



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #560

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

Bill Agency

[LFB 2007-09 Budget Summary: Page 407, #1]

CURRENT LAW

The Department of Natural Resources maintains a Bureau of Endangered Resources, which coordinates research, survey and habitat projects and manages state natural areas. The Bureau works to preserve a wide variety of species. Some notable projects include implementing a habitat conservation plan for the Karner Blue butterfly, devising a management plan for the timber wolf population in the state (removed from the federal endangered species list in 2007), and monitoring nesting boxes for peregrine falcons. Also, DNR has successfully reintroduced trumpeter swans to Wisconsin and the bald eagle was removed from the state's endangered species list in 1997.

GOVERNOR

Provide \$136,000 annually to reestimate funding from a GPR sum sufficient appropriation, to the \$500,000 maximum allowed, to match endangered resources revenues from gifts, grants, and the voluntary income tax check-off designation for the endangered resources program.

DISCUSSION POINTS

1. The endangered resources program is primarily supported by three revenue streams. The first source of revenue to the program is the sale of the endangered resources license plate, created under 1993 Act 415. The license plate (which depicts a timber wolf and rising moon) became available starting January 1, 1995. The \$25 additional annual fee required to buy the plate is

credited to the endangered resources account of the conservation fund. In 2005-06, 21,724 endangered resources license plates generated \$543,100, bringing the total revenue generated by plate sales since their introduction to over \$6.6 million.

2. The second source of revenue to the account is generated by a voluntary income tax check-off program which was created in 1983 to support DNR's endangered resources protection program. Individual income taxpayers can donate a portion of their tax refund or, if taxes are due, include an additional amount with their tax payment for the endangered resources program. Beginning with tax year 2001, corporate income taxpayers were also allowed to participate in the check-off program. After deducting the costs it incurs for collecting the donated amounts, the Department of Revenue forwards the check-off revenue to DNR for deposit in the conservation fund. In fiscal year 2005-06, \$495,400 in donations was received by DOR. After deducting DOR administrative expenditures, DNR received \$483,600 in 2005-06. The Department anticipates receiving approximately \$475,000 in 2006-07.

3. Third, beginning in 1993-94, donations made as part of the tax check-off donation program are matched dollar-for-dollar by a sum-sufficient GPR appropriation, up to a maximum amount of \$500,000. However, the GPR match was reduced to \$312,200 in 2003-04 and to \$364,000 from 2004-05 through 2006-07.

4. Under the bill, \$136,000 GPR annually would be restored to the sum-sufficient GPR appropriation. As statutes specify that up to \$500,000 will again be made available for this purpose on an annual basis beginning in 2007-08, \$500,000 would be expected to be provided. In order to maintain the maximum funding at the \$364,000 level provided for the past three years, a statutory change would be required to reduce the maximum GPR match to \$364,000. In the past two biennia these reductions have been made in the context of overall GPR state operations budget reductions for most state agencies. If endangered resources GPR match funding were again reduced it could be done for another two years or on a permanent basis.

5. Endangered Resources Bureau staff indicate that in the four years since the GPR match was reduced, the Bureau has had to reduce the scope of some projects and seek additional donations and grant funding for projects that would have been funded through GPR. For example, certain management activities (such as prescribed burns and invasive species control efforts) have primarily been conducted only on state natural areas where grants and gifts have allowed. The Department indicates that the additional GPR funding would allow them to conduct more priority projects, and also may allow them to leverage additional funding through federal grants. The funding would also be used to offset higher costs the Bureau has seen for such things as postage, phone, mileage and fees paid to DOA for computer related services.

ALTERNATIVES TO BILL

1. Adopt the Governor's recommendation to provide \$136,000 annually to reestimate funding from a GPR sum sufficient appropriation to match endangered resources revenues from gifts, grants, and the voluntary income tax check-off designation for the endangered resources program to the \$500,000 maximum specified in statute.

ALT 1	Change to Bill Funding	Change to Base Funding
GPR	\$0	\$272,000

2. Reduce the maximum amount appropriated from the GPR sum sufficient appropriation by \$136,000, to \$364,000 in 2007-08 and 2008-09. (The maximum match would revert to \$500,000 GPR annually beginning in 2009-10).

ALT 2	Change to Bill Funding	Change to Base Funding
GPR	-\$272,000	\$0

3. Reduce the maximum amount appropriated from the GPR sum sufficient appropriation to \$364,000 annually. (The reduction would be permanent.)

ALT 3	Change to Bill Funding	Change to Base Funding
GPR	-\$272,000	\$0

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