



## Legislative Fiscal Bureau

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

---

May 5, 2011

Joint Committee on Finance

Paper #476

### **Fish and Wildlife Account Overview (DNR -- Fish, Wildlife, and Recreation)**

---

#### **CURRENT LAW**

The conservation fund is a segregated (SEG) trust fund used to finance many of the state's resource management programs administered by the Department of Natural Resources (DNR). The conservation fund is divided into nine accounts, the largest of which is the fish and wildlife account.

#### **OVERVIEW OF THE FISH AND WILDLIFE ACCOUNT**

The primary source of revenue to the fish and wildlife account is the fees charged for hunting, fishing, and special licenses and stamps. 2005 Act 25 increased certain hunting and fishing license fees, effective July 27, 2005. Fees have not been increased since then. Table 1 shows current major hunting and fishing license fees and the number sold during 2009-10.

**TABLE 1****Major Hunting and Fishing License Fees and Fiscal Year 2009-10 Sales**

	<u>Current Fee</u>	<u>2009-10 Licenses Sold</u>
<b>Resident Hunting</b>		
Small Game	\$18.00	92,307
Senior Small Game	9.00	13,791
Youth Small Game	9.00	14,253
Deer	24.00	418,111
Youth Deer	20.00	60,977
10 and 11 Year Old Deer	7.00	10,270
Bonus Deer	12.00	127,291
Antlerless Herd Control	0.00	839,317
Elk	49.00	0
Class A Bear	49.00	435
Class B Bear	14.00	9,122
Archery	24.00	179,824
Youth Archery	20.00	15,609
10 and 11 Year Old Archery	7.00	1,242
Wild Turkey	15.00	125,378
Extra Turkey Tag	10.00	70,667
Trapping	20.00	4,229
<b>Nonresident Hunting</b>		
Annual Small Game	\$85.00	6,943
Five-day Small Game	55.00	3,875
Deer	160.00	30,139
Bonus Deer	20.00	10,595
Antlerless Herd Control	0.00	45,409
Elk	251.00	0
Class A Bear	251.00	186
Class B Bear	110.00	337
Archer	160.00	8,637
Wild Turkey	60.00	4,946
Extra Turkey Tag	15.00	2,927
Furbearing Animal	160.00	76
<b>Hunting Stamps</b>		
Pheasant	\$10.00	39,381
Waterfowl	7.00	56,778
Wild Turkey	5.25	117,881
<b>Resident Fishing</b>		
One-Day	\$8.00	N/A
Annual	20.00	530,875
Senior Annual	7.00	107,278
Youth Annual	7.00	33,028
Husband and Wife	31.00	119,872
Disabled	7.00	15,401
Disabled Veteran	3.00	3,287
Sturgeon Spearfishing	20.00	10,437
Sturgeon Hook and Line	20.00	722

	<u>Current Fee</u>	<u>2009-10 Licenses Sold</u>
<b>Nonresident Fishing</b>		
Individual:		
One-Day	\$10.00	N/A
Annual	50.00	90,501
Fifteen-day	28.00	35,624
Four-day	24.00	98,116
Family:		
Annual	65.00	34,364
Fifteen-day	40.00	17,069
Sturgeon Spearing	65.00	181
Sturgeon Hook and Line	50.00	196
<b>Fishing Stamps</b>		
Inland Trout	\$10.00	140,491
Great Lakes Trout and Salmon	10.00	132,425
Two Day Great Lakes Fishing	14.00	33,083
Two Day Inland Lake Trout	14.00	511
<b>Resident Multiple Licenses</b>		
Conservation Patron	\$165.00	42,863
Junior Patron	75.00	4,116
Sports License	60.00	56,510
Junior Sports	35.00	3,032
<b>Nonresident Multiple Licenses</b>		
Conservation Patron	\$600.00	88
Junior Patron	77.00	656
Sports License	275.00	458
Junior Sports	36.00	3,318

Notes: Fees shown include the issuing fee, and the wildlife damage surcharge where applicable.

Table 2 shows selected hunting and fishing license fees in Wisconsin and surrounding states. The table indicates that Wisconsin's resident deer hunting fees may be lower than most surrounding states, while fishing license fees are near the top. Small game and nonresident deer licenses appear to fall in the middle.

**TABLE 2****2010 Selected Hunting and Fishing Licenses**

	<u>Illinois*</u>	<u>Iowa*</u>	<u>Michigan</u>	<u>Minnesota</u>	<u>Wisconsin</u>
<b>Resident</b>					
Deer	\$25.50	\$28.50	\$15.00	\$27.00	\$24.00
Small Game	12.50	19.00	15.00	20.00	18.00
Annual Fishing	15.00	17.50	15.00	18.00	20.00
<b>Nonresident</b>					
Deer	\$300.50	\$228.00**	\$138.00	\$142.00	\$160.00
Small Game	57.75	112.00	69.00	85.50	85.00
Annual Fishing	31.50	41.00	34.00	40.50	50.00
Habitat Stamp	\$5.50	\$13.00	N/A	N/A	N/A

\* Must purchase a general (small game) hunting license, in addition to the listed deer license. Further, all hunters must purchase a habitat stamp.

\*\* Antlerless deer only. In addition, a limited number of nonresident licenses (currently 6,000) that allow for the taking of a buck (or an antlerless deer) are available to non-residents through a lottery for a fee of \$426.

Revenues from the fish and wildlife account support approximately 610 permanent positions in the Department of Natural Resources and are used to fund a variety of activities. Some sources of revenue (such as stamps) to the account are statutorily designated for specific purposes rather than for general fish and game activities. Fish and wildlife account revenues that are not statutorily designated for specific purposes support approximately 450 authorized permanent staff who carry out the fish and wildlife management and law enforcement functions of the department.

Of these 450 positions, approximately 50 are currently vacant, 10 of which would be removed under the elimination of long-term vacancies item in the bill. This 11% vacancy rate is expected to significantly reduce 2010-11 expenditures (by approximately \$3.5 million). DNR indicates that the Department will continue to hold vacancies in order to limit salary and related costs through most of the 2011-13 biennium and maintain a positive available balance in the fish and wildlife account. Therefore, 2011-13 expenditures are expected to be at least \$2 million lower than authorized due primarily to the existing vacancies. These reductions will limit the Department's activities in most aspects of fish and wildlife management programs and conservation law enforcement. For the current fiscal year and the next two (2011-13 biennium) DNR plans to reduce authorized expenditures levels by a total of almost \$9 million.

With these substantial planned reductions, the fish and wildlife account would be projected to have an available balance of approximately \$24,000 on June 30, 2013, as shown in Table 3. As some sources of revenue to the account are dedicated to specific purposes, the Department is unable to utilize them for general fish and wildlife account expenditures. Therefore, these dedicated revenues (such as trout stamp or waterfowl stamp revenues) are

shown in the table as part of the fish and wildlife account continuing balance. Further, authorized expenditures under the bill would exceed anticipated revenues to the fish and wildlife account by over \$3 million annually creating a structural imbalance in the account. Therefore, either fee increases, expenditure reductions, or a combination of the two will likely be required again in the 2013-15 biennium.

**TABLE 3**  
**Estimated Fish and Wildlife Account Condition**

	<u>Actual</u> 2009-10	<u>Estimated</u> 2010-11	<u>Bill</u> 2011-12	<u>Bill</u> 2012-13
Opening Balance	\$13,782,500	\$14,493,000	\$14,110,300	\$12,250,300
<b>Revenue:</b>				
Hunting Licenses and Stamps	\$30,814,600	\$30,150,000	\$30,375,000	\$30,450,000
Fishing Licenses and Stamps	29,258,700	28,350,000	28,550,000	28,650,000
Combination Licenses	10,156,700	9,250,000	9,275,000	9,275,000
Timber Sales	2,522,200	2,700,000	2,800,000	2,800,000
Tribal Gaming Transfer	3,000,000	3,000,000	3,000,000	3,000,000
All Other Revenue	<u>1,779,000</u>	<u>1,775,000</u>	<u>1,775,000</u>	<u>1,775,000</u>
Total Revenue	\$77,531,200	\$75,225,000	\$75,775,000	\$75,950,000
Total Available	\$91,313,700	\$89,718,000	\$89,885,300	\$88,200,300
<b>Expenditures:</b>				
Law Enforcement	\$17,196,700	\$16,965,800	\$17,457,800	\$17,238,000
Fish Management	16,133,000	16,695,200	16,387,100	16,387,100
Wildlife Management	11,932,600	12,256,900	12,653,100	12,653,100
Wildlife Damage Programs	2,633,100	4,211,500	4,217,100	4,217,100
Stamp Funded Programs	6,182,200	4,568,100	5,196,200	5,196,200
Administration and Technology	4,935,800	5,517,000	5,479,300	5,479,300
Customer Assistance and Licensing	4,900,300	4,015,500	4,025,700	4,025,700
Division Management and Bureau Operations	6,046,800	6,437,100	6,565,300	6,565,300
Debt Service, Maintenance and Development	2,456,800	3,128,900	2,770,600	2,963,900
Taxes and Assessments	346,800	413,100	413,100	413,100
ALIS Contract Fees	3,030,700	2,863,100	2,863,100	2,863,100
All Other	1,025,900	1,085,500	1,106,600	1,106,600
Authorized Expenditures	\$76,820,700	\$78,157,700	\$79,135,000	\$79,108,500
Health Insurance Reserves/27th Payperiod		950,000	1,900,000	1,000,000
Planned Reduction		<u>-3,500,000</u>	<u>-3,400,000</u>	<u>-2,000,000</u>
Total Expenditures	\$76,820,700	\$75,607,700	\$77,635,000	\$78,108,500
Cash Balance	\$14,493,000	\$14,110,300	\$12,250,300	\$10,091,800
Encumbrances/Continuing Balance*	<u>10,067,700</u>	<u>10,067,700</u>	<u>10,067,700</u>	<u>10,067,700</u>
Available Balance	\$4,425,300	\$4,042,600	\$2,182,600	\$24,100

\*Includes amounts encumbered (committed, but not yet paid) as well as continuing balances from certain appropriations (such as trout, waterfowl, or wild turkey stamp programs) that are not available for general appropriation.

Although significant expenditure reductions would be necessary to maintain a positive balance in the fish and wildlife account, the bill includes several increases in authorized expenditures from the fish and wildlife account totaling approximately \$1.2 million over the 2011-13 biennium. Table 4 shows fish and wildlife account expenditure increases by budget item.

**TABLE 4**

**Major Items Increasing Fish and Wildlife Account Expenditures**

<u>Budget Item</u>	<u>2011-12</u>	<u>2012-13</u>	<u>Total</u>
Conservation Warden Recruit Class Support	\$133,500	\$133,500	\$267,000
Conservation Warden Computers	258,300	258,300	516,600
Conservation Warden Radios	219,800	0	219,800
Wildlife Management	<u>113,300</u>	<u>113,300</u>	<u>226,600</u>
Total	\$724,900	\$505,100	\$1,230,000

Under the bill, in order to accommodate these initiatives, existing programs would need to be reduced by a similar amount. If the Committee wished to allow DNR to fill some vacancies, to maintain existing programs at budgeted levels, and/or to provide additional expenditure authority for certain programs (such as law enforcement), additional revenue would be needed. The following table identifies the amount that would be generated if resident and nonresident gun and archer deer hunting license fees were increased by \$2. Increases of this nature would raise approximately \$1.2 million annually. Approximately \$900,000 in additional revenue would be expected in 2011-12.

**TABLE 5**

**Selected Hunting Fee Increases**

	<u>Current Fee</u>	<u>Alternative Fee</u>	<u>Change to Prior Fee</u>	<u>Annualized Revenue Increase</u>
<b>Hunting</b>				
Resident Gun/Archer Deer	\$24.00	\$26.00	\$2.00	\$1,175,000
Nonresident Deer	160.00	162.00	2.00	<u>75,000</u>
Total Annual Revenue Increase				\$1,250,000

Prepared by: Erin Probst