

(Base) Agency: DNR - Stewardship
Subprograms

Recommendations:

Paper No. 262: Shibilski Motion

Comments: The resolution of papers 261 through 266 should be taken care of with the omnibus Shibilski motion. Possibly, papers 267 and 268 might also be rolled into the package.

If local governments and non-profits can't access all the funds, I would like to see more categories or subprograms, with flexibility between the categories. Shibiliski wants a big pot of money that can be spent on large tracts of land (probably up north), and less access for local governments and non-profits. I've been working on him to make more money available to local governments, he's improved his plan somewhat in that regard, but not enough in my opinion. He should let the locals access more pots of money (like the Task Force recommended).

Nevertheless, you have to vote for his motion. And you can always try to make changes in conference committee.

If his motion fails, I would go with Alternative 3, which is the Task Force Recommendation. There are only 2 subprograms, but everyone can compete for the funding. Whoever has the best projects will get the money. That seems like a fair way to go.

prepared by: Barry



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

June 7, 1999

Joint Committee on Finance

Paper #262

Subprograms (DNR -- Stewardship)

[LFB 1999-01 Budget Summary: Page 472-1, #2]

CURRENT LAW

There are twelve components of land acquisition, property development and local grant activities under the Warren Knowles-Gaylord Nelson stewardship program. These components and the annual bonding allocation allotted to each are shown in Table 1.

TABLE 1

Annual Stewardship Bonding Authorization

<u>Component</u>	<u>Amount</u>	<u>Percent</u>
General Land Acquisition	\$6,700,000	29.0%
General Property Development	3,500,000	15.2
Local Park Aids	2,250,000	9.7
Lower Wisconsin State Riverway	2,000,000	8.7
Urban Rivers	1,900,000	8.2
Habitat Areas	1,500,000	6.5
Natural Areas Acquisition	1,500,000	6.5
Stream Bank Protection	1,000,000	4.3
Trails	1,000,000	4.3
Urban Green Spaces	750,000	3.2
Natural Areas Heritage Program	500,000	2.2
Ice Age Trail	<u>500,000</u>	<u>2.2</u>
TOTAL	\$23,100,000	100.0%

BUILDING COMMISSION

Require DNR to establish subprograms for the following purposes under the Stewardship 2000 program: (a) land acquisition for conservation and recreational purposes; (b) property development on DNR lands and on conservation easements adjacent to DNR lands; (c) local assistance for conservation and recreational purposes; (d) bluff protection; (e) land acquisition in the Baraboo Hills for conservation purposes; and (f) state participation in the federal Conservation Reserve Enhancement Program (CREP), to be administered by DATCP.

Provide that the base annual bonding authority amounts for the land acquisition, property development and local assistance subprograms be calculated by multiplying the annual overall bonding authority for a fiscal year by 55 percent, 25 percent and 20 percent, respectively. Provide that any base amount set aside for the bluff protection, Baraboo Hills and CREP subprograms be subtracted from the annual overall bonding authority for the fiscal year before applying the percentages. Table 2 shows the breakdown of the annual bonding allocation between the various subprograms in each fiscal year as proposed by the Building Commission.

TABLE 2

Proposed Stewardship 2000 Program

Fiscal Year	Base Annual Overall Bonding Authority	Subprogram Base Amounts					
		Land Acquisition	Property Development	Local Assistance	Bluff Protection	Baraboo Hills	CREP
2000-01	\$25,000,000	\$5,575,000	\$2,225,000	\$2,300,000	\$1,900,000	\$5,000,000	\$8,000,000
2001-02	25,000,000	6,875,000	3,125,000	2,500,000	500,000		12,000,000
2002-03	27,000,000	9,075,000	4,125,000	3,300,000	500,000		10,000,000
2003-04	30,000,000	10,725,000	4,875,000	3,900,000	500,000		10,000,000
2004-05	33,000,000	18,150,000	8,250,000	6,600,000			
2005-06	36,000,000	19,800,000	9,000,000	7,200,000			
2006-07	39,000,000	21,450,000	9,750,000	7,800,000			
2007-08	42,000,000	23,100,000	10,500,000	8,400,000			
2008-09	45,000,000	24,750,000	11,250,000	9,000,000			
2009-10	48,000,000	26,400,000	12,000,000	9,600,000			
Total	\$350,000,000	\$165,900,000	\$75,100,000	\$60,600,000	\$3,400,000	\$5,000,000	\$40,000,000
Percent	100.0%	47.4%	21.5%	17.3%	1.0%	1.4%	11.4%

DISCUSSION POINTS

1. The allocation of stewardship dollars under current law was designed in part to ensure that programs that existed prior to the Warren Knowles-Gaylord Nelson stewardship program and newly-created functions or projects received a specific level of funding under the stewardship program. By setting the category allocations in statute, it allows the Legislature to express its policy preferences for the allocation of funding and provides for greater oversight of spending in each category.

2. The Committee could use some variation of the current program structure for a reauthorized stewardship program. The percentage allocations for the components shown in Table 1 could be applied to any level of bonding authorized by the Committee. For purposes of illustration, the attachment shows the current allocations applied to the annual bonding allocations recommended by the Building Commission (specific funding for CREP, the Baraboo Hills or bluff protection are not reflected, since they do not exist under the current program).

3. Setting category allocations in statute, however, can limit the ability of the Department to respond to large, unique or high-cost acquisition opportunities as well as to allocate funding within the program as Department priorities or opportunities for utilizing the funding shifts. Further, it limits the ability of DNR to readily shift available funding in underutilized components to those with greater demand. Facilitating the acquisition of relatively large properties such as the 8,720-acre Willow Flowage (Oneida County) and the 1,485-acre Bill Cross Rapids Wildlife Area (Lincoln County) have required legislative action.

4. The purchase of these properties, for example, involved legislation to allow funding from the Lower Wisconsin State Riverway category to be used for both purchases. These two purchases utilized over \$5.7 million of Riverway funding, which represents over one-fourth of the total funding that had been originally intended for the Riverway.

5. The Committee could choose to merge some of the categories to streamline the program. Several alternatives could be considered, including: (a) merging the Lower Wisconsin State Riverway and/or Ice Age Trail components into the general land acquisition component; (b) merging the local park aids and urban green space components; (c) merging the natural areas acquisition and heritage programs; or (d) merging the general property development and trails components.

6. An issue the Committee may wish to consider is how the funding for program purposes under the current program compares to the funding available under the proposed program. Table 3 compares funding available to DNR for acquisition and development and to local units of government and NCOs under the current annual stewardship allocation and the proposed Stewardship 2000 allocations in the first (2000-01) and tenth (2009-10) year of the program. Under both the current and proposed stewardship programs, a number of categories can be tapped by some combination of the Department, local units of government and NCOs. The table assumes that annual allocations under the current program by recipient are consistent with overall allocations, and that projected annual allocations for the proposed program will be consistent with those of the current program.

TABLE 3

**Funding Available to Recipients under Current and Proposed Stewardship Programs
(\$ in Millions)**

	Current Program Annual <u>Allocation</u>	Stewardship 2000: <u>2000-01</u>	Stewardship 2000: <u>2009-10</u>
DNR Acquisition	\$12.08	\$9.60	\$16.91
DNR Development	4.50	2.22	12.00
Local Governments	4.96	3.02	10.11
NCOs	<u>1.56</u>	<u>2.15</u>	<u>8.98</u>
TOTAL	\$23.10	\$17.00*	\$48.00

*In addition, \$8 million would be available to DATCP under the CREP subprogram, for a total of \$25 million.

7. The Governor's Blue Ribbon Task Force on the Stewardship Program recommended consolidating the twelve categories under the current program into two broader categories: (a) the Land Heritage Fund (with at least 75% of program funding), for the acquisition of land and land rights for resource conservation and outdoor recreation sites of national, statewide, regional and local significance; and (b) the Recreational Development and Habitat Restoration Fund (with up to 25% of program funding), for the development and renovation of state and local recreation areas and facilities and to restore wildlife habitat and natural communities. The Task Force recommended that the Department, local units of government and nonprofit conservation organizations (NCOs) be eligible for both components.

8. The approach recommended by the Task Force would give the Natural Resources Board and the Department greater flexibility to establish priorities and allocate funding among all the various constituencies and projects within stewardship. Conversely, it would also reduce legislative input as to how the funding would be utilized among the competing purposes.

9. One of the issues considered by the Task Force was whether a third category should be created in the stewardship program for grants to local units of government and NCOs. Concern was expressed by some Task Force members that not specifying a particular amount of money earmarked for local units of government and NCOs could create tension between state and local conservation efforts as both interests would be in direct competition for program funding.

10. This concern is reflected in the recommendations of the Building Commission, which creates three main subprograms under Stewardship 2000: (a) land acquisition; (b) property development; and (c) local assistance. The annual subprogram bonding would be determined by multiplying the overall annual bonding level by 55 percent, 25 percent and 20 percent, respectively, after deducting allocations for the bluff protection, Baraboo Hills and state CREP subprograms.

11. The Committee can choose from among several variations of the three basic approaches as represented by the current stewardship program, the Task Force recommendations or the Building Commission language, based on how much authority it is judged appropriate to give to the Department, the Natural Resources Board and the Legislature in determining the overall spending priorities of the program and how many specific sources of funding should be earmarked for particular purposes, if any.

ALTERNATIVES

1. Approve the Building Commission's recommendation to specify that the base annual bonding authority amounts for the land acquisition, property development and local assistance subprograms of Stewardship 2000 be calculated by multiplying the annual overall bonding authority for a fiscal year by 55 percent, 25 percent and 20 percent, respectively, and that that any base amount set aside for other subprograms be subtracted from the annual overall bonding authority for the fiscal year before applying the percentages. (The bluff protection, Baraboo Hills and CREP subprograms are addressed in subsequent issue papers.)
2. Apply the current law allocation of funding between components to the bonding level authorized for the Stewardship 2000 program, as shown in the attachment.
3. Create two subprograms within the stewardship program as recommended by the Task Force: (a) the Land Heritage Fund, funded at 75% of the annual bonding allocation; and (b) the Recreational Development and Habitat Restoration Fund, funded at 25% of the annual bonding allocation. The Department, local units of government and NCOs would be eligible under both categories.
4. Take no action. (Annual bonding allocations would not be allocated among any statutory categories.)

Prepared by: Russ Kava

Attachment

ATTACHMENT

Current Law Allocations Applied to Building Commission Bonding Recommendations

Fiscal Year	General Land Acquisition	General Property Development	Local Park Aids	Lower Wisc. State Riverway	Urban Rivers	Habitat Areas	Natural Areas Acquisition	Stream Bank Protection	Trails	Urban Green Spaces	Natural Areas Heritage Program	Ice Age Trail	Total
2000-01	\$7,300,000	\$3,800,000	\$2,400,000	\$2,200,000	\$2,100,000	\$1,600,000	\$1,600,000	\$1,100,000	\$1,100,000	\$800,000	\$500,000	\$500,000	\$25,000,000
2001-02	7,300,000	3,800,000	2,400,000	2,200,000	2,100,000	1,600,000	1,600,000	1,100,000	1,100,000	800,000	500,000	500,000	25,000,000
2002-03	7,700,000	4,100,000	2,600,000	2,300,000	2,200,000	1,800,000	1,800,000	1,200,000	1,200,000	900,000	600,000	600,000	27,000,000
2003-04	8,900,000	4,500,000	2,900,000	2,600,000	2,500,000	1,900,000	1,900,000	1,300,000	1,300,000	1,000,000	600,000	600,000	30,000,000
2004-05	9,700,000	5,000,000	3,200,000	2,900,000	2,700,000	2,100,000	2,100,000	1,400,000	1,400,000	1,100,000	700,000	700,000	33,000,000
2005-06	10,300,000	5,500,000	3,500,000	3,100,000	3,000,000	2,300,000	2,300,000	1,600,000	1,600,000	1,200,000	800,000	800,000	36,000,000
2006-07	11,400,000	5,900,000	3,800,000	3,400,000	3,200,000	2,500,000	2,500,000	1,700,000	1,700,000	1,300,000	800,000	800,000	39,000,000
2007-08	12,200,000	6,400,000	4,100,000	3,600,000	3,500,000	2,700,000	2,700,000	1,800,000	1,800,000	1,400,000	900,000	900,000	42,000,000
2008-09	13,100,000	6,800,000	4,400,000	3,900,000	3,700,000	2,900,000	2,900,000	1,900,000	1,900,000	1,500,000	1,000,000	1,000,000	45,000,000
2009-10	<u>13,900,000</u>	<u>7,300,000</u>	<u>4,700,000</u>	<u>4,200,000</u>	<u>3,900,000</u>	<u>3,100,000</u>	<u>3,100,000</u>	<u>2,100,000</u>	<u>2,100,000</u>	<u>1,600,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>48,000,000</u>
Total	\$101,800,000	\$53,100,000	\$34,000,000	\$30,400,000	\$28,900,000	\$22,500,000	\$22,500,000	\$15,200,000	\$15,200,000	\$11,600,000	\$7,400,000	\$7,400,000	\$350,000,000