# USEFUL LIFE

**FOR** 

EQUIPMENT AND PROPERTY

#### SOME STATES ARE USING THE GSA USEFUL LIFE FROM GRUMWOLD

OTHER STATES/REGIONS
ESTABLISH LIFE EXPECTANCY
DIFFERENTLY
BASED ON
EXPERIENCE
LOCATION / ENVIRONMENT

- **A. Capital improvements.** Capital improvements (construction projects) are a subset of real property that increases the value of the real property and includes:
- (1) Bridges.
- (2) Boat ramps or docks.
- (3) Educational centers or visitor stations.
- (4) Facilities or buildings.
- (5) Fish hatcheries.
- (6) Fishing piers.
- (7) Residences.
- (8) Roads or trails.
- (9) Water control structures.
- (10) Water treatment facilities.

# FISH AND WILDLIFE SERVICE STATE GRANTS PART 522 FEDERAL AID PROGRAM GUIDANCE CHAPTER 18 USEFUL LIFE OF CAPITAL IMPROVEMENTS FUNDED BY FEDERAL ASSISTANCE GRANTS 522 FW 18

**B. USEFUL LIFE.** USEFUL LIFE IS THE PERIOD OF TIME DURING WHICH A FEDERALLY FUNDED CAPITAL IMPROVEMENT IS CAPABLE OF FULFILLING ITS INTENDED PURPOSE WITH ADEQUATE, ROUTINE MAINTENANCE.

#### 18.5 HOW DOES THE SERVICE DETERMINE THE PERIOD OF TIME OF USEFUL LIFE IN THE GRANT AGREEMENT?

- **A.** FOR ALL CAPITAL IMPROVEMENTS FUNDED BY A GRANT AGREEMENT, WE REQUIRE THE STATE TO PROPOSE AND IDENTIFY A USEFUL LIFE FOR THAT CAPITAL IMPROVEMENT IN THE GRANT AGREEMENT. OUR APPROVAL OF THE GRANT AGREEMENT REPRESENTS OUR CONCURRENCE OF THE FINAL DETERMINATION OF USEFUL LIFE.
- **B.** FOR CAPITAL IMPROVEMENTS WITH A VALUE GREATER THAN \$100,000, WE REQUIRE STATES TO REFERENCE THE METHOD USED TO DETERMINE THE USEFUL LIFE. ACCEPTABLE METHODS TO DETERMINE USEFUL LIFE INCLUDE BUT ARE NOT LIMITED TO THE STATE'S STANDARDS TO DETERMINE DESIGN LIFE OF THE IMPROVEMENT OR OTHER ESTABLISHED METHODS FOR DEFINING USEFUL LIFE.
- C. CATASTROPHIC EVENTS MAY SHORTEN THE IDENTIFIED USEFUL LIFE OF A CAPITAL IMPROVEMENT, AND ADDITIONAL CONSTRUCTION OR REHABILITATION PROJECTS SUPPORTED BY FEDERAL ASSISTANCE FUNDING MAY LENGTHEN THE USEFUL LIFE.

# 18.6 What is the responsibility of the State fish and wildlife agency for the capital improvement during its useful life?

- **A.** States are responsible for the accountability and control of all Federal Assistance-funded capital improvements throughout their useful life to assure that they serve the purpose for which acquired (50 CFR 80.18(c)).
- **B.** States are responsible for maintenance of all capital improvements acquired or constructed with Federal Assistance funds throughout the useful life of each improvement (50 CFR 80.17).
- **C.** States are also responsible for the control of lands and waters on which capital improvements are made with Federal Assistance funds throughout the useful life of the improvement (50 CFR 80.20).

### 18.7 What is the responsibility of the State fish and wildlife agency for the capital improvement after the useful life has ended?

- **A.** Once the useful life has ended, the State has no further responsibility for the capital improvement that used Federal Assistance funding for construction. However, the State may have continuing responsibility for the capital improvement for other reasons. These reasons may include:
- (1) Federal Assistance funding of operations and maintenance beyond the useful life, or
- (2) Federal Assistance funding of renovation or major repair that extends the useful life of the capital improvement, consistent with sections 18.4 and 18.5.
- **B.** Beyond the useful life of the capital improvement, a Federal interest remains in the underlying lands, if acquired with Federal Assistance funds, unless we approve sale or relinquishment of the lands.

# Do we need further guidance and clarity?