



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #464

Endangered Resources Reestimate (DNR -- Fish, Wildlife, and Recreation)

[LFB 2013-15 Budget Summary: Page 338, #17]

CURRENT LAW

The endangered resources account of the conservation fund is funded primarily by a voluntary income tax check-off program and two endangered resources license plates (one depicting a timber wolf and one depicting a badger) available for \$25 annually. The endangered resources account supports Bureau of Endangered Resources efforts regarding the inventory of species and natural communities, determinations on the status of native plants, coordinating research, surveys, and habitat projects and managing state natural areas.

GOVERNOR

Shift 1.0 SEG vacant conservation biologist position for endangered resources-related analysis of DOT projects to PR. Provide \$1,328,200 SEG and 11.0 positions in the main endangered resources donations appropriation.

DISCUSSION POINTS

1. Over the last several fiscal years, actual expenditures from the endangered resources donations appropriation have been significantly lower than authorized expenditures. Further, revenue from the voluntary income tax check-off donations has been steadily declining, from \$331,200 in fiscal year 2009-10 to \$285,200 in fiscal year 2011-12, as shown in the following table. Revenues from license plate sales have been relatively stable, despite the introduction of a new license plate depicting a badger effective January 1, 2010. The table shows revenues, authorized (budgeted) expenditure authority, and actual expenditure levels for the past three years. Further, future expenditures from the endangered resources donations appropriation would need to be

reduced by over \$400,000 annually in order for expenditures to be more in line with anticipated revenues.

Endangered Resources Appropriation

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Estimated <u>2012-13</u>	Estimated <u>2013-14</u>	Estimated <u>2014-15</u>
Revenue						
Tax Check-Off	\$331,200	\$310,200	\$285,200	\$260,000	\$240,000	\$220,000
License Plates	378,800	378,800	388,500	380,000	380,000	380,000
Other Revenue	<u>254,400</u>	<u>360,200</u>	<u>216,300</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Total Revenue	\$964,400	\$1,049,200	\$890,000	\$890,000	\$870,000	\$850,000
Authorized Expenditures	\$1,742,700	\$1,742,700	\$1,463,700	\$1,463,700	\$1,328,200	\$1,328,200
Actual Expenditures	<u>1,699,900</u>	<u>885,700</u>	<u>811,400</u>	<u>875,000</u>	<u>900,000</u>	<u>900,000</u>
Difference	\$42,800	\$857,000	\$652,300	\$588,700	\$428,200	\$428,200

2. Of the 11.0 authorized positions under the bill, 4.5 are currently vacant. However, 1.0 natural resources policy and budget analyst position is currently in the process of being filled (interviews being conducted the second week of May, 2013). DNR indicates that they intend to fill the remaining 3.5 positions, but, due to lack of revenue, would likely have to shift at least part of the funding for these positions to federal or other sources. An option would be to delete 2.0 positions and some additional limited-term employee (LTE) and supplies funding to reestimate the appropriation at \$900,000 annually (Alternative 1). While expenditure authority may still somewhat exceed currently estimated revenues, the account had a balance of approximately \$600,000 on July 1, 2012 and revenues may fluctuate somewhat over the biennium.

ALTERNATIVES

1. Delete \$428,200 SEG annually and 2.0 positions to reestimate the main endangered resources donations appropriation [20.370(1)(fs)] to \$900,000 annually (9.0 positions would remain authorized).

ALT 1	Change to Bill	
	Funding	Positions
SEG	- \$856,400	- 2.00

2. Take no action. The appropriation would remain at \$1,328,200 annually with 11.0 positions (authorized expenditures would significantly exceed anticipated revenues over the 2013-15 biennium).

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