

Natural Resources

Fish, Wildlife, and Natural Heritage Conservation

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LFB Summary Items for Which an Issue Paper Has Been Prepared

<u>Item #</u>	<u>Title</u>
1	License and Approval Fee Increases (Paper #530)
2	Wolf Monitoring and Abatement Projects (Paper #531)
3	Habitat Strategy and Planning System (Paper #532)
5	Tribal Fish Hatchery Maintenance Grants (Paper #533)
6	Hatchery and Creel Survey Funding (Paper #534)
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<u>Item #</u>	<u>Title</u>
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7	Lac du Flambeau Approval Fees
9	Endangered Resources Match
10	Wild Rice Restoration and Public Education
11	Wild Rice Management Coordinator



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Joint Committee on Finance

Paper #530

License and Approval Fee Increases (Natural Resources -- Fish, Wildlife, and Natural Heritage Conservation)

[LFB 2025-27 Budget Summary: Page 480, #1]

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 10 accounts, including 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. The account supports the fish and wildlife management functions of the Department.

DISCUSSION POINTS

Account Revenues

1. In 2023-24, approximately 92.7% of the revenues, excluding a \$25.0 million transfer from the forestry account of the conservation fund, that were directed to the fish and wildlife account were associated with the fees charged for hunting, fishing, and other types of licenses, permits, stamps, and approvals. Deer hunting licenses are a primary source of revenue to the fish and wildlife account. These licenses primarily include gun deer licenses and archery licenses issued to residents, nonresidents, and youths. In fiscal year 2023-24, 342,118 resident gun deer licenses, not including resident youth gun deer licenses, were sold, a decrease of 16.5% since 2013-14, raising \$8,210,800 for the Department. In fiscal year 2023-24, 25,767 nonresident gun deer licenses were sold, a decrease of 0.8% since 2013-14, raising \$5,153,400. In fiscal year 2023-24, resident and nonresident deer gun licenses combined accounted for 17.6% of revenue to the fish and wildlife account.

2. In addition to licenses purchased primarily for recreational fish and game activities, several types of licenses are required for specialized commercial fish and game activities. Other revenues to the account include stumpage revenues from timber sales on state habitat and wildlife areas, fees paid for hunter education and safety programming, an annual \$3 million transfer of tribal gaming revenue, and penalties and assessments for violating fish and game laws.

3. Many categories of licenses have had decreased sales over the past 11 years. Although there has been a trend of increases in archery license sales and in combination approvals, such as conservation patron licenses and sports licenses, overall resident and nonresident license sales have fallen. Table 1 below provides license sales for select categories of hunting and fishing licenses and approvals from fiscal year 2013-14 through 2023-24.

TABLE 1
Select Hunting and Fishing License Sales

	Fiscal Year					
	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
Resident Categories¹						
Small Game	106,371	107,540	108,965	102,069	95,431	87,536
Gun Deer	474,382	458,608	465,130	450,170	440,490	425,214
Archery ²	188,637	201,964	152,146	203,525	204,712	200,196
Turkey	96,485	95,518	96,308	90,664	88,227	85,542
Conservation Patron and Sports Licenses	96,737	96,210	98,168	93,277	97,209	99,121
Fishing	<u>766,862</u>	<u>763,466</u>	<u>848,549</u>	<u>721,193</u>	<u>722,710</u>	<u>696,270</u>
Resident Subtotal	1,729,474	1,723,306	1,769,266	1,660,898	1,648,779	1,593,879
Nonresident Categories¹						
Small Game	7,363	7,398	7,879	7,895	7,670	7,237
Gun Deer	25,962	24,176	25,390	25,195	25,498	25,496
Archery ²	7,441	7,650	6,904	8,539	8,884	9,173
Turkey	3,647	3,831	3,819	3,824	3,827	3,999
Conservation Patron and Sports Licenses	4,720	4,514	4,562	4,183	4,249	4,358
Fishing	<u>259,218</u>	<u>283,750</u>	<u>263,333</u>	<u>257,570</u>	<u>259,418</u>	<u>250,438</u>
Nonresident Subtotal	308,351	331,319	311,887	307,206	309,546	300,701
Total	2,037,825	2,054,625	2,081,153	1,968,104	1,958,325	1,894,580

TABLE 1 (continued)**Select Hunting and Fishing License Sales**

	Fiscal Year					Percentage Change
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	2013-14 through <u>2023-24</u>
Resident Categories¹						
Small Game	86,481	90,104	86,265	85,014	83,327	-21.7%
Gun Deer	413,375	406,776	398,855	389,342	388,795	-18.0
Archery ²	200,745	216,403	211,570	207,799	206,792	9.6
Turkey	88,883	89,614	85,520	84,407	85,677	-11.2
Conservation Patron and Sports Licenses	109,349	112,073	111,872	112,952	125,622	29.9
Fishing	<u>779,849</u>	<u>712,903</u>	<u>674,960</u>	<u>687,506</u>	<u>650,320</u>	-15.2
Resident Subtotal	1,678,682	1,627,873	1,569,042	1,567,020	1,540,533	-10.9%
Nonresident Categories¹						
Small Game	7,352	8,041	8,436	8,669	8,771	19.1%
Gun Deer	25,394	22,550	25,967	26,439	25,767	-0.8
Archery ²	9,438	10,499	11,377	12,026	12,186	63.8
Turkey	3,762	4,299	4,338	4,476	4,790	31.3
Conservation Patron and Sports Licenses	4,288	4,539	4,560	4,531	4,892	3.6
Fishing	<u>252,512</u>	<u>272,259</u>	<u>258,414</u>	<u>255,130</u>	<u>235,838</u>	-9.0
Nonresident Subtotal	302,746	322,187	313,092	311,271	292,244	-5.2%
Total	1,981,428	1,950,060	1,882,134	1,878,291	1,832,777	-10.1%

¹ License categories include multiple license types; for example, the resident small game category includes small game, senior small game, and youth small game licenses.

² Includes both archer and crossbow license types.

4. Fish and wildlife account revenues have remained stagnant in recent years, in part due to the reduction in license sales shown above, averaging \$75.6 million from 2013-14 through 2023-24. Table 2 below provides revenues for the fish and wildlife account from 2013-14 through 2023-24, excluding transfers.

TABLE 2**Fish and Wildlife Account Revenues**

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Percentage Change</u>
2013-14	\$74,294,500	--
2014-15	74,159,200	-0.2%
2015-16	78,612,700	6.0
2016-17	72,302,100	-8.0
2017-18	79,469,900	9.9
2018-19	73,877,800	-7.0
2019-20	77,905,200	5.5
2020-21	79,476,300	2.0
2021-22	70,709,200	-11.0
2022-23	75,542,000	6.8
2023-24	75,722,600	0.2

Source: DNR annual financial reports.

5. Concerns about stagnant or declining revenues of the fish and wildlife account have persisted for several recent biennia. A 2016 report required under 2015 Wisconsin Act 55 recommended one or more of the following: (a) increasing license fees; (b) creating flexible license packages, in which patrons could buy multiple licenses together, at a discount; (c) creating a loyalty program or automatic renewal options to encourage patrons to buy every year, reducing turnover; (d) charging admission fees at state wildlife areas, fisheries, and natural areas; (e) creating a non-motorized watercraft fee, levied on sailboats, canoes, and kayaks; and (f) selling gift cards and other flexible payment methods. The options presented have mostly not been implemented. Certain license fee increases have been enacted, as discussed later. The legislature has authorized language to create automatic renewals, but DNR and DOA have encountered difficulties in deploying a system with the necessary security and functionality.

Account Expenditures

6. In 2024-25, the fish and wildlife account supports 513 full-time equivalent DNR staff positions and is used to fund a variety of activities. Fish and wildlife account revenues that are not statutorily designated for specific purposes are used to support the conservation law enforcement and fish and wildlife management functions of the Department. These functions include: (a) law enforcement activities performed primarily by conservation wardens, who are responsible for the investigation and enforcement of laws relating to fish and wildlife; (b) management activities related to monitoring, maintaining, and enhancing aquatic ecosystems and sport and commercial fisheries; (c) wildlife management activities, including managing and regulating various species such as deer, bear, geese, turkey, and waterfowl, as well as handling urban wildlife, captive wildlife, and wildlife rehabilitation issues, and operating the state game farm at Poynette where pheasants are raised for stocking on public hunting grounds; and (d) grants to counties and tribal governing bodies for up to 50% of the costs of certain county fish and game management projects.

7. In addition, some fish and wildlife account revenues are dedicated to supporting specific activities. These activities include the wildlife damage claims and abatement program and stamp-funded programs for the management of habitat and monitoring of specific species, including pheasant, salmon, trout, waterfowl, and wild turkey. DNR also contracts with a third party to operate the statewide automated license issuance system, known as Go Wild.

Account Condition

8. Attachment 1 shows the condition of the fish and wildlife account through June 30, 2024, and the estimated condition through June 30, 2027. The Attachment estimates the condition of the fish and wildlife account in 2025-26 and 2026-27 under Joint Committee on Finance action to date, as well as items remaining under consideration by the Committee from Senate Bill 45/Assembly Bill 50. The account had an available balance of \$16.2 million on July 1, 2024. It is estimated to have an available balance of -\$19.2 million under Committee action to date. It is estimated to have an available balance of \$23.4 million on July 1, 2027, under Committee action to date and assuming the adoption of items remaining under consideration from SB 45/AB 50.

9. As shown in Attachment 1, expenditures from the fish and wildlife account totaled \$92.9 million in 2023-24 and revenues and transfers totaled \$100.7 million. In recent fiscal years, fish and wildlife account revenues have regularly been less than expenditures. 2023 Wisconsin Act 19 authorized a \$25.0 million one-time transfer in 2023-24 to the fish and wildlife account from the forestry account, which is represented in the other revenues and transfers category of the Attachment. Under Committee action to date, budgeted expenditures would be greater than estimated revenues for both 2025-26 and 2026-27 and would result in a closing cash balance of \$2.9 million at the end of 2026-27. Under Committee action to date, and assuming the adoption of items remaining under consideration from SB 45/AB 50, estimated revenues are estimated to be greater than budgeted expenditures for both 2025-26 and 2026-27, due to the increase of the statutory fee amounts for hunting, fishing, and other types of licenses, permits, stamps, and approvals.

10. As discussed above, some fish and wildlife account revenues are dedicated to supporting specific activities and cannot be used for other purposes. Therefore, the estimated structural balance of the fish and wildlife account's general revenues and expenditures must reflect the base-level general account revenues, and the expenditures supported by these proceeds, with the expenditures and revenues dedicated to supporting specific activities removed. In this analysis, actual revenues from 2023-24 and cost-to-continue expenditures for the 2025-27 biennium were utilized. The fish and wildlife account's general revenues are estimated to be \$14.9 million less than general expenditures each year of the 2025-27 biennium. This is somewhat less than, but still comparable to, the account imbalance estimated by DNR staff in a January, 2024, presentation to the Natural Resources Board; at that time, the imbalance was estimated at \$15.9 million annually.

11. To address the structural imbalance of the account, the Department reports that it has had to utilize a higher proportion of the federal funding that it receives from its apportionments from the Federal Aid in Wildlife Restoration (Pittman-Robertson) and the Federal Aid in Sport Fish Restoration (Dingell-Johnson) Acts for fish and wildlife management activities. Wisconsin's apportionment of Pittman-Robertson funding was \$25.7 million in federal fiscal year 2025 and

Sport Fish Restoration funding was \$12.9 million. The Department also reports that it has had to utilize stamp-funded program revenues to support fish and wildlife management activities that would otherwise be supported by general account revenues. These activities benefit the statutorily-designated species, but also other species more generally.

A. License and Approval Fee Increases

12. 2023 Wisconsin Act 19 increased fees by the following amounts for nonresident licenses: (a) \$40 for the deer license; (b) \$20 for sports and conservation patron licenses respectively; and (c) \$5 for annual small game, five-day small game, archer, crossbow, fur-bearing, wild turkey, annual fishing, annual family fishing, 15-day fishing, 15-day family fishing, four-day fishing, and one-day fishing licenses respectively. 2023 Wisconsin Act 99 subsequently increased the non-resident archer and crossbow licenses by a further \$35, for a total increase of \$40, effective March 1, 2024.

13. Fees for resident licenses have not been adjusted since 2005. Resident gun deer licenses had previously been increased in 1997, 1991, 1987, 1983, 1979, and 1974. As the prices of labor, materials, land and leases, and other goods and services have increased, the real value of fishing and hunting license revenues has decreased. For instance, the U.S. Consumer Price Index for all urban consumers (CPI-U) has increased 64% since July, 2005, when the last general fee increase affecting resident licenses was enacted.

14. Table 3 compares the cost of resident and nonresident deer hunting licenses in Wisconsin and neighboring states. Prices shown in the table reflect the cumulative cost of deer hunting licenses, including issuing fees, surcharges, and base license fees, where applicable. As shown in the table, the price of deer hunting in Wisconsin is lower for residents than in all neighboring states and lower for nonresidents than in most neighboring states.

TABLE 3

State Deer Hunting License Fees

<u>State</u>	<u>Resident</u>	<u>Nonresident</u>
Wisconsin	\$24.00	\$200.00
Illinois	41.50	339.75
Indiana	39.00	240.00
Iowa	55.00	644.00
Michigan	31.00	171.00
Minnesota	35.00	186.00

15. SB 45/AB 50 would increase the statutory fee amounts for hunting, fishing, and other types of licenses, permits, stamps, and approvals. License fees are intended to be increased to amounts that would stabilize the fish and wildlife account of the conservation fund and address the structural imbalance in the account. The changes to fees would take effect on March 1, 2026, which is the beginning of license year 2026-27. The Department estimates that the increase in the

statutory fee amount would keep the account structurally balanced for five years, accounting for inflation and reductions to license sales.

16. Attachment 2 provides statutory fee amounts for each of the licenses, permits, stamps, and other approvals that would be modified by the provision categorized by resident licenses and approvals, nonresident licenses and approvals, and licenses and approvals available to residents and nonresidents. The amounts do not include issuing and other fees. In most cases, licenses would incur \$0.75 issuing fees, and stamps and certain other authorizations would incur \$0.25 issuing fees. Hunting approvals also would incur the wildlife damage surcharge; under current law and the bill, this surcharge is \$4 for conservation patron licenses and \$2 for most other hunting approvals. Using license year 2024-25 sales (March 1, 2024, through February 28, 2025), these fee increases would be estimated to generate \$34.1 million in additional revenue annually once phased in. Since DNR indicates that half of license revenues typically occur between March 1 and June 30, it is estimated that the provision under SB 45/AB 50 would generate \$17.05 million in additional revenue in 2025-26 and \$34.1 million in 2026-27. Approximately \$4,700 of the additional revenue would be directed towards the endangered resources account of the conservation fund, with the rest of the revenue directed towards the fish and wildlife account.

17. Of the \$34.1 million in estimated additional revenue per year generated under SB 45/AB 50, \$27.2 million would be generated by increases to resident licenses and approvals, \$3.9 million would be generated by increases to nonresident licenses and approvals, and \$3.0 million would be generated by increases to licenses and approvals available to residents and nonresidents. Resident hunting license revenue increases would total \$16.3 million, and increases from resident fishing licenses and authorizations would total \$7.2 million. Resident combination licenses would account for increases of \$3.5 million, while other resident approvals would account for increases of \$0.2 million. Table 4 below shows the license year 2024-25 sales and estimated revenue increase by the type of individual the license or approval is available to.

TABLE 4**License and Approval Fees and License Year 2024-25 Sales and Revenues -- SB 45/AB 50**

	<u>License Year 2024-25 Sales</u>	<u>Revenue Increase</u>
Resident Licenses and Approvals		
Resident Hunting Licenses	867,862	\$16,278,700
Resident Fishing Licenses	716,260	7,220,900
Other Resident Licenses and Approvals	<u>130,115</u>	<u>3,701,600</u>
Subtotal	1,714,237	\$27,201,200
Nonresident Licenses and Approvals		
Nonresident Hunting Licenses	60,738	\$1,172,500
Nonresident Fishing Licenses	246,506	2,480,500
Other Nonresident Licenses and Approvals	<u>5,768</u>	<u>220,300</u>
Subtotal	313,012	\$3,873,300
Licenses and Approvals Available to Residents and Nonresidents		
Hunting Stamps	174,434	\$1,004,100
Fishing Stamps	311,517	2,016,500
Other Licenses and Approvals Available to Residents and Nonresidents	<u>1,820</u>	<u>19,000</u>
Subtotal	487,771	\$3,039,600
Total	2,515,020	\$34,114,100

18. As discussed above, 2023 Acts 19 and 99 increased the fees for certain nonresident licenses. Although the fees for nonresident licenses are higher than resident licenses of the same type, the number of sales of nonresident licenses are significantly lower, as shown in Table 1. Therefore, as shown in Table 4, the fee increases for nonresident licenses and approvals would only generate approximately 11.4% of the estimated revenue increase under SB 45/AB 50. Also, if fees for nonresident licenses and approvals are continually raised, it is possible that license sales will concurrently decrease as certain consumers resist price increases, and nonresident license and approval fee increases could result in limited overall revenue increases.

19. Given the current structural condition of the fish and wildlife account, as well as the length of time since the last general fee increase and the decrease in the inflation-adjusted value of many current license fees, the Committee could consider some or all fee increases under SB 45/AB 50. The Committee could consider increasing the statutory fee amounts for hunting, fishing, and other types of licenses, permits, stamps, and approvals by the amounts in SB 45/AB 50, effective March 1, 2026 [Alternative A1]. The Committee could consider increasing the statutory fee amounts for hunting, fishing, and other types of licenses, permits, stamps, and approvals available to nonresidents and for those available to both residents and nonresidents by the amounts in SB 45/AB 50, effective March 1, 2026 [Alternative A2]. The Committee could consider increasing the statutory fee amounts for nonresident hunting, fishing, and other types of licenses, permits, stamps, and approvals by the amounts in SB 45/AB 50, effective March 1, 2026 [Alternative A3].

Table 5 below summarizes the preceding alternatives.

TABLE 5

Estimated Revenue Increases from License and Approval Fees Alternatives

	Alternative A1 Revenue Increase		Alternative A2 Revenue Increase		Alternative A3 Revenue Increase	
	<u>2025-26</u>	<u>2026-27</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2025-26</u>	<u>2026-27</u>
Resident Licenses and Approvals	\$13,600,600	\$27,201,200				
Nonresident Licenses and Approvals	1,936,600	3,873,300	\$1,936,600	\$3,873,300	\$1,936,600	\$3,873,300
Licenses and Approvals Available to Residents and Nonresidents	<u>1,519,800</u>	<u>3,039,600</u>	<u>1,519,800</u>	<u>3,039,600</u>		
Total	\$17,057,000	\$34,114,100	\$3,456,400	\$6,912,900	\$1,936,600	\$3,873,300

20. The Committee could consider taking no action relating to the statutory fee amounts for hunting, fishing, and other types of licenses, permits, stamps, and approvals [Alternative A4]. Following years of generally declining license sales, it may be that increasing fees would dissuade additional license holders from renewing in the future. The Committee could consider other alternatives in the following sections in lieu of fee increases.

B. Discounted Licenses

21. DNR offers several different types of licenses and approvals that the Department considers to be discounted, by which lower-priced licenses and approvals are offered to certain types of eligible individuals, as compared to the full-price licenses and approvals offered to the general public. These discounted licenses and approvals can be categorized into the following types: (a) new buyer licenses, under 2011 Wisconsin Act 168, for which DNR is required to issue certain licenses at a reduced fee to persons who have not been issued the relevant type of license in any of the 10 years preceding the date of application; (b) licenses for youth and senior citizens; (c) bonus harvest authorizations; (d) mentored hunting licenses, which are available to individuals of any age who have not completed a required hunter education course and require that the individual stay within arm's reach of a mentor who is 18 years or older and has completed a required hunter education course; (e) licenses for nonresident full-time students in residence at a Wisconsin public or private college; (f) military and veteran licenses; and (g) other license types, such as spousal licenses.

22. In license year 2024-25 (March 1, 2024, through February 28, 2025), DNR reports 981,816 discounted licenses and approvals were sold and \$16,981,300 in revenue was foregone, of which \$16,126,000 was attributable to a discount of the base license fee and \$855,300 was from foregone wildlife damage surcharges and issuing fees. The Department analysis is based on a comparison of the price of discounted licenses and authorizations relative to the standard fee charged for a given authorization. For instance, the analysis assumes each of a first-time (\$5), senior (\$7), youth (\$7), or spousal (\$31) annual resident fishing license would otherwise generate the revenue of the standard \$20 license fee per person each year. As summarized in Table 6, licenses for youth and senior citizens had the largest amount of revenue foregone, at approximately

\$6.1 million in base license revenues.

TABLE 6

License Year 2024-25 Revenue Foregone by Type of Discounted License

<u>Discounted License Type</u>	<u>Licenses Sold</u>	<u>Revenue Foregone</u>
Youth and Senior Citizen Licenses	342,600	-\$6,100,600
Bonus Harvest Authorizations	230,045	-3,779,300
New Buyer Licenses	181,028	-3,979,900
Other Licenses	167,623	-840,300
Mentored Hunting Licenses	42,852	-691,200
Military and Disabled Licenses	16,126	-563,900
Wisconsin College Student Licenses	<u>1,542</u>	<u>-170,800</u>
Total	981,816	-\$16,126,000

23. Discounted licenses can be viewed as important in DNR's sporting recruitment efforts, in that the incentive of a lower fee may encourage new buyers to purchase authorizations to experience hunting and fishing activities. Discounts for youth, senior citizens, and persons with disabilities also could be viewed as worthwhile in that they are intended to benefit persons of potentially lower economic means. However, given that the discounts reduce revenues that could support DNR's resource management activities, it could be viewed as appropriate to provide supplemental funding to offset the cost of the discounts. The general fund could be considered as the source for such a supplement.

24. The Committee could consider creating a GPR appropriation in s. 20.855 of the statutes (Miscellaneous Appropriations) to transfer to the fish and wildlife account [Alternative B1], or transferring from the balance of the forestry account to the fish and wildlife account [Alternative B2], on July 1 of each fiscal year, the amount of revenue that was foregone through the sale of discounted licenses and approvals in the preceding license year (March 1 through February 28 or 29). The Committee could consider taking no action relating to revenue foregone through the sale of discounted licenses by the Department [Alternative B3].

C. Law Enforcement Funding

25. Some appropriations are common to more than one account within the conservation fund. The amounts paid by each account to fund these appropriation's expenditures are intended to reflect the estimated share that each account's programs contribute to the overall expenditure. DNR annually adjusts the percentage that each account contributes to each of these appropriations based on a variety of factors. These factors include: (a) land acreage from each account supported by the appropriation; (b) the full-time equivalent work effort performed in support of each account; and (c) revenues or transactions generated by each account. Split-funded appropriations include: (a) internal services; (b) external services; (c) division management, including enforcement and land program management; (d) facilities and lands operations; (e) endangered resources

operations; (f) administrative facility repair and debt service; (g) aids in lieu of taxes; (h) rent and property maintenance; (i) taxes and assessments; (j) education and safety; and (k) handling fees.

26. Under Committee action to date, DNR has been provided \$45.4 million in 2025-26 and \$45.6 million in 2026-27 for law enforcement, education, and safety activities. These amounts include approximately \$34.5 million conservation SEG each year and \$1.9 million GPR each year, with remaining amounts from PR, FED, and environmental fund SEG. The conservation SEG funding is provided through dedicated appropriations of certain accounts, such as the snowmobile and boat registration accounts, but also through split-funded appropriations. The fish and wildlife SEG amounts provided for law enforcement activities are provided solely through split-funded appropriations. In 2023-24, the fish and wildlife account expended \$19,002,600 for law enforcement, education, and safety activities. The conservation SEG general program operations appropriation for law enforcement activities, from which \$17,900,000 was expended from the fish and wildlife account in 2023-24, is funded 71% from the fish and wildlife account, 14% from the parks account, 7% from the forestry account, 6% from the boat registration account, 2% from the ATV account, and remaining amounts from the snowmobile and water resources accounts.

27. The Committee could consider transferring \$28,224,200 SEG each year and 158.05 positions, the amounts provided by Committee action to date, from the conservation SEG general program operations appropriation for law enforcement activities to the GPR general program operations appropriations for law enforcement activities [Alternative C1]. This would result in approximately \$20.1 million less in budgeted expenditures for the fish and wildlife account in 2025-26 and 2026-27. However, this would also result in less budgeted expenditures for other conservation fund accounts.

28. The Committee could also consider creating a GPR appropriation in s. 20.855 of the statutes [Alternative C2] to transfer to the fish and wildlife account, on July 1 of each fiscal year, the amount of estimated expenditures from the conservation SEG general program operations appropriation for law enforcement activities that are designated to be from the fish and wildlife account. This would be \$20,126,400 each year, as shown in Attachment 1 for law enforcement funding under Committee action to date. The Committee could also specify that amounts expended each fiscal year under s. 20.370(3)(mu) for enforcement of state fish and wildlife laws and regulations are to be debited from conservation SEG amounts received for forestry purposes [Alternative C3]. Either alternative would be presumed not to affect the budgeted expenditures for other conservation fund accounts. The Committee could also consider taking no action relating to law enforcement funding [Alternative C4].

D. Forestry Account Transfer

29. The forestry account had an available balance of \$98.7 million on July 1, 2024. Under a cost-to-continue scenario, which includes the base budget, standard budget adjustments, and debt service reestimate amounts, the forestry account is estimated to have an available balance exceeding \$270.0 million on July 1, 2027.

30. The sizeable balance in the forestry account is primarily due to the fact that, under current law, there is an annual transfer from the general fund to the forestry account equal to the

amount determined by multiplying the value of all taxable property in the state by a rate of 0.1697 mills. For the 2025-27 biennium, the estimated current law transfer amount will equal \$166.0 million in 2025-26 and \$173.1 million in 2026-27. These amounts were included in the Committee's May 8 approval of Paper #106.

31. The Committee could consider providing a one-time transfer in 2025-26 from the balance of the forestry account to the fish and wildlife account in the following amounts: (a) \$29,840,000 [Alternative D1], the biennial amount of the estimated difference between general fish and wildlife account revenues and budgeted general expenditures under Committee action to date; or (b) another amount that takes into account the estimated difference between general purpose revenues and budgeted general purpose expenditures under Committee action to date plus any other actions taken by the Committee subsequently which would increase budgeted expenditures. The Committee could also consider taking no action relating to forestry account transfers [Alternative D2].

32. If the Committee took no action to increase revenues for, transfer amounts to, or decrease expenditures from the fish and wildlife account, the Department would have to take significant actions to manage the structural imbalance of the account. With regard to the Department's law enforcement program, DNR reports that it would: (a) limit the number of miles that conservation wardens can drive; (b) reduce overtime hours for conservation wardens; (c) reduce conservation warden recruiting classes; (d) reevaluate future safety equipment purchases; and (e) take other actions as may be necessary. With regard to the Department's wildlife management program, DNR reports that it would: (a) reduce the number of wildlife surveys it performs; (b) reduce the management and maintenance of parking lots, boat landings, and trails on DNR-owned lands; (c) reduce the number of staff for the chronic wasting disease program; (d) reduce the number of limited-term employees it hires to conduct wildlife management activities; and (e) discontinue contracts with conservation groups. In the Department's fisheries management program, DNR reports that it would: (a) reduce the stocking of walleye, muskellunge, and certain trout species; (b) close the Brule, St. Croix Falls, and Osceola cold-water fish propagation facilities; (c) reduce the number of creel surveys and other population monitoring activities that it performs; (d) reduce the number of habitat restoration projects it performs; and (e) reduce its invasive species management.

ALTERNATIVES

A. License and Approval Fee Increases

1. Increase the statutory fee amounts for hunting, fishing, and other types of licenses, permits, stamps, and approvals by the amounts in SB 45/AB 50 and shown in Attachment 2, effective March 1, 2026.

ALT A1	Change to Base
SEG-REV	\$51,171,100

2. Increase the statutory fee amounts for hunting, fishing, and other types of licenses, permits, stamps, and approvals available to nonresidents and for those available to both residents and nonresidents by the amounts in SB 45/AB 50, and shown in Attachment 2, effective March 1, 2026.

ALT A2	Change to Base
SEG-REV	\$10,369,300

3. Increase the statutory fee amounts for nonresident hunting, fishing, and other types of licenses, permits, stamps, and approvals by the amounts in SB 45/AB 50, and shown in Attachment 2, effective March 1, 2026.

ALT A3	Change to Base
SEG-REV	\$5,809,900

4. Take no action relating to license and approval fee increase.

B. Discounted Licenses

1. Create a sum sufficient GPR appropriation in s. 20.855 of the statutes to transfer to the fish and wildlife account, on July 1 of each fiscal year, the amount of revenue that was foregone through the sale of discounted licenses and approvals in the preceding license year (March 1 through February 28 or 29).

ALT B1	Change to Base
GPR	\$32,252,000

2. Transfer \$16,126,000 each year from the balance of the forestry account to the fish and wildlife account on July 1 of each fiscal year, to approximate the amount of revenue that was foregone through the sale of discounted licenses and approvals in the preceding license year (March 1 through February 28 or 29).

3. Take no action relating to discounted licenses.

C. Law Enforcement Funding

1. Transfer \$28,224,200 each year and 158.05 positions from the conservation SEG general program operations appropriation for law enforcement activities to the GPR general program operations appropriations for law enforcement activities.

ALT C1	Change to Base	
	Funding	Positions
GPR	\$56,448,400	158.05
SEG	<u>- 56,448,400</u>	<u>- 158.05</u>
Total	\$0	0

2. Create a GPR appropriation in s. 20.855 of the statutes to transfer to the fish and wildlife account, on July 1 of each fiscal year, the amount of estimated expenditures from the conservation SEG general program operations appropriation for law enforcement activities that are designated to be from the fish and wildlife account.

ALT C2	Change to Base
GPR	\$40,252,800
SEG-REV	\$40,252,800

3. Specify that amounts expended each year from s. 20.370(3)(mu) for enforcement of state fish and wildlife laws and regulations are to be debited from amounts in the conservation fund received for forestry purposes.

4. Take no action relating to law enforcement funding.

D. Forestry Account Transfer

1. Provide a \$29,840,000 one-time transfer from the balance of the forestry account to the fish and wildlife account in 2025-26.

2. Take no action relating to a forestry account transfer.

Prepared by: Jonathan Sandoval
Attachments

ATTACHMENT 1

Fish and Wildlife Account Condition

	2022-23 <u>Actual</u>	2023-24 <u>Actual</u>	2024-25 <u>Budgeted</u>	2024-25 Budgeted <u>Staff</u>	2025-26 <u>JFC to Date</u>	2026-27 <u>JFC to Date</u>	2026-27 <u>Staff</u>	2025-26 JFC to Date/Under <u>Consideration</u>	2026-27 JFC to Date/Under <u>Consideration</u>	2026-27 <u>Staff</u>
Opening Balance	\$35,306,200	\$30,534,100	\$38,354,000		\$30,523,900	\$16,785,000		\$30,523,900	\$29,297,200	
Revenues										
Hunting Licenses and Stamps	\$29,214,100	\$30,363,400	\$30,441,600		\$29,907,900	\$29,937,800		\$39,178,100	\$48,477,000	
Fishing Licenses and Stamps	26,401,200	26,235,900	23,173,100		25,842,400	25,868,300		31,716,200	37,615,900	
Other Licenses and Application Fees	12,872,400	13,630,500	14,458,700		13,426,000	13,439,400		15,273,200	17,133,700	
Other Revenues and Transfers	<u>7,054,300</u>	<u>30,492,800</u>	<u>7,426,600</u>		<u>6,546,300</u>	<u>6,552,800</u>		<u>6,609,800</u>	<u>6,681,100</u>	
Total Revenues	\$75,542,000	\$100,722,600	\$75,500,000		\$75,722,600	\$75,798,300		\$92,777,300	\$109,907,700	
Available Balance	\$110,848,200	\$131,256,700	\$113,854,000		\$106,246,500	\$92,583,300		\$123,301,200	\$139,204,900	
Expenditures										
Fish Management	\$15,138,600	\$19,421,500	\$18,454,400	150.90	\$19,299,400	\$19,299,400	150.90	\$19,787,300	\$19,808,100	150.90
Wildlife Management	10,143,000	12,190,100	13,310,000	106.07	14,182,500	14,182,500	106.07	14,524,900	15,024,900	106.07
Wildlife Damage Claims and Abatement Program	2,726,000	3,012,300	2,950,000		2,950,000	2,950,000		2,950,000	2,950,000	
Stamp Funded Programs	10,030,500	7,482,700	5,757,400	14.59	5,856,700	5,856,700	14.59	5,856,700	5,856,700	14.59
Go Wild Contract Fees	1,971,300	2,612,800	2,863,100		2,863,100	2,863,100		2,863,100	2,863,100	
Other Expenditures	<u>1,590,300</u>	<u>1,554,900</u>	<u>973,900</u>	<u>2.00</u>	<u>1,015,900</u>	<u>1,015,900</u>	<u>2.00</u>	<u>1,015,900</u>	<u>1,015,900</u>	<u>3.00</u>
Subtotal	\$41,599,700	\$46,274,300	\$44,308,800	273.56	\$46,167,600	\$46,167,600	273.56	\$46,997,900	\$47,518,700	274.56
Split-Funded Appropriations										
Internal Services	\$5,627,200	\$6,325,800	\$6,009,000	38.12	\$6,664,400	\$6,664,400	38.12	\$7,466,900	\$6,902,700	38.12
External Services	3,889,000	3,608,800	3,953,200	33.23	4,314,100	4,314,100	33.23	4,357,300	4,357,300	33.23
Land Program Management	1,078,100	1,177,700	751,000	4.77	791,500	791,500	4.77	753,900	753,900	4.77
Law Enforcement	16,341,200	18,746,700	16,998,700	112.70	20,126,400	20,126,400	112.70	22,740,800	22,271,100	112.70
Facilities, Lands, and Property Management	5,126,500	5,799,600	6,047,900	46.07	6,265,800	6,265,800	46.07	6,399,800	6,399,800	46.07
Natural Heritage Conservation	366,900	420,800	420,800	3.20	453,500	453,500	3.20	453,500	453,500	3.20
Administrative Facility Repair and Debt Service	578,600	684,200	2,842,600		2,618,700	2,812,000		2,618,600	2,812,000	
Aids in Lieu of Taxes	-	54,700	66,400		66,400	66,400		66,400	66,400	
Resource Acquisition and Development	2,439,400	3,115,700	392,900		392,900	392,900		548,600	548,600	
Rent and Property Maintenance	1,701,400	2,352,400	1,049,400		1,037,000	1,042,300		1,037,100	1,042,300	
Taxes and Assessments	23,200	37,000	110,600		110,600	110,600		110,600	110,600	
Education and Safety	56,900	255,900	243,300		243,300	243,300		243,300	243,300	
Handling Fees	1,485,400	4,048,400	135,300	0.89	209,100	209,100	0.89	209,100	209,100	0.89
Reservation Fees	<u>600</u>	<u>700</u>	<u>200</u>		<u>200</u>	<u>200</u>		<u>200</u>	<u>200</u>	
Subtotal	\$38,714,400	\$46,628,400	\$39,021,300	238.98	\$43,293,900	\$43,492,500	238.98	\$47,006,100	\$46,170,800	238.98
Total Expenditures	\$80,314,100	\$92,902,700	\$83,330,100	512.54	\$89,461,500	\$89,660,100	512.54	\$94,004,000	\$93,689,500	513.54
Closing Cash Balance	\$30,534,100	\$38,354,000	\$30,523,900		\$16,785,000	\$2,923,200		\$29,297,200	\$45,515,400	
Encumbrances and Continuing Balances	\$26,755,500	\$22,104,500	\$22,104,500		\$22,104,500	\$22,104,500		\$22,104,500	\$22,104,500	
Available Balance	\$3,778,600	\$16,249,500	\$8,419,400		-\$5,319,500	-\$19,181,300		\$7,192,700	\$23,410,900	

ATTACHMENT 2

License and Approval Fees and License Year 2024-25 Sales and Revenues -- SB 45/AB 50

	Current Fee <u>Amount</u> ¹	SB 45/AB 50 <u>Fee Amount</u> ¹	License Year <u>2024-25 Sales</u>	Revenue <u>Increase</u>
Resident Licenses and Approvals				
<i>Resident Hunting Licenses</i>				
Small Game	\$15.25	\$35.25	60,495	\$1,209,900
Small Game Senior	6.25	16.25	17,178	171,780
Small Game Youth	6.25	16.25	5,182	51,820
Deer	21.25	41.25	336,889	6,737,780
Bonus Deer	11.25	21.25	N/A ²	212,960
Bonus Deer in CWD-affected Area	5.75	15.75	N/A ²	1,241,110
Deer Youth	17.25	27.25	31,985	319,850
Elk	46.25	66.25	7	140
Class A Bear	46.25	86.25	8,426	337,040
Archer	21.25	41.25	88,875	1,777,500
Archer Youth	17.25	27.25	5,934	59,340
Crossbow	21.25	41.25	103,053	2,061,060
Crossbow Youth	17.25	27.25	5,185	51,850
Archery/Crossbow Upgrade	2.25	12.25	42,195	421,950
Wild Turkey	12.25	22.25	84,971	849,710
Additional Wild Turkey	9.75	19.75	77,487	774,870
<i>Resident Fishing Licenses</i>				
Annual	\$19.25	\$29.25	397,734	\$3,977,340
Annual Senior	6.25	16.25	163,223	1,632,230
Spousal	30.25	40.25	83,938	839,380
Annual for 16- and 17-year olds	6.25	16.25	10,716	107,160
One-day Fishing	7.25	17.25	12,492	124,920
Two-day Sports Fishing	13.25	23.25	26,063	260,630
Two-day Inland Lakes Trout	13.25	23.25	213	2,130
Annual or Temporary for Disabled Person	6.25	16.25	6,808	68,080
One-day Group Fishing for Developmentally Disabled	24.25	34.25	23	230
Annual or Temporary for Disabled Veteran	2.25	12.25	3,399	33,990
Sturgeon Spearing	19.25	34.25	11,651	174,765
<i>Fishing Tags</i>				
Sturgeon Hook and Line Resident	\$19.75	\$31.75	1,008	\$12,096
<i>Combination Resident Licenses</i>				
Sports	\$57.25	\$77.25	49,725	\$994,500
Sports Youth	32.25	42.25	5,840	58,400
Conservation Patron	160.25	200.25	59,544	2,381,760
Conservation Patron Youth	70.25	80.25	3,818	38,180
Conservation Patron Purple Heart	9.25	19.25	1,025	10,250
Wolf Harvesting	48.25	88.25	0	0
Annual Disabled Veteran Recreation	7.00	17.25	1,576	16,154

	Current Fee <u>Amount</u> ¹	SB 45/AB 50 <u>Fee Amount</u> ¹	License Year <u>2024-25 Sales</u>	Revenue <u>Increase</u>
<i>Guide and Sport Trolling Resident Licenses</i>				
Guide	\$39.25	\$79.25	1,972	\$78,880
Sport Trolling	100.00	140.25	345	13,886
<i>Trapping, Fur, and Taxidermist Resident Licenses</i>				
Trapping	\$19.25	\$39.25	4,094	\$81,880
Trapping Under 16-years Old	9.25	19.25	166	1,660
Mentored Trapping	9.25	19.25	130	1,300
Class A Fur Dealer	25.00	45.00	15	300
Class B Fur Dealer	10.00	30.00	14	280
Taxidermist	50.00	70.00	333	6,660
<i>Resident Commercial Fishing Licenses</i>				
Outlying Waters per Boat	\$899.25	\$919.25	36	\$720
Outlying Waters without Boat	899.25	919.25	0	0
Rough Fish Harvest per Boat	25.00	35.00	0	0
Rough Fish Harvest without Boat	25.00	35.00	0	0
<i>Wild Rice and Ginseng Approvals</i>				
Wild Ginseng Harvest Resident	\$15.00	\$25.00	452	\$4,520
Class A Resident Wild Ginseng Dealer	100.00	110.00	12	120
Class B Resident Wild Ginseng Dealer	500.00	510.00	7	70
Class C Resident Wild Ginseng Dealer	1,000.00	1,010.00	3	30
Resident Licenses and Approvals Subtotal			1,714,237	\$27,201,161
Nonresident Licenses and Approvals				
<i>Nonresident Hunting Licenses</i>				
Annual Small Game	\$87.25	\$107.25	6,749	\$134,980
Five-day Small Game	57.25	67.25	1,859	18,590
Deer	197.25	217.25	24,890	497,800
Bonus Deer	19.25	29.25	N/A ²	95,540
Bonus Deer in CWD-affected Area	5.75	15.75	N/A ²	21,550
Elk	248.25	268.25	0	0
Class A Bear	248.25	288.25	484	19,360
Archer	197.25	217.25	6,962	139,240
Crossbow	197.25	217.25	4,667	93,340
Archery/Crossbow Upgrade	2.25	12.25	3,528	35,280
Fur-bearing Animal	162.25	182.25	84	1,680
Wild Turkey	62.25	72.25	4,729	47,290
Additional Wild Turkey	14.75	24.75	6,786	67,860
<i>Nonresident Fishing Licenses</i>				
Annual	\$54.25	\$64.25	83,575	\$835,750
Annual Family	69.25	79.25	28,765	287,650
Fifteen-day	32.25	42.25	25,893	258,930
Fifteen-day Family	44.25	54.25	10,565	105,650
Four-day	28.25	38.25	46,752	467,520

	Current Fee Amount ¹	SB 45/AB 50 Fee Amount ¹	License Year 2024-25 Sales	Revenue Increase
One-day	\$14.25	\$24.25	50,426	\$504,260
Two-day Sports	9.25	19.25	0	0
Sturgeon Spearing	64.25	103.25	530	20,670
<i>Fishing Tags</i>				
Sturgeon Hook and Line Nonresident	\$49.75	\$79.75	593	\$17,790
<i>Combination Nonresident Licenses</i>				
Sports	\$292.25	\$332.25	1,242	\$49,680
Sports Youth	33.25	72.25	2,645	103,155
Conservation Patron	615.25	655.25	357	14,280
Conservation Patron Youth	72.25	112.25	696	27,840
Conservation Patron Purple Heart	160.25	170.25	16	160
Wolf Harvesting	250.25	290.25	0	0
<i>Guide and Sport Trolling Nonresident Licenses</i>				
Guide	\$99.25	\$139.25	136	\$5,440
Lake Michigan and Green Bay Sport Trolling	400.00	440.00	30	1,200
Lake Superior Sport Trolling	400.00	440.00	0	0
<i>Trapping and Taxidermist Nonresident Licenses</i>				
Trapping	\$149.25	\$169.25	24	\$480
Taxidermist	100.00	120.00	0	0
<i>Nonresident Commercial Fishing Licenses</i>				
Outlying Waters per Boat	\$6,499.25	\$6,519.25	1	\$20
Outlying Waters without Boat	6,499.25	6,519.25	0	0
<i>Wild Rice and Ginseng Approvals</i>				
Wild Ginseng Harvest Nonresident	\$30.00	\$40.00	28	\$280
Nonresident Wild Ginseng Dealer	1,000.00	1,010.00	<u>0</u>	<u>0</u>
Nonresident Licenses and Approvals Subtotal			313,012	\$3,873,265
Licenses and Approvals Available to Residents and Nonresidents				
<i>Hunting Stamps</i>				
Wild Turkey	\$5.00	\$12.75	90,926	\$704,677
Pheasant	9.75	15.75	33,113	198,678
Waterfowl	11.75	13.75	50,395	100,790
<i>Fishing Stamps</i>				
Inland Waters Lake Trout	\$9.75	\$15.75	164,094	\$984,564
Great Lakes Trout and Salmon	9.75	16.75	147,423	1,031,961
<i>Other Fur Licenses</i>				
Itinerant Fur Buyer	\$200.00	\$220.00	7	\$140
Fur Dresser or Dyer	25.00	45.00	3	60
Fur Auctioneer	250.00	270.00	67	1,340

	Current Fee Amount ¹	SB 45/AB 50 Fee Amount ¹	License Year 2024-25 Sales	Revenue Increase
<i>Other Commercial Fishing Licenses</i>				
Seine Nets First 500 Feet	\$20.00	\$30.00	12	\$120
Seine Nets Second 500 Feet ³	10.00	20.00	N/A	N/A
Seine Nets Additional 100 Feet or Fraction Thereof ³	2.00	12.00	N/A	N/A
Gill Nets First 2,000 Feet	10.00	20.00	18	180
Gill Nets Additional 100 Feet or Fraction Thereof ³	1.00	11.00	N/A	N/A
Bait Nets	20.00	30.00	14	140
Buffalo and Frame Nets	10.00	20.00	9	90
Slat Nets	20.00	30.00	95	950
Trammel Nets	20.00	30.00	4	40
Inland Waters Set or Bank Pole	2.25	12.25	395	3,950
Inland Waters Setline	10.00	20.00	243	2,430
Shovelnose Sturgeon Permit	50.00	60.00	0	0
Wholesale Fish Dealer	100.00	110.00	93	930
Clam Buyer	300.00	310.00	0	0
Clam Sheller	30.00	40.00	0	0
Outlying Waters License Transfers	\$50.00	\$60.00	0	\$0
<i>Bait Dealer Approvals</i>				
Class A Bait Dealer	\$49.25	\$59.25	290	\$2,900
Class B Bait Dealer	9.25	19.25	98	980
<i>Wild Rice and Ginseng Approvals</i>				
Wild Rice Harvest	\$7.50	\$17.50	457	\$4,570
Class A Wild Rice Dealer	15.00	25.00	0	0
Class B Wild Rice Dealer	50.00	60.00	0	0
Class C Wild Rice Dealer	100.00	110.00	0	0
Class D Wild Rice Dealer	150.00	160.00	0	0
Endangered Species Permit	\$100.00	\$110.00	15	\$150
Licenses and Approvals Available to Residents and Nonresidents Subtotal			487,771	\$3,039,640
All Categories Total				\$34,114,066

¹Fee amounts do not include issuing and other fees.

²Bonus deer authorization revenue increases are based on FY 2023-24 data.

³DNR data does not differentiate which feet the seine and gill net license sales are associated with.



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Joint Committee on Finance

Paper #531

Wolf Monitoring and Abatement Projects (Natural Resources -- Fish, Wildlife, and Natural Heritage Conservation)

[LFB 2025-27 Budget Summary: Page 484, #2]

CURRENT LAW

Once abundant, Wisconsin's wolf population was decimated by human predation and a state bounty. In 1974, the U.S. Fish and Wildlife Service (USFWS) classified the eastern timber wolf as a federally-endangered species; in 1975, the state listed wolves as a state endangered species. By 1985, the Department of Natural Resources found only 14 living wolves in Wisconsin. In 1989, DNR issued a wolf recovery plan, by which wolves would be classified as a threatened species until their population was above 300 for three years. In 1999, DNR issued a wolf management plan, establishing a management goal of 350 wolves outside tribal reservations. Since then, the population has significantly rebounded; in 2023, DNR estimated that Wisconsin's wolf population was between 780 and 1,380 animals.

Wisconsin delisted wolves as a state threatened species in 2004 and USFWS delisted wolves in 2012. However, in December, 2014, the U.S. District Court for the District of Columbia vacated the USFWS decision to delist the gray wolf, placing the species back onto the federal endangered species list. On October 29, 2020, the U.S. Department of the Interior announced that it would remove wolves from the federal endangered species list, effective January 4, 2021. On February 10, 2022, the U.S. District Court for the Northern District of California vacated the 2021 wolf delisting. As of June, 2025, the wolf is currently protected as a federal endangered species.

If the gray wolf is not listed on the U.S. list of endangered or threatened species or the Wisconsin list of endangered and threatened species, 2011 Wisconsin Act 169 requires that DNR facilitate and regulate a wolf hunting and trapping season, and implement a wolf management plan. DNR administered wolf seasons in 2012, 2013, 2014 and 2021. Proceeds from wolf licenses and license applications are directed toward compensation for wolf depredation claims.

DISCUSSION POINTS

1. DNR manages the wolf damage program under administrative code sections NR 12.50 through 12.55, which specify the procedure for depredation reimbursement as well as the amount of payments. Generally, a claimant is reimbursed the fair market value of livestock, with a maximum amount paid for each type of animal established annually by DNR.

2. The protection status of wolves affects how the state funds wolf damage programs. If the gray wolf is not listed as a state or federal endangered species, DNR may pay wolf damage claims from wolf harvest licenses and application revenues from a wolf hunt. The wolf damage program provides payments to persons who apply for reimbursement for damage caused by wolves to livestock, hunting dogs not used in wolf hunting, and pets. If funding is not sufficient to pay all claims, DNR will prorate claims based on the amount of wolf hunt revenues available.

3. If the wolf is protected as an endangered species, wolf damage claims must be paid from the endangered resources account of the segregated conservation fund and the GPR appropriation used to match certain endangered resources voluntary contributions. DNR may also utilize federal funds from a USFWS livestock demonstration grant for wolf depredation payments. The table below provides the wolf damage claim payments made by the Department for calendar years 2017 through 2024. For all but one year shown (2022), a majority of payments were for costs associated with livestock or captive deer, as opposed to hunting dogs or pet dogs.

Wolf Damage Claim Payments

<u>Calendar Year</u>	<u>Payment</u>
2017	\$102,600
2018	144,500
2019	189,700
2020	244,100
2021	179,300
2022	100,100
2023	171,400
2024	348,800

A. Wolf Monitoring

4. DNR performs monitoring of the wolf population in Wisconsin year-round through a combination of methods. DNR staff, volunteers, and contractors conduct winter track surveys in areas with known or suspected wolf packs to collect data on the number of packs and individuals. The Department collects data from wolves who have been fitted with GPS collars. DNR staff employ statistical modeling to estimate the abundance of wolves using data collected from winter track surveys and collared wolves. Finally, DNR staff receive reports of wolf observations from the public, monitor wolf mortality, and monitor wolf depredations of livestock, pets, and hunting dogs. In 2023-24, the Department expended \$560,400 for wolf monitoring efforts, of which \$515,200 was FED, \$39,800 was GPR, and \$5,400 was SEG from the fish and wildlife account of the conservation fund.

5. Senate Bill 45/Assembly Bill 50 would provide \$25,000 GPR each year in additional funding for third-party wolf winter tracking surveys. As the wolf population has expanded in size and geographic range, the Department has increased the amount of winter tracking surveys that it performs. DNR reports that the areas in greatest need of increases in the number of winter tracking surveys include areas around St. Croix Falls, Peshtigo, Eau Claire, and Wisconsin Rapids. SB 45/AB 50 would provide funding for an additional five contractors to perform winter tracking surveys annually. The Committee could consider providing \$25,000 GPR each year in additional funding for third-party wolf tracking surveys [Alternative A1]. The Committee could also consider providing funding from fish and wildlife SEG [Alternative A2], given that the amount would not substantially affect the condition of the account, and pending any Committee action to stabilize the account.

6. The Committee could consider taking no action relating to wolf monitoring [Alternative A3]. The Department would have to absorb the costs of additional wolf tracking surveys within its general operations funding or perform no additional wolf tracking surveys.

B. Wolf Abatement Projects

7. Wolf depredations of domestic animals were rare during the early stages of wolf recovery in Wisconsin, but depredations increased during the early 2000s. Most wolf and livestock conflicts occur in areas that have high levels of interspersed agricultural and forest lands. Concentrated areas of conflicts in Wisconsin include the Lake Superior coastal plain and portions of Adams, Wood, Portage, and Clark Counties in central Wisconsin. Between 2012 and 2022, there were an average of 29 farms per year with verified losses due to wolf activity. However, there can be economic losses due to wolf activity that occur without the loss of livestock. For example, the presence of wolves near livestock can stress the animals and can result in disease, reduced productivity, weight loss, and other issues.

8. The 2023 Wisconsin Wolf Management Plan notes there is currently no dedicated state source to fund wolf conflict abatement measures. The U.S. Department of Agriculture (USDA) Wildlife Service program and the USFWS assist in implementing non-lethal abatement in Wisconsin. In 2023-24, the Department expended \$211,300 for wolf conflict abatement measures, of which \$98,000 was GPR, \$70,000 was fish and wildlife SEG, and \$43,300 was FED.

9. SB 45/AB 50 would provide funding for aids for non-lethal wolf abatement projects for farms in chronic wolf depredation sites. There are a variety of non-lethal abatement options, such as visual and auditory harassment tools, predator-proof fencing, electric fencing, and the alteration of animal husbandry practices. DNR indicates that the funding would primarily be utilized for predator-proof fencing since other abatement measures have already been implemented and are typically no longer effective. The predator-proof fencing projects will be woven wire fences 75 inches in height with a 42-inch apron pinned to the ground to prevent wolves, and other predators, from digging under the fence.

10. As of June, 2025, DNR and the USDA have completed five joint predator-proof fencing projects in Wisconsin, and DNR and USFWS have completed four joint predator-proof fencing projects in Wisconsin. DNR reports that there have been no depredations within the fencing. The joint projects with USFWS were completed without state funding, while the joint projects with the USDA

were completed with 50% state funding using endangered resources SEG. Since 2020, DNR and the federal agencies have provided for the installation of 57,200 linear feet of fencing protecting 436 acres.

11. The Department indicates that it, with assistance from the USDA, will annually review wolf depredation data to determine priority locations for predator-proof fencing projects. The Department will further perform cost-benefit analyses, taking into account the feasibility of fencing a site, to determine whether each project is economical. The costs of the fencing materials and the installation of the fence would be paid entirely by the Department, while farmers would be required to maintain the fence for a minimum of 10 years and to perform animal husbandry within the boundaries of the fence.

12. SB 45/AB 50 would provide \$3,500,000 GPR in 2025-26 and \$150,000 GPR in 2026-27 for aids for non-lethal wolf abatement projects. The Department reports that it estimates that \$150,000 in ongoing funding would be necessary to provide aids for three to five predator-proof fencing projects, equal to approximately 16,700 feet of fencing, per year. (A 40-acre parcel would cost about \$50,000 on average to install.) The Department further reports that the additional funding in 2025-26 would allow it to expedite additional projects at the beginning of the lifecycle of the aids program. The Committee could consider providing \$3,500,000 GPR in 2025-26 and \$150,000 GPR in 2026-27 for aids for non-lethal wolf abatement projects [Alternative B1].

13. The Department indicates that it expects to see a reduction in the number of projects that need funding for predator-proof fencing over the course of the aids program. Due to this factor, and the amount of funding provided in the first year of the biennium, the Committee could consider providing less ongoing funding for the aids program, such as \$3,500,000 GPR in 2025-26 and \$50,000 GPR in 2026-27 for aids for non-lethal wolf abatement projects [Alternative B2].

14. The Committee could also consider providing consistent funding amounts over the lifecycle of the aids program, instead of providing a higher amount of funding in the first year of the biennium. This would allow the Department to provide for three to five predator-proof fencing projects per year and for the Department to gauge demand for the aids program and determine if higher amounts of funding are necessary. Therefore, the Committee could consider providing \$150,000 GPR each year for aids for non-lethal wolf abatement projects [Alternative B3].

15. All funding under the provision would be provided in an annual GPR appropriation for fish, wildlife and conservation general operations. Any amounts for predator-proof fencing or other purposes that are not expended or encumbered by June 30 of each fiscal year would lapse to the general fund balance. Given that the amount of funding in 2025-26 would support an amount of fencing far exceeding what has been installed over several recent years, it may be desirable to provide funding in a continuing appropriation to allow funds to be allocated over multiple fiscal years. The Committee could consider providing funding in a continuing appropriation specific to projects for the prevention of wolf depredation [Alternative B4].

16. The Committee could consider taking no action relating to wolf monitoring [Alternative B5]. No aids for non-lethal wolf abatement projects for farms in chronic wolf depredation sites would be provided by the state.

ALTERNATIVES

A. Wolf Monitoring

1. Provide \$25,000 GPR each year for DNR wolf monitoring activities.

ALT A1	Change to Base
GPR	\$50,000

2. Provide \$25,000 fish and wildlife SEG each year for DNR wolf monitoring activities.

ALT A2	Change to Base
SEG	\$50,000

3. Take no action.

B. Wolf Abatement Projects

1. Provide \$3,500,000 GPR in 2025-26 and \$150,000 GPR in 2026-27 for aids for non-lethal wolf abatement projects.

ALT B1	Change to Base
GPR	\$3,650,000

2. Provide \$3,500,000 GPR in 2025-26 and \$50,000 GPR in 2026-27 for aids for non-lethal wolf abatement projects.

ALT B2	Change to Base
GPR	\$3,550,000

3. Provide \$150,000 GPR each year for aids for non-lethal wolf abatement projects.

ALT B3	Change to Base
GPR	\$300,000

4. In addition to specifying the amounts above, create a continuing GPR appropriation for the prevention of wolf depredation.

5. Take no action.

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Joint Committee on Finance

Paper #532

Habitat Strategy and Planning System (Natural Resources -- Fish, Wildlife, and Natural Heritage Conservation)

[LFB 2025-27 Budget Summary: Page 484, #3]

CURRENT LAW

2023 Wisconsin Act 66 requires that the Department of Natural Resources (DNR) prepare a biennial habitat work plan that coincides with the biennial budget process. The plan is required to establish and measure progress for priorities and goals for habitat management efforts on lands managed by DNR. 2023 Act 66 also requires that DNR annually report to the Natural Resources Board, the Joint Committee on Finance, and relevant standing committees of the Legislature on its progress towards the habitat work plan goals. As of May, 2025, DNR has not released a habitat work plan.

DISCUSSION POINTS

1. According to the Department, comprehensively fulfilling the requirements of 2023 Act 66 would require establishing unified habitat goals, ranking efforts based on habitat management priorities, conducting field assessments, mapping and tracking, conducting project planning, and tracking project expenditures. DNR outlines that it could fulfill the requirements of 2023 Act 66 with existing systems. However, DNR reports that it would be both labor- and time-intensive for staff to create a habitat work plan and measure the Department's progress toward achieving the priorities and goals of the habitat work plan. According to the Department, relying only on current resources also would affect staff's ability to fulfill core responsibilities. The Department further reports that its existing systems, such as the Wisconsin Field Inventory and Reporting System (WisFIRS), were designed for the needs of specific programs and would not be able to fulfill the role of a system that communicates across Departmental programs. Therefore, DNR indicates it would take a significant amount of staff time spent on reporting and data management tasks to create a unified habitat work

plan, which requires the efforts of multiple programs to achieve, and then to measure the Department's progress towards achieving the priorities and goals of the habitat work plan.

2. The Department outlined, in testimony relating to 2023 Act 66, that the Wildlife Management Bureau planned to make changes to its habitat management planning and funding in 2023-24, 2024-25, and 2025-26. In 2023-24, the Bureau planned to allocate funding for habitat management projects, developed with new habitat management guides and priority maps that delineate between area priority levels for six cover types, in a semi-competitive format. In 2024-25, the Bureau planned to include further cover types and develop habitat quality evaluation metrics. In 2025-26, the Bureau planned to implement measurable habitat goals with explicit deadlines for high-priority areas. The Department further outlined that habitat management plans were reported by program, but that unified habitat management planning would improve the Department's efficiency and effectiveness. The Department indicated that unified habitat management planning would require additional funding to update internal systems.

3. Senate Bill 45/AB 50 would provide \$1,000,000 (\$700,000 GPR and \$300,000 forestry SEG) in 2025-26 and ongoing funding of \$500,000 fish and wildlife SEG in 2026-27 for the purchase of mobile devices with GIS capability for field data collection, development of a habitat strategy and planning system within WisFIRS and related training modules, and ongoing maintenance and licensing costs associated with the system, and for a WisFIRS updates backlog. SB 45/AB 50 would further create an appropriation in the fish, wildlife, and parks program funded by the forestry account, where the forestry SEG amount for this provision, as well as a separate provision for hazardous tree removal, would be funded. The table below provides the costs under the provision by fund source.

Habitat Strategy and Planning System Costs -- SB 45/AB 50

	<u>2025-26</u>	<u>2026-27</u>
GPR		
Habitat Strategy and Planning System	\$550,000	
Mobile Devices	75,000	
Training Modules	<u>75,000</u>	
Subtotal	\$700,000	
Forestry SEG		
WisFIRS Updates Backlog	\$300,000	
Fish and Wildlife SEG		
System Maintenance		\$325,000
Mobile Devices		75,000
Software Licensing		<u>100,000</u>
Subtotal		\$500,000
Total	\$1,000,000	\$500,000

4. The Department reports that the mobile devices purchased with the funding would be used for the collection of data in the field for planning and tracking habitat management, as well as for performing wildlife surveys and property management tasks. The Department indicates that it

would replace these mobile devices every four to five years. The Department further reports that funding is needed to address a backlog of updates for the existing habitat management components of WisFIRS. The Department indicates that it recently purchased Tableau, a data visualization program, for communication and reporting purposes, and it would utilize the funding to develop custom Tableau reports.

5. The Department reports that the habitat strategy and planning system would integrate the efforts of multiple departmental programs and would allow DNR to establish habitat goals across programs, rank efforts based on habitat management priorities, conduct field assessments, map and track planned work components, conduct project planning, and track project expenditures. Along with fulfilling the requirements of 2023 Act 66, and increasing the efficiency of its habitat management efforts, the Department reports that the habitat strategy and planning system would allow it to more efficiently perform other reporting tasks, such as those related to the federal Pittman-Robertson and Dingell-Johnson Acts and could be further adapted to allow for partner habitat efforts to be tracked in the system.

6. The Committee could consider providing \$1,000,000 (\$700,000 GPR and \$300,000 forestry SEG) in 2025-26 and \$500,000 fish and wildlife SEG in 2026-27 for the purchase of mobile devices with GIS capability for field data collection, development of a habitat strategy and planning system within WisFIRS and related training modules, and ongoing maintenance and licensing costs associated with the system, and for a WisFIRS updates backlog. Further, the Committee could consider creating an appropriation in the fish, wildlife, and parks program funded by the forestry account, where the forestry SEG amount for this provision would be provided from [Alternative 1].

7. Alternatively, the Committee could consider providing the amounts for the specified purposes without creating an accompanying forestry SEG appropriation in the fish, wildlife, and parks program [Alternative 2]. Forestry SEG funding would instead be provided under the general operations appropriation for the Division of Forestry. The Committee could also consider providing all funding as forestry SEG [Alternative 3], given the substantial available balance of that account.

8. However, since the Department plans to replace mobile devices every four to five years, the Committee could consider providing \$1,000,000 (\$700,000 GPR and \$300,000 forestry SEG) in 2025-26 and \$425,000 fish and wildlife SEG in 2026-27 for the purchase of mobile devices with GIS capability for field data collection, development of a habitat strategy and planning system within WisFIRS and related training modules, and ongoing maintenance and licensing costs associated with the system, and for a WisFIRS updates backlog [Alternative 4a]. The Department could request funding for the replacement of its mobile devices in future biennia as needs dictate, and ongoing funding under the provision would be reduced. Due to the structural imbalance of the fish and wildlife account, the Committee could consider funding the amount in 2026-27 with GPR [Alternative 4b] or with forestry SEG [Alternative 4c]. The Committee could also consider providing \$1,000,000 forestry SEG in 2025-26 and \$425,000 forestry SEG in 2026-27 for the specified purposes [Alternative 5].

9. Given that the ongoing annual system maintenance costs for the habitat strategy and planning system are approximately 59% of the development costs, and that the Department indicated that this amount may also include upgrades, the Committee could consider providing the \$325,000 in 2026-27 for habitat strategy and planning system maintenance on a one-time basis [Alternative 6].

The Department could request further habitat strategy and planning system maintenance funding in future biennia as necessary.

10. The Committee could consider taking no action [Alternative 7]. If the Committee takes no action the Department would have to fund the habitat strategy and planning system from its current base funding amounts or reallocate staff workload to perform the tasks necessary to comply with 2023 Act 66 utilizing its current technology.

ALTERNATIVES

1. Provide \$1,000,000 (\$700,000 GPR and \$300,000 forestry SEG) in 2025-26 and \$500,000 fish and wildlife SEG in 2026-27 for the purchase of mobile devices with GIS capability for field data collection, development of a habitat strategy and planning system within WisFIRS and related training modules, and ongoing maintenance and licensing costs associated with the system, and for a WisFIRS updates backlog. Create an appropriation in the fish, wildlife, and parks program funded by the forestry account, where the forestry SEG amount for this provision would be provided from.

ALT 1	Change to Base
GPR	\$700,000
SEG	<u>800,000</u>
Total	\$1,500,000

2. Provide \$1,000,000 (\$700,000 GPR and \$300,000 forestry SEG) in 2025-26 and \$500,000 fish and wildlife SEG in 2026-27 for the purchase of mobile devices with GIS capability for field data collection, development of a habitat strategy and planning system within WisFIRS and related training modules, and ongoing maintenance and licensing costs associated with the system, and for a WisFIRS updates backlog. (This would provide SB 45/AB 50 funding in existing appropriations for each fund source.)

ALT 2	Change to Base
GPR	\$700,000
SEG	<u>800,000</u>
Total	\$1,500,000

3. Provide \$1,000,000 in 2025-26 and \$500,000 in 2026-27 from forestry SEG for the purchase of mobile devices with GIS capability for field data collection, development of a habitat strategy and planning system within WisFIRS and related training modules, and ongoing maintenance and licensing costs associated with the system, and for a WisFIRS updates backlog.

ALT 3	Change to Base
SEG	\$1,500,000

4. Provide \$1,000,000 (\$700,000 GPR and \$300,000 forestry SEG) in 2025-26 and \$425,000 in 2026-27 for the purchase of mobile devices with GIS capability for field data collection, development of a habitat strategy and planning system within WisFIRS and related training modules, and ongoing maintenance and licensing costs associated with the system, and for a WisFIRS updates backlog.

a. Specify the \$425,000 in 2026-27 as fish and wildlife SEG.

ALT 4a	Change to Base
GPR	\$700,000
SEG	<u>725,000</u>
Total	\$1,425,000

b. Specify the \$425,000 in 2026-27 as GPR.

ALT 4b	Change to Base
GPR	\$1,125,000
SEG	<u>300,000</u>
Total	\$1,425,000

c. Specify the \$425,000 in 2026-27 as forestry SEG.

ALT 4c	Change to Base
GPR	\$700,000
SEG	<u>725,000</u>
Total	\$1,425,000

5. Provide \$1,000,000 forestry SEG in 2025-26 and \$425,000 forestry SEG in 2026-27 for the purchase of mobile devices with GIS capability for field data collection, development of a habitat strategy and planning system within WisFIRS and related training modules, and ongoing maintenance and licensing costs associated with the system, and for a WisFIRS updates backlog.

ALT 5	Change to Base
SEG	\$1,425,000

6. In addition to specifying the amounts above, specify that the \$325,000 in 2026-27 for habitat strategy and system maintenance is on a one-time basis.

7. Take no action.

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Joint Committee on Finance

Paper #533

Tribal Fish Hatchery Maintenance Grants (Natural Resources -- Fish, Wildlife, and Natural Heritage Conservation)

[LFB 2025-27 Budget Summary: Page 485, #5]

CURRENT LAW

There are seven tribal fish hatcheries in Wisconsin operated by: (a) the St. Croix Chippewa tribe; (b) the Red Cliff band; (c) the Lac Courte Oreilles band; (d) the Bad River band; (e) the Menominee tribe; (f) the Lac du Flambeau band; and (g) the Mole Lake band. The Department of Natural Resources (DNR) does not provide funding for these tribal fish hatcheries. DNR purchases walleye large fingerlings from the Mole Lake band fish hatchery to meet fishery needs in northeast Wisconsin.

DISCUSSION POINTS

1. During 2023-24, DNR stocked 5,329,449 fish in Wisconsin's waterways. DNR stocked 4,109,900 cold-water species in inland streams and the Great Lakes. Inland lakes were stocked with 1,219,549 cool-water fish, which are sometimes referred to as warm-water fish. Cool/warm-water fish stocks larger than fry, such as fingerling, yearling, and adult, included 1,189,087 walleye, 29,879 muskellunge, and 583 lake sturgeon. The Great Lakes Indian Fish and Wildlife Commission (GLIFWC) reported that tribal fish hatcheries in Wisconsin produced approximately 517,300 fish larger than fry in 2024, including approximately 509,800 walleye.

2. The U.S. Department of the Interior's Bureau of Indian Affairs (BIA) operates the Fish Hatchery Maintenance Program to provide funding to tribes to maintain, enhance, and upgrade fish hatcheries. Any multi-purpose or single-purpose facility owned by the BIA or a federally-recognized tribe on trust lands engaged in the spawning, hatching, rearing, holding, caring for, or stocking of fish or shellfish is eligible for funding. Eligible uses of the funding include work that is required to prolong the life of a structure, building, or other facility component including: (a) delay of physical

deterioration; (b) enhancement of original function; (c) application of new technological advances; or (d) replacement or acquisition of associated capitalized equipment.

3. In 2023, \$10,000,000 in funds were provided for the Fish Hatchery Maintenance Program through the federal Inflation Reduction Act, although no Wisconsin-based tribes or bands were awarded funding. In 2024, information from the Native American Fish and Wildlife Society indicates that \$9,000,000 in funds were available through this program, but awards information is not currently available. The program's website notes that 2026 application deadlines for requests for funding proposals will be posted in the future. Any future funding would be dependent on appropriations from Congress, and Wisconsin tribes and bands would compete against other tribal organizations throughout the country. In addition, the Lac du Flambeau tribe was provided \$290,000 in 2024 through the federal government's annual funding legislation for equipment for its fish hatchery.

4. Senate Bill 45/Assembly Bill 50 would create accompanying tribal gaming receipts transfer and DNR appropriations for grants to federally-recognized tribes or bands for the maintenance and repair of fish hatcheries operated by the tribe or band. The bill would provide \$1,000,000 PR each year in one-time funding from tribal gaming receipts. Under the bill, the DNR appropriation's unencumbered balance would lapse to the general fund on June 30 of each fiscal year.

5. The Department of Administration (DOA) indicates that one tribe requested funding for fish hatchery maintenance in the 2025-27 biennial budget, for \$395,800. DOA indicates that the funding request was for filling and regrading ponds, installing new pond liners, reconstructing a catch basin, and purchasing fish pumps and hoses. Under SB 45/AB 50, any tribal fish hatchery would be eligible for grant funding. DNR further indicates that the funding is one-time to allow it to assess the appropriate funding necessary for the program in subsequent biennia.

6. In June of 2025, information was solicited from GLIFWC and tribal fish hatchery operators as to future projects that could be eligible under SB 45/AB 50. Four tribes or bands responded regarding whether their fish hatcheries had maintenance and repair projects that were in need of funding. These tribes or bands reported an average project cost of \$208,300 for items such as installing ponds, upgrading laboratories, drywall repair, electrical repair, well repair, and bird deterrent systems.

7. It is likely that any benefits accruing to tribal fish hatcheries would also accrue to state fisheries generally, as tribal fish hatchery stocking activities occur throughout the ceded territory of northern Wisconsin. Further, it should be noted that in recent years, the Kettle Moraine Springs and Wild Rose state fish hatcheries have undergone major upgrades or renovations. The Wisconsin Walleye Initiative under 2013 Wisconsin Act 20 also enumerated \$8.2 million in projects at the Art Oehmcke, Tommy G. Thompson, and Wild Rose fish hatcheries. The 2025-27 capital budget request also includes \$10.3 million for additional improvements to the Tommy G. Thompson hatchery to improve walleye and muskellunge production. It could be argued that administering competitive grants for improvements to tribal fish hatcheries is an appropriate use of tribal gaming PR to augment capacity increases or production improvements to hatcheries throughout the state.

8. The Committee could consider creating accompanying tribal gaming receipts transfer

and DNR appropriations for grants to federally-recognized tribes or bands for the maintenance and repair of fish hatcheries operated by the tribe or band and providing \$1,000,000 tribal gaming PR each year in one-time funding [Alternative 1].

9. Since the average tribal fish hatchery maintenance and repair project cost reported regarding this provision was \$208,300 and there are seven tribal fish hatcheries in the state, the Committee could consider creating accompanying biennial tribal gaming receipts transfer and DNR appropriations for grants to federally-recognized tribes or bands for the maintenance and repair of fish hatcheries operated by the tribe or band and providing DNR \$1,458,100 tribal gaming PR in 2025-26 in one-time funding [Alternative 2]. The biennial appropriation would allow the unencumbered balance to lapse on June 30, 2027, instead of June 30 of each fiscal year as under the bill. The Department could determine the demand for the grants and request further funding in future biennia.

10. The Committee could consider taking no action [Alternative 3]. This would require tribes or bands to seek funding for the maintenance of fish hatcheries from the federal government or secure alternate funding for the costs of fish hatchery upgrades.

ALTERNATIVES

1. Create accompanying tribal gaming receipts transfer and DNR appropriations for grants to federally-recognized tribes or bands for the maintenance and repair of fish hatcheries operated by the tribe or band and provide \$1,000,000 PR each year in one-time funding from tribal gaming receipts.

ALT 1	Change to Base
PR	\$2,000,000

2. Create accompanying biennial tribal gaming receipts transfer and DNR appropriations for grants to federally-recognized tribes or bands for the maintenance and repair of fish hatcheries operated by the tribe or band and provide \$1,458,100 PR in 2025-26 in one-time funding from tribal gaming receipts.

ALT 2	Change to Base
PR	\$1,458,100

3. Take no action.

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Joint Committee on Finance

Paper #534

Hatchery and Creel Survey Funding (Natural Resources -- Fish, Wildlife, and Natural Heritage Conservation)

[LFB 2025-27 Budget Summary: Page 485, #6]

CURRENT LAW

Fish propagation and stocking involves raising and distributing fish to enhance fishing in areas where natural reproduction is insufficient or being restored. The Department of Natural Resources (DNR) utilizes 14 facilities for fish propagation and stocking activities including six coldwater (trout and salmon) facilities, three cool-water facilities (primarily for walleye, muskellunge and bass), two dual-purpose hatcheries, and three spawning facilities where eggs from feral trout and salmon are collected. In addition, DNR complements these facilities with additional rearing ponds located throughout the state, and by contracting with private aquaculture facilities to rear fish for stocking. DNR also performs creel surveys of anglers and fish characteristics throughout the ceded territory in northern Wisconsin, which covers parts of 30 counties and on which tribes exercise hunting, fishing, and gathering rights under federal treaty.

DISCUSSION POINTS

A. Fish Hatchery Funding

1. During 2023-24, DNR stocked 5,329,449 fish in Wisconsin's waterways. DNR stocked 4,109,900 cold-water species in inland streams and the Great Lakes. Inland lakes were stocked with 1,219,549 cool-water fish, which are sometimes referred to as warm-water fish. Cool/warm-water fish stocks larger than fry, such as fingerling, yearling, and adult, included 1,189,087 walleye, 29,879 muskellunge, and 583 lake sturgeon. DNR reports that the number of cool-water fish stocked in inland lakes decreased from previous years due to a decrease in the demand for certain species and production issues at one facility relating to lake sturgeon.

2. Forage fish are small species of fish that are used to feed populations of fish that DNR rears at its fish hatcheries. Dry food is also purchased by the Department to feed trout and salmon at its fish hatcheries. Table 1 provides DNR's expenditures for forage fish, dry food, and freight costs from 2017-18 through 2023-24. Freight costs are typically included in the purchase price of forage fish and dry food. The Department indicates that if it does not receive additional funding, it would be required to reduce the amount of fish stocking it performs in lower priority waters.

TABLE 1
Forage Fish, Dry Food, and Freight Expenditures

<u>Fiscal Year</u>	<u>Expenditures</u>
2017-18	\$295,400
2018-19	294,700
2019-20	306,700
2020-21	306,600
2021-22	311,800
2022-23	141,100
2023-24	469,800

3. The Department indicates it does not have a set base funding amount for fish production activities, but rather it uses actual expenditures to set a tentative amount of funding in future fiscal years. In 2023-24, the Department expended approximately \$6.0 million for fish production activities.

4. SB 45/AB 50 would provide \$103,300 (\$92,500 PR from tribal gaming receipts and \$10,800 SEG from the fish and wildlife account of the conservation fund) each year in additional funding for forage fish, dry food, and freight costs at DNR-owned fish hatcheries. The \$92,500 tribal gaming PR would be used to support fish stocking activities in the entire state.

5. As shown in Table 1, expenditures held steady between 2017-18 and 2021-22 at approximately \$300,000, but in 2022-23 and 2023-24 expenditures deviated significantly from that baseline. The Department indicates that it expects the higher level of expenditures in 2023-24 to continue, in part due to a decreasing number of suppliers. Therefore, the Committee could consider providing \$103,300 (\$92,500 tribal gaming PR and \$10,800 fish and wildlife SEG) each year in additional funding for forage fish, dry food, and freight costs at DNR-owned fish hatcheries. [Alternative A1]. Alternatively, the Committee could consider providing \$103,300 (\$92,500 tribal gaming PR and \$10,800 fish and wildlife SEG) each year on a one-time basis [Alternative A2], or providing \$51,700 tribal gaming PR [Alternative A3], since 2023-24 expenditures could be a deviation from normal expenditures. The Committee could consider taking no action relating to fish hatchery funding. [Alternative A4].

B. Creel Survey Funding

6. A creel survey is an assessment tool used to sample the fishing activities of anglers on a body of water and make projections, or estimates, of harvest and other fishery parameters. Creel survey clerks work on randomly selected days and shifts, 40 hours per week, to conduct creel surveys. Creel survey clerks travel lakes using a boat or snowmobile to count the number of anglers at predetermined times, and to interview anglers who have completed fishing trips. Data is collected on what species anglers fished for, caught, harvested, and hours of fishing effort. Collecting information at the end of a fishing trip provides the most accurate assessment of angling activities. DNR uses computer modeling to estimate total catch and harvest of each species, catch and harvest rates, and fishing effort by month, as well as for the year in total. To determine accurate estimates, it is necessary to sample a sufficient and representative portion of the angling activity on a lake. Table 2 below provides the amount creel of surveys that DNR completed within various areas statewide from 2016-17 through 2023-24.

TABLE 2

DNR Creel Surveys Completed

<u>Fiscal Year</u>	<u>Inland Lake or River Creel Surveys</u>	<u>Inland Trout Creel Surveys</u>	<u>Great Lakes Salmonid Creel Surveys</u>	<u>Total Creel Surveys</u>
2016-17	18	2	4	24
2017-18	19	2	4	25
2018-19	21	0	3	24
2019-20	19	0	3	22
2020-21	14	7	3	24
2021-22	18	8	3	29
2022-23	20	6	3	29
2023-24	18	4	3	25

7. The Department indicates it does not have a set base funding amount for creel surveys, but rather uses actual expenditures to set a tentative amount of funding in future fiscal years. In 2023-24, the Department expended approximately \$1.6 million for creel surveys. The Department reports that it in part uses revenues from the Great Lakes Trout and Salmon stamp to perform creel surveys on Lake Michigan and Lake Superior, where the primary focus of creel surveys are trout and salmon.

8. SB 45/AB 50 would provide \$42,100 GPR each year for one additional creel survey within the ceded territory per year. From 2017 through 2024, the Department reports it completed an average of 15.4 creel surveys within the ceded territory. In comparison, from 1993 through 2000, the Department reports it completed an average of 23.5 creel surveys within the ceded territory. SB 45/AB50 would also provide \$48,900 GPR each year in additional funding for creel survey efforts on Lake Michigan. The Department indicates that this would increase funding to allow for approximately 85% of the creel surveys on Lake Michigan it would complete if funding were available. As shown in Table 2, creel surveys on the Great Lakes decreased from four to three after 2017-18. The

Department's goal is to provide sustainable fish populations, which requires monitoring fish populations to ensure their stability. To make management changes that are likely to be effective, the Department reports that it needs to understand what factors cause changes in the fish populations and how people may respond to those changes. The Department further reports that creel surveys are important to its fish monitoring efforts.

9. The Committee could consider providing \$91,000 GPR each year for additional funding for creel surveys. [Alternative B1]. Alternatively, the Committee could consider providing \$48,900 GPR each year in additional funding for creel surveys, the amount that is included in the provision for creel survey efforts on Lake Michigan [Alternative B2].

10. Given that the Department would utilize the funding for one additional creel survey within the ceded territory per year, the Committee could consider providing \$91,000 (\$48,900 GPR and \$42,100 tribal gaming PR) each year for additional funding for creel surveys [Alternative B3]. Alternatively, the Committee could consider providing \$42,100 tribal gaming PR each year in additional funding for creel surveys, the amount that is included in the provision for one additional creel survey within the ceded territory per year [Alternative B4]. Tribal gaming PR that is unencumbered at the close of each fiscal year or fiscal biennium lapses to the general fund. Although these alternatives would be neutral to the general fund as compared to SB 45/AB 50, it could be considered appropriate to budget activities in the ceded territories from an appropriation for that purpose.

11. The Committee could consider taking no action relating to creel survey funding [Alternative B5].

ALTERNATIVES

A. Fish Hatchery Funding

1. Provide \$103,300 (\$92,500 tribal gaming PR and \$10,800 fish and wildlife SEG) each year in additional funding for forage fish, dry food, and freight costs at DNR-owned fish hatcheries.

ALT A1	Change to Base
PR	\$185,000
SEG	<u>21,600</u>
Total	\$206,600

2. Provide \$103,300 (\$92,500 tribal gaming PR and \$10,800 fish and wildlife SEG) each year on a one-time basis in additional funding for forage fish, dry food, and freight costs at DNR-owned fish hatcheries.

ALT A2	Change to Base
PR	\$185,000
SEG	<u>21,600</u>
Total	\$206,600

3. Provide \$51,700 tribal gaming PR each year in additional funding for forage fish, dry food, and freight costs at DNR-owned fish hatcheries.

ALT A3	Change to Base
PR	\$103,400

4. Take no action.

B. Creel Survey Funding

1. Provide \$91,000 GPR each year in additional funding for creel surveys in the ceded territory and on Lake Michigan.

ALT B1	Change to Base
GPR	\$182,000

2. Provide \$48,900 GPR each year in additional funding for creel surveys on Lake Michigan.

ALT B2	Change to Base
GPR	\$97,800

3. Provide \$91,000 (\$48,900 GPR and \$42,100 tribal gaming PR) each year in additional funding for creel surveys in the ceded territory and on Lake Michigan.

ALT B3	Change to Base
GPR	\$97,800
PR	<u>84,200</u>
Total	\$182,000

4. Provide \$42,100 tribal gaming PR each year in additional funding for creel surveys in the ceded territory.

ALT B4	Change to Base
PR	\$84,200

5. Take no action.

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Joint Committee on Finance

Paper #535

Kenosha Dunes Restoration Projects (Natural Resources -- Fish, Wildlife, and Natural Heritage Conservation)

[LFB 2025-27 Budget Summary: Page 486, #8]

CURRENT LAW

Under s. 23.28 of the statutes, the Department of Natural Resources (DNR) may designate state natural areas "with a high or critical level of importance." The statutes also provide that DNR is responsible for "the stewardship of designated state natural areas." Among the state's designated natural areas is the Kenosha Dunes Unit of the Chiwaukee Prairie State Natural Area, which contains open and stabilized dunes. The unit is located south of the City of Kenosha (Kenosha County) and is the last remnant of a larger system of Great Lakes dunes in southeastern Wisconsin.

DISCUSSION POINTS

1. In the early 1970s, prior to acquisition by the DNR, a shoreline revetment was constructed to prevent erosion when Lake Michigan water levels are high and during storm events. This revetment began to fail in late 2014 due to rising water levels and lack of maintenance.
2. A group of stakeholders was formed to facilitate a coastal assessment of the region and, in 2017, the Natural Resources Foundation of Wisconsin received a \$15,000 grant to perform a shoreline stabilization study, wetland delineation, and tree survey of the area. The results of the study were used to inform the Kenosha Dunes restoration projects. The study found that the Kenosha Dunes Unit was losing shoreline at a rate of 25 feet per year. DNR reports that the rate of loss leaves the Unit's ecosystem, as well as nearby coastal wetlands, vulnerable to degradation and complete loss. In 2022, the Department indicated that these habitats could be completely lost within the following decade.
3. Following the study, several concept plan options for the restoration project were

developed by the stakeholder group. A final concept plan design was adopted that is being used to guide the design process. The concept plan included structures and elements that would provide protection for the dunes and also create habitat for fish and aquatic organisms.

4. In July of 2022 the Department initiated a request-for-proposal process for engineering services for the Kenosha Dunes restoration project. The Department reports the project is still in the engineering design phase, but that permit applications have been submitted for the project. The project design would include the construction of a shoreline protection structure along approximately 1,400 feet of shoreline, breakwaters, offshore fish habitat enhancements, and a shoreline trail. DNR reports that the project would mitigate erosion, increase resilience to significant storm events, enhance habitat, protect archaeological deposits, and provide controlled access within the site and between neighboring sites.

5. The Department estimates that the restoration projects will include the following costs: (a) \$16,000,000 for new shoreline protection structures and certain repairs to the existing structure; (b) \$500,000 for beach materials; (c) \$80,000 for water habitat materials; (d) \$500,000 for ecological restoration projects; (e) \$270,000 for trails development and materials at the site, such as cordwalks and fencing; (f) \$350,000 for construction mobilization costs, which are activities that occur to prepare for construction; and (g) \$300,000 for engineering services during the construction and establishment phases of the project. (The establishment phase encompasses the first two or three growing seasons following planting.) The table below provides a breakdown of the costs for the Kenosha Dunes restoration projects.

Kenosha Dunes Restoration Projects Costs

	<u>Project Cost</u>
Shoreline Protection Structures and Repairs	\$16,000,000
Beach Materials	500,000
Ecological Restoration	500,000
Construction Mobilization	350,000
Engineering Services	350,000
Trail Development and Materials	270,000
Water Habitat	<u>80,000</u>
Total	\$18,000,000

6. Senate Bill 45/Assembly Bill 50 would create a GPR continuing appropriation to fund erosion control projects in the Kenosha Dunes Unit of the Chiwaukee Prairie State Natural Area and would provide \$6,000,000 GPR one-time funding in 2025-26. The Department reports that the \$6,000,000 funding amount was determined based on the \$18,000,000 project cost, less estimated potential federal funding from the Environmental Protection Agency and the National Oceanic Atmospheric Administration. If federal funding were not secured for the restoration project, the Department indicates that it would consider replacing only the shoreline revetment, which would protect the current shoreline from erosion, but would include no habitat enhancement.

7. The Committee could consider creating a GPR continuing appropriation to fund erosion control projects in the Kenosha Dunes Unit of the Chiwaukee Prairie State Natural Area and providing \$6,000,000 GPR one-time funding in 2025-26 [Alternative 1]. For the restoration projects to not be reliant on the Department securing federal funding, the Committee could consider creating a GPR continuing appropriation to fund erosion control projects in the Kenosha Dunes Unit of the Chiwaukee Prairie State Natural Area in Kenosha County and providing the appropriation \$18,000,000 GPR one-time funding in 2025-26 [Alternative 2].

8. As a long-term capital improvement, the project could be considered as appropriate to fund using general obligation bonding. The Committee could consider providing \$6,000,000 general fund-supported bonding authority [Alternative 3a], or conservation fund-supported bonding authority [Alternative 3b] for the Kenosha Dunes restoration project. The Committee could also consider providing \$18,000,000 general fund-supported bonding authority [Alternative 4a], or conservation fund-supported bonding authority [Alternative 4b] for the Kenosha Dunes restoration project.

9. 2023 Wisconsin Act 19 requires DNR to use any unobligated funding from the stewardship program for projects including facility maintenance, upgrades, renovations, and construction of new buildings. DNR prioritizes these funds for developing and maintaining recreational facilities at DNR properties. DNR estimates that there would be a total of \$52.7 million in available unobligated bonding authority under the 2023 Act 19 provision at end of 2024-25. As of December of 2024, from the unobligated bonding authority amount, DNR had obligated \$14.2 million for 49 projects, designated \$17.0 million for 28 projects that will be requested from the State Building Commission in August of 2025, and had 43 potential projects currently under design by the Department of Administration costing \$28.5 million. The Committee could consider redirecting \$6,000,000 in unobligated stewardship program bonding authority from 2023 Act 19 for the Kenosha Dunes restoration project [Alternative 5].

10. The Committee could consider taking no action [Alternative 6]. The Department could seek federal funding for the replacement of only the shoreline revetment or all of the restoration projects. However, if no separate funding were secured, the Kenosha Dunes would be in danger of further, and potentially complete, loss.

ALTERNATIVES

1. Create a GPR continuing appropriation to fund erosion control projects in the Kenosha Dunes Unit of the Chiwaukee Prairie State Natural Area in Kenosha County and provide \$6,000,000 GPR one-time funding in 2025-26.

ALT 1	Change to Base
GPR	\$6,000,000

2. Create a GPR continuing appropriation to fund erosion control projects in the Kenosha Dunes Unit of the Chiwaukee Prairie State Natural Area in Kenosha County and provide \$18,000,000 GPR one-time funding in 2025-26.

ALT 2	Change to Base
GPR	\$18,000,000

3. Provide \$6,000,000 in new bonding authority for the Kenosha Dunes restoration projects from:

- a. General fund-supported (GPR) bonding authority; or
- b. Conservation fund-supported (SEG) bonding authority.

ALT 3	Change to Base
BR	\$6,000,000

4. Provide \$18,000,000 in new bonding authority for the Kenosha Dunes restoration projects from:

- a. General fund-supported (GPR) bonding authority; or
- b. Conservation fund-supported (SEG) bonding authority.

ALT 4	Change to Base
BR	\$18,000,000

5. Redirect \$6,000,000 in unobligated stewardship program bonding authority from 2023 Act 19 for the Kenosha Dunes restoration project.

6. Take no action.

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