Lorenz, of the Izaak Walton League of America, and Bob Herbst, then with Trout Unlimited,

played visible and active roles in the creation and early operations of Wallop-Breaux amendments.

Another group of leaders came from the U.S. Congress and included top staffers and key members. U.S. House of Representatives champions included John Breaux

and Gerry Studds, while U.S. Senate leadership came from Howard Baker, then Majority Leader, and Malcolm Wallop. Breaux and Wallop continued to provide a bipartisan and activist leadership team as the SFR program experienced rapid growth—and attacks from the Office of Management and Budget (OMB) and others—during the decade following passage of the legislation. A symbol of this commitment was the success in securing additional funding for wetlands restoration, an initiative with clear fisheries benefits, without tapping the program's established funding. John Breaux successfully led efforts to secure some \$50 million annually in federal excise taxes collected on fuel used in lawnmowers, trimmers, chainsaws and snow blowers! Similarly, both played a central role in a major national conference called Chartmaker 2000 designed to articulate clear goals for the SFR program.

## ... BIG IDEAS, AND LEADERS FOR DRAMATIC SUCCESSES OF AQUATIC RESOURCES TRUST FUND

Despite challenges, the SFR program has endured and grown, significantly improving the nation's sport fisheries. Since the 1984 amendments, funding has increased some 700% and the mix of programs has solidified the national coalition that was active in achieving those amendments. Since 1985, this coalition, known as the American League of Anglers and Boaters, has successfully fended off attacks by OMB directors and powerful members of Congress in search of funding for other popular initiatives and, which in 1998, achieved near-miraculous success in providing automatic funding for state boating safety programs.

The SFR program is not without criticism. Some see it as overly complex and confusing. Others have warned against "balkanization" of the program, with too many parts compromising the core objective of the program. And still others criticize it as unfair in that some fishing-related items escaped taxation under the program (particularly many electronic devices) and other products with non-fishing uses are subject to the

10% federal excise tax (including certain types of storage boxes). None of the concerns, however, alter the reality that the SFR program today is larger and stronger than ever, making a real difference in the quality and enjoyability of the nation's surface waters.

Despite all of the barriers arising from the federal budgeting process, the program is 100% funded through special taxes levied as user fees and has the support of the boating and fishing industries and their customers, even in an anti-tax climate. Fortuitously, the periodic renewal of the federal motorfuel tax—normally every five or six years—has provided a means to fine-tune the program on a regular basis and renew awareness of its user-fee roots.

SFR is unique in its focus on both resources and people, due to the active involvement of the boating and fishing communities along with agencies charged with natural resource stewardship. In addition to the original focus of restoring fisheries, SFR has evolved to address "customer needs." Happily, this dual focus seems to be achieving a strong, shared interest in long-term protection of the resources and sensitivity to human needs among all program partners. For example, one of the exciting initiatives underway through the 1998 amendments to the program is the outreach effort conducted by the Recreational Boating and Fishing Foundation. We feel certain that this effort will build awareness of opportunities for recreational boating and sportfishing as well as added public understanding of the physical, mental and social benefits resulting from time spent on the nation's waterways.

With a continuing strong partnership among the recreation industry, enthusiasts, state and federal agencies, combined with a continuing base of Americans who enjoy their leisure time boating and fishing, the Sport Fish Restoration Program has a very bright future. The future will grow still brighter when policymakers and others come to appreciate the full impact of these investments and make possible continued growth in the program by including full recovery of the federal excise tax on fuel used in recreational boating.

# SPORT FISH RESTORATION—EVERYONE WINS

BY R. MAX PETERSON, MIKE HAYDEN, MARY JANE WILLIAMSON, MICHELE SAVAGE, AND MIKE HORAK

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It's hard to imagine that a tax originally levied to aid in financing World War II would eventually help ensure an angler's chance of catching a stringer of game fish anywhere in the United States. In fact, nothing in the past 100 years has had a bigger impact on recreational fishing than this war tax on fishing tackle which, in 1950, became the first ever dedicated federal source of money to be used by state natural resources agencies to improve the fishing experience. The result is one of the largest and most successful conservation programs in the world.

Sport Fish Restoration is good for fisheries management, anglers, sport fishing and boating businesses, and the fish!



GENE HESTER



GENE HESTER

The Federal Aid in Sport Fish Restoration (SFR) Program has had a major impact on sport fishing nationwide. Since its enactment in 1950, state fish and wildlife agencies have received more than \$3.2 billion under the program (Figure 4, Radonski article, page S42). The tax monies collected go to state fish and wildlife agencies for fisheries research, habitat improvement, aquatic education and fishing and boating access facilities such as docks and ramps.

It's all made possible by sportsmen and women who, by doing the things they love—fishing and boating—help to restore and protect fish and their habitats in each state in this country. The purchase of fishing equipment and motor boat fuels by fishing and boating enthusiasts supports sport fish restoration, preservation and conservation. By taxing anglers, it gives them a stake in ensuring the money is used wisely. This forms the basis of the user pay/user benefit “cycle of success.” (Figure 1, Radonski article, page S37). According to a 1999 survey, most fishing and boating enthusiasts don't know much about the Sport Fish Restoration Program, but they strongly support and defend the program once they are made aware of the benefits it brings to sport fish conservation efforts in the United States (Responsive Management 1999a). In fact, once informed about how the funding works, more than 75 percent of those polled voiced their overall support of the program. Many regard it as “their program” and expressed a sense of responsibility, pride and ownership. The Federal Aid in Sport Fish Restoration Program unites the U.S. Fish and Wildlife Service, state fish and wildlife agencies, the fishing tackle and boating industries, and anglers and boaters in a partnership that has achieved results for 50 years. Working together, these groups have accomplished what none could do alone—restore our precious natural heritage.

## A New Deal for State Fish and Wildlife Agencies

In just 10 years (1989–1998), the Sport Fish Restoration Program funds have helped to:

- Build or maintain more than 1,700 fishing and boating access sites.
- Create fish habitat in more than 6,600 reservoir and lake sites; 2,700 river and stream sites; and 5,700 sites in the marine environment.

- Improve fisheries management through research.
- Educate children and adults about angling and aquatic resources.
- Restore saltwater and freshwater species.
- Build more than 2,730 pumpout stations for boat sewage and over 1,778 dump stations.

Across America, from east to west and in between, the Sport Fish Restoration Program has made a difference. For example, in Alabama, the Division of Game and Fish launched a major aquatic education initiative in 1995 to introduce urban residents to fishing. Recognizing the shift in population from rural to urban areas, the Community Fishing Program promotes fishing as a wholesome activity for youth in Alabama cities and towns. The Sport Fish Restoration Program supports this effort that now includes approximately 40 yearly events involving more than 8,000 participants. In New York City, the Dyckman Street fishing pier now provides recreational fishing for residents in downtown Manhattan. It is the only public fishing pier along a five-mile stretch of Manhattan Island and the only fishing access point for the residents of North and East Harlem, Washington Heights, and Inwood, as well as for other urban residents who enjoy the sport. And at Lake Havasu, in western Arizona, the largest warm water fisheries improvement project ever undertaken in the United States is well underway. Sport Fish Restoration funds are helping in this effort that involves state and federal agencies, and private conservation organizations. Fishing will be greatly enhanced through the placement of in-lake artificial habitat and the establishment of angling access points, as well as the installation of fishing docks, parking areas, restrooms, fish cleaning stations, and interpretive facilities. The improvements from this project will benefit all who enjoy fishing as well as a wide variety of fish species, including largemouth bass, flathead and channel catfish, striped bass, crappie, and bluegill. As these success stories and the others in this issue attest, the Sport Fish Restoration Program has been a tremendous success for fish, anglers, and management agencies nationwide.

### It's a Deal for Industry, Too

In 1948, initial efforts to establish the Sport Fish Restoration Act failed, in part because of adamant opposition to the legislation by fishing tackle manufacturers. Although the act passed in 1950, opposition to the excise tax by the tackle industry still existed. However, as manufacturers began to see the improvements created by the

Sport Fish Restoration funds, their opposition began to dissolve. Increased fishing and boating access, improved fisheries management, and healthier habitat created a better quality of fishing experience leading to increased participation and revenues. From 1955 to 1990, the percentage of anglers increased faster than the growth of the U.S. population (see figure below).

By 1984, tackle manufacturers were among the leading proponents of expanding the legislation because of the tremendous benefits they saw from the 1950 legislation. This overall support from industry, along with state fish and wildlife agencies and other groups and organizations, resulted in the 1984 Wallop-Breaux Amendment.

In support of the program, in 1997 the president of Zebco, the largest sport fishing manufacturing company in the United States, told a congressional panel that he shared the corporate view that his company's annual payment of millions of dollars in the excise tax was a wise investment for anglers and the sport fishing industry.

In 1998, members of the industry strongly supported Congress's amendment to the Sport Fish Restoration Act, which earmarked \$36 million in excise tax funds for national fishing and boating outreach efforts. The Recreational Boating and Fishing Foundation was created to oversee the expenditures of those monies. The goals of the foundation are to engage more people in fishing and boating as well as inspire natural resource conservation.

Over the past 50 years, the Sport Fish Restoration Program has helped build a solid base for the conservation, preservation, and restoration of our nation's aquatic resources — a heritage of which we all should be proud.

Trends in sportfishing participation in the United States, 1955-1996 (USDI and USDC 1998).

