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TO: Colleagues
FROM: John Kostyack
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RE: Lieberman-Warner Climate Change Legislation: Wildlife Provisions

Tomorrow, Senators Joseph Lieberman (I-CT) and John Warner (R-VA) will be introducing America's Climate Security Act of 2007 (ASCA), which establishes mandatory caps on global warming pollution from major emitters such as power plants and oil refineries, leading to reductions of about two percent each year from current levels. For a host of reasons, NWF sees this bill as an important breakthrough. *See* NWF Assessment of America's Climate Security Act of 2007 (attached). I am writing to provide additional analysis of the portions of the bill designed to help wildlife survive global warming.

As described below, ASCA commits an unprecedented level of financial resources to conserving wildlife and wildlife habitats threatened by global warming. The bill's sponsors have made this investment against the wishes of industry groups and others. They will need a united wildlife conservation community to work closely with them to achieve its enactment.

Global warming is the most serious threat to wildlife and wildlife habitats in the U.S. and around the world. Cutting global warming pollution is essential to stave off mass extinctions and major disruptions of ecosystems, but it is not sufficient. Global warming has already begun and substantial additional warming is inevitable due to pollution already released into the atmosphere. Scientists project that this warming will lead to increased sea level rise, intensified storms, floods and droughts, disappearing mountain snowpack and altered stream flows, evaporating lakes and wetlands, and numerous other disruptions.

ASCA will enable the U.S. to make major strides in conserving wildlife in the face of this inevitable warming. It devotes 20 percent of auction proceeds – double the amount provided for wildlife by earlier climate change bills – toward adaptation measures that help U.S. wildlife survive global warming. An estimated \$125 billion will be provided during the first 19 years of the cap and trade program (i.e., through 2030). (See attached spreadsheet.) This represents an average investment of \$6.6 billion each year – a major commitment to the conservation of our natural heritage for future generations.

This funding will flow directly from the auction of emission allowances and thus will not be subject to the vagaries of the annual appropriations process.

ASCA allocates the funding among a variety of state and federal agencies as follows:

State and territorial fish and wildlife agencies:	40 percent
Department of the Interior (wildlife programs and lands and waters under DOI's jurisdiction):	20 percent
Department of the Interior (cooperative grant programs):	5 percent
Forest Service (forest and grasslands):	5 percent
EPA (large-scale freshwater aquatic and estuarine ecosystems):	12.5 percent
Corps of Engineers (large-scale freshwater aquatic and estuarine ecosystems):	12.5 percent
NOAA (coastal, estuarine, coral and marine species and habitats):	5 percent

Protecting wildlife from global warming is a new field of endeavor for all of these agencies, and thus it would be easy to second-guess this allocation formula. However, ASCA's sponsors should be applauded for recognizing that a wide array of species and habitats is threatened by global warming and for distributing funding to the agencies and programs that have a track record in conserving those species and habitats.

The funding provided to the 56 states and territories will be distributed according to the allocation formula already established for the State Wildlife Grants program. Unlike in the State Wildlife Grants program, which requires states and territories to produce a 50 percent match to be eligible for funding, the bill requires only a 10 percent match. This is in apparent recognition that the large dollar amounts generated by the bill would be difficult if not impossible for most state fish and wildlife agencies to match on a 1 to 1 basis.

Funding to states and territories may be utilized only for adaptation activities that are carried out in accordance with comprehensive wildlife adaptation strategies, otherwise known as State Wildlife Action Plans. The bill could be improved by requiring that these strategies be updated to address adaptation to global warming. However, it should be noted that current law already requires updates in roughly 5 years. By that time, significant advances in the rapidly-evolving science of adaptation will have been made. The states will have an incentive to incorporate this science and add adaptation strategies; this would expand the array of conservation activities eligible for funding under the bill.

The bill also calls for state adaptation activities to be carried out in accordance with other key natural resource management strategies, where appropriate. This will encourage states to utilize adaptation strategies incorporated into respected conservation plans such as those prepared under the North American Wetlands Conservation Act and Endangered Species Act.

For the 5 federal agencies that receive funding under the bill, ASCA requires that they jointly adopt a comprehensive adaptation strategy within 18 months of the bill's enactment and that conservation activities subsequently funded by the bill be consistent with this strategy. In developing the strategy, the agencies must consult with states and Indian tribes and must solicit input from the public and independent scientists. Strategies must be updated every 5 years.

ASCA broadly defines the adaptation activities that will be funded. The focus of the bill is ensuring the survival of not just fish and wildlife, but also fish and wildlife habitats, plants, and associated ecological processes. Scientific research and education are among the conservation activities that receive attention.

Finally, ASCA promotes projects to sequester carbon in forests and soils, which often provide on-site benefits for fish and wildlife. The bill prevents the use of destructive invasive species to earn credits, and it excludes projects that otherwise harm the environment or public health.