



Legislative Fiscal Bureau

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

May 10, 2007

Joint Committee on Finance

Paper #562

Wildlife Damage Program (DNR -- Fish, Wildlife, and Recreation)

Bill Agency

CURRENT LAW

The wildlife damage claims and abatement program provides landowners in participating counties with financial assistance to implement projects to reduce crop damage (abatement) and partially reimburse losses incurred from crop damage. The programs are funded by two dedicated revenue sources within the fish and wildlife account of the conservation fund: (a) revenue from a \$2 surcharge on most resident and nonresident hunting licenses and a \$4 surcharge on resident and nonresident conservation patron licenses; and (b) revenue from the \$12 resident (\$20 nonresident) bonus deer permit. Together, these revenue sources generated over \$4.3 million in 2005-06.

In addition, wildlife damage surcharge and bonus deer permit revenue is also used for the Department's costs of control and removal of wild animals, urban wildlife abatement and control grants, and chronic wasting disease (CWD) management. DNR incurs costs for removing wild animals that cause damage, and responding to complaints about wild animals, or their structures, which are causing a nuisance. DNR is provided approximately \$246,000 annually for this purpose and 2.0 positions that oversee the wildlife damage programs. Further, urban control grants are provided to communities for up to \$5,000 for planning wildlife abatement projects and for wildlife control efforts. The program provides up to 50% of project costs and is funded at \$25,000 annually. In addition, a portion of wildlife damage surcharge and bonus deer program revenue is used to fund CWD management (\$1,076,000 annually).

GOVERNOR

No provision (base level appropriations and revenues would continue).

DISCUSSION POINTS

1. Under the wildlife damage program, DNR assists participating counties in developing and reviewing administrative plans for managing wildlife damage issues. The state fully funds DNR approved county administrative costs. Approved abatement projects are eligible for state funding of up to 75% of costs, with the remaining share paid by the landowner. Landowners in counties that administer both the abatement and damage claims programs are eligible to file claims for damage to agricultural crops, harvested crops, orchard trees, nursery stock, beehives, or livestock if the damage is caused by deer, bear, geese, or turkey. Each claim is subject to a \$250 deductible. A claimant is paid 100% of the first \$5,000 above the deductible. If a claim is greater than \$5,250, a person can receive 80% of the amount of the claim, with the total amount paid not to exceed \$15,000 per claim. If the total amount of damage claimed is greater than available revenues after paying for administration and abatement, the Department prorates damage claim payments. Landowners receiving state claims funding are required to permit hunting of the species doing damage (generally allowing at least two hunters per 40 acres). However, under 2005 Act 82, a person who receives a shooting permit for deer causing damage on their land is not required to open their land to hunting if that permit is the only abatement measure the person receives; and, the person waives any eligibility to receive a wildlife damage claim payment for damage caused by deer.

2. The following table provides information on expenditures from the various components of the wildlife damage program since calendar year 2000. Program expenditures are shown on a calendar-year basis, since counties submit their costs by March 1 for the prior calendar year and DNR is required to make payments by June 1 (state payments are made in the following fiscal year; that is, calendar 2006 claims are to be submitted by March 1, 2007, and paid by June 2007). Expenditures listed for the "control of wild animals" include expenditures made for two administrative staff, the wild animal removal program, and the urban wildlife abatement grant program.

TABLE 1

**Wildlife Damage Surcharge Programs
Calendar Years 2000-2008**

<u>Year</u>	<u>No. of Counties</u>	<u>Admini- stration</u>	<u>Abatement</u>	<u>Claims</u>	<u>Subtotal Agricultural Damage Costs</u>	<u>Control of Wild Animals</u>	<u>Chronic Wasting Disease</u>	<u>Venison Processing</u>	<u>Total Costs</u>
2000	68	\$818,500	\$259,400	\$1,531,400	\$2,609,300	\$244,600	N.A.	\$434,100	\$3,288,000
2001	69	837,800	247,400	1,565,600	2,650,800	237,500	N.A.	244,500	3,132,800
2002	69	902,900	332,700	1,940,600	3,176,200	197,400	\$3,334,900	326,000	7,034,500
2003	70	957,300	312,700	1,838,600	3,108,600	246,700	1,234,700	461,000	5,051,000
2004	70	895,500	382,100	1,859,300	3,136,900	297,400	1,465,800	544,700	5,444,800
2005	70	955,300	504,100	1,312,900	2,772,300	114,700	1,076,600	361,100	4,324,700
2006*	70	1,000,000	860,000	1,400,000	3,260,000	232,300	1,078,900	600,000	5,171,200
2007*	70	1,030,000	870,000	1,610,000	3,510,000	271,100	1,071,200	615,000	5,467,300
2008*	70	1,061,000	875,000	1,739,000	3,675,000	271,400	1,071,200	615,000	5,632,600

*Estimated.

3. Beginning with the provision of wildlife damage revenues for CWD expenditures in 2002-03, expenditures from the wildlife damage programs have exceeded revenues. This was due in part to an effort to use the available wildlife damage revenues balance of the account rather than draw entirely from the general fish and wildlife account for CWD management. However, declining sales of bonus deer hunting permits also contributed to the imbalance. Major factors in the demand for bonus deer hunting licenses are the number of deer management units statewide that are designated as either CWD management zones or as "herd control" (formerly "Zone T") by DNR.

4. A deer management unit may be designated as "herd control" if the deer population in the geographical area (deer management unit) remains at least 20% over carrying capacity despite normal efforts to reduce the number of deer. "Herd control" units are subsequently designated for special seasons and other deer harvest techniques (such as antlerless-only and earn-a-buck seasons) in an attempt to reduce the estimated deer population of that area closer to the unit's carrying capacity. When the deer population is estimated to have been reduced below that threshold, its "herd control" status is removed. Individuals purchasing a gun or archery deer license receive a free antlerless-only hunting permit that is usable in deer management units that have been designated as "herd control".

5. In 2006, 75 regular deer management units (63%) were designated as "herd control" units (compared to 45 in 2005). This includes 21 units designated as "Earn-a-Buck" where hunters were required to harvest an antlerless deer before harvesting an antlered deer. The Department decided not to hold an October hunt for the 2006 season, opting instead for an early December statewide antlerless hunt, from December 7 to 10 (in addition to the traditional nine-day November gun deer season). Hunters received a free antlerless permit issued with the purchase of a regular gun deer license (valid only in herd control units) and could purchase additional herd control antlerless carcass tags for \$2 each. Hunters were allowed to tag an unlimited number of bucks or antlerless deer in the CWD units. In regular units, (those units not classified as CWD or herd control units), hunters could purchase unit-specific bonus antlerless permits for \$12 (\$20 nonresident), with revenues going for wildlife damage. In 2007, 85 units (71%) are expected to be in "herd control" status. In addition, another 18 units are in the CWD zones. Therefore, bonus deer permit revenues are expected to decline again in 2007-08.

6. An increasing number of free antlerless permits has also led to an increase in the number of deer donated to the venison processing program. Prior to 1999, revenue from the wildlife damage surcharge was statutorily directed to be expended on three programs related to wildlife damage: (a) the wildlife damage claims and abatement program; (b) control and removal of wild animals (including 2.0 positions to administer the various wildlife damage programs); and (c) the urban wildlife damage abatement grant program. The 1999-01 biennial budget included a provision that allowed DNR to use funds from the wildlife damage program to pay participating counties for the processing of venison that was donated to food pantries or charitable organizations during a deer herd control season established by the DNR to abate deer damage. These costs were to be paid after other wildlife damage program expenditures, and DNR was directed to prorate payments if available funding was not adequate to fully reimburse counties. Under 2001 Act 16 (the 2001-03

biennial budget), an option was created to allow any applicant for a deer, bear, or small game hunting license to elect to make a voluntary contribution of at least \$1 to be used for the venison processing and donation program. Monies received are used to reimburse counties for the cost of processing donated venison (including administrative costs incurred). Voluntary donations for this purpose totaled \$15,900 in 2005-06; however, expenditures in the continuing appropriation are currently set at \$0. Therefore, as a technical matter, the venison processing donation appropriation could be reestimated at \$15,000 annually (Alternative B1). Donation processing program costs were estimated to total approximately \$361,100 for calendar year 2005. The Department estimates that venison processing costs could reach \$600,000 in 2006-07. 2005 Act 25 created a dedicated appropriation for venison processing funded at \$600,000 annually from wildlife damage revenues. This action had the effect of ensuring \$600,000 annually for the venison donation program. However, if the amount available from the dedicated appropriation and voluntary contributions is insufficient to reimburse all county costs, funds may be made available for county reimbursement from the wildlife damage program, if funds exist after paying all damage claims.

7. The following table provides an estimated condition statement for the wildlife damage program through 2007-09 under SB 40. It should be noted that expenditure estimates may differ slightly from those shown in Table 1, as Table 2 shows expenditures on a fiscal, rather than calendar year basis.

TABLE 2

**Wildlife Damage Account Condition SB 40
(\$ in Millions)**

	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Opening Balance	\$0.58	\$3.35	\$1.37	-\$1.32
Revenue	<u>7.23*</u>	<u>3.21</u>	<u>2.78</u>	<u>3.28</u>
Total Available	\$7.81	\$6.56	\$4.15	\$1.96
Wildlife Damage	\$3.18	\$3.51	\$3.78	\$3.94
Venison Processing	0.26	0.60	0.62	0.62
CWD Management	<u>1.02</u>	<u>1.08</u>	<u>1.07</u>	<u>1.07</u>
Total Expenditures	\$4.46	\$5.19	\$5.47	\$5.63
Closing Balance	\$3.35	\$1.37	-\$1.32	-\$3.67

*Includes \$2.9 million transferred from the recycling fund on a one-time basis.

8. As shown in the table, it is anticipated that revenues to the wildlife damage account will not be sufficient to fully fund appropriations for all authorized expenditures under the bill during 2007-09. It is estimated that the wildlife damage account would have an expected shortfall of over \$3.6 million by June 30, 2009. Further, some DNR officials have expressed concern that record corn prices could, potentially, increase damage costs beyond those shown in Table 2.

Although expenditures for the agricultural wildlife damage claims and abatement program are estimated at approximately \$3.51 million in 2007-08 and \$3.68 million in 2008-09, the appropriations in SB 40 are listed as approximately \$2.2 million annually. Although all wildlife damage revenues are deposited to this appropriation (after CWD, venison processing and the other damage appropriated amounts are deducted), the appropriations schedule should reflect the best estimate of expenditures. Therefore, as a technical matter, the agricultural wildlife damage claims and abatement continuing appropriation could be reestimated to reflect current costs (Alternative B1).

9. The wildlife damage claims and abatement program is currently funded through revenue from a \$2 surcharge on most resident and nonresident hunting licenses and a \$4 surcharge on resident and nonresident conservation patron licenses; and (b) revenue from the \$12 resident (\$20 nonresident) bonus deer permit. One alternative could be to add an additional revenue source to the program, such as revenue from the \$2 herd control antlerless deer tags which are valid in herd control deer management units (including Earn-a-Buck units). These tags generated approximately \$280,000 in revenue in 2006-07. Currently, revenues from the sale of these tags are deposited by DNR in a conservation fund appropriation for customer service and licensing. The Department argues that a portion of the revenue from the \$2 antlerless tags should remain in the customer service and licensing appropriation to cover costs associated with processing and distributing the tags. Therefore, the Committee could specify that 50% of the revenue from the \$2 herd control antlerless tags be designated for wildlife damage (Alternative A1). This would be expected to result in approximately \$140,000 in increased annual revenues for wildlife damage and a corresponding decrease in revenue to the general fish and wildlife account.

10. Another option would be to reduce expenditures from wildlife damage revenues by decreasing the percentage of wildlife damage costs paid by the Department (and increasing the proportion borne by the landowner). 1997 Act 27 increased the percentage of abatement projects eligible for state funding from 50% to 75% of project costs, with the remaining share paid by the landowner. Abatement measures have increased from approximately \$312,000 in calendar year 2004 to over \$500,000 in 2005 and an estimated \$860,000 in 2006. An alternative could be to specify that approved abatement projects are eligible for 50% of costs beginning January 1, 2008. This would result in a decrease in abatement expenditures of one-third and would decrease payments by \$285,000 in 2008-09 (Alternative A2).

11. Current law specifies that wildlife damage revenues be first appropriated for urban abatement grants, CWD management, venison processing, and wildlife removal activities. Remaining revenues are deposited for the wildlife damage claims and abatement program (including venison processing if costs exceed available funding in the venison processing appropriation). If revenues are insufficient to pay all eligible costs, DNR is first required to eliminate or pro-rate wildlife damage claims. If revenues are still insufficient DNR would next eliminate or pro-rate damage abatement reimbursement and finally county administrative costs. Under the bill, revenues would not be expected to be sufficient to pay any damage claims during the 2007-09 biennium, and, would likely be insufficient to pay any abatement assistance in 2008-09. Further, proration of administrative costs may be required in 2008-09. However, although not

required to do so, DNR could voluntarily reduce expenditures in other programs (such as CWD management or venison donation) in order to increase available revenues for the wildlife damage program.

12. Between 1999 and 2001, DNR tested over 1,000 deer throughout the state for CWD. However, no positive samples were identified prior to the 2001 gun deer season. In that year, three bucks harvested from deer management unit 70A (which includes portions of Dane and Iowa Counties) tested positive for the disease. Through April, 2007, over 129,000 samples were submitted for testing. As of May 1, 2007, 848 deer have generated positive test results for CWD. Under the provisions of 2001 Act 108, \$4,000,100 in one-time funding was provided in 2002-03 for CWD management efforts. Of the funding provided, \$3,000,100 was provided from wildlife damage program surcharge revenues, and \$1,000,000 was provided from the recycling fund. DNR subsequently sought additional expenditure authority under s. 13.10 of the statutes and on December 17, 2002, the Joint Committee on Finance approved an additional \$343,900 in one-time funding from the available balance of the wildlife damage program for costs related to herd reduction, sample collection, and enforcement efforts. Under 2003 Act 33, ongoing funding totaling \$1,954,700 was provided in 2003-04 (\$1,594,700 from the wildlife damage revenue appropriation and \$360,000 FED) and \$1,465,800 was provided in 2004-05 (also from wildlife damage). These funds were used to support limited-term employees and overtime costs for staff, for testing and disposal costs, increased law enforcement efforts related to CWD, and public outreach and education programs. Under 2005 Act 25, ongoing funding of \$1,476,000 was provided annually for CWD control efforts (\$1,076,000 from wildlife damage and \$400,000 from general fish and wildlife SEG). Under the bill, this base funding would continue.

13. CWD expenditures totaled approximately \$4.6 million in 2005-06 (including approximately \$1 million from wildlife damage, approximately \$2.4 million from the general fish and wildlife account and \$1 million in federal revenues) and DNR expects that CWD expenditures are likely to remain at about this level for the 2007-09 biennium. Agency efforts are funded from federal grants, a reallocation of existing wildlife management staff and supplies (fish and wildlife account) and by the \$1.5 million in SEG appropriations (including \$400,000 from the general fish and wildlife account and \$1.1 million from wildlife damage). A central focus of the Department's effort to control CWD in the wild deer population has been to reduce the size of the herd in areas of the state where CWD has been found. This effort has required additional funding to support overtime for conservation wardens assisting with extended deer management seasons, disposal costs of deer heads and carcasses when hunters did not wish to keep them, costs of CWD tests conducted in the CWD zones and on a rotating regional basis, and staff time to conduct communication and education efforts with residents and hunters within CWD management zones.

14. In November, 2006, the Legislative Audit Bureau (LAB) released a report regarding the efforts to eradicate CWD in Wisconsin. The report concluded that DNR's efforts to eradicate CWD have not been effective. Specifically, the Audit Bureau noted that the number of deer killed in CWD zones has declined, the CWD infection rate has not declined in the DNR established "core area" (a 210 square mile area in the western disease eradication zone where most infected deer have been found), and the estimated post-hunt number of deer in CWD zones has increased. Given these

results, it may be argued that the use of substantial resources for limited returns may not be the best use of these funds. From this perspective, it may be argued that funding could be reduced, and the Department encouraged to re-evaluate the effectiveness of its efforts in an attempt to achieve better results.

15. Alternatively, reducing the resources available to address CWD in the deer herd may result in an increased rate of CWD infections, and increase, or hasten, negative impacts to the state's tourism and recreation sectors. From this perspective, it may be argued that maintaining funding of CWD management efforts, whether from the fish and wildlife account, the wildlife damage program, or some other funding source may be necessary.

16. The Department's CWD expenditures were originally funded primarily from wildlife damage surcharge revenues in an effort to use a portion of the program's available balance rather than draw entirely from the general fish and wildlife account for CWD management. Further, recycling fund revenues have been used because of an available balance in that fund and to broaden the revenue sources for CWD management beyond fees on hunters. To the extent that a portion of the Department's efforts to eradicate CWD in the deer herd focuses on reducing concentrated deer populations that may otherwise damage crops, it may be argued that using a portion of crop damage funds for CWD control efforts could be viewed as appropriate under the wildlife damage program. However, to the extent that the oversight and management of the health of the deer herd is a primary function of the wildlife management program, it could be argued that a more appropriate source of funding for CWD expenditures is the general fish and wildlife account of the conservation fund.

17. Table 3 provides an estimated fish and wildlife account condition under SB 40. The account could be expected to have an available balance of approximately \$840,000 on June 30, 2009.

TABLE 3

Estimated Fish and Wildlife Account Condition Statement under SB 40

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Opening Balance	\$21,909,200	\$22,536,400	\$18,100,700
Revenue	<u>75,877,200</u>	<u>76,465,000</u>	<u>76,915,000</u>
Total Available	\$97,786,400	\$99,001,400	\$95,015,700
Budgeted Expenditures	\$73,450,000	\$79,100,700	\$79,572,700
Compensation Reserves	<u>1,800,000</u>	<u>1,800,000</u>	<u>3,000,000</u>
Total Expenditures	\$75,250,000	\$80,900,700	\$82,572,700
Cash Balance	\$22,536,400	\$18,100,700	\$12,443,000
Encumbrances/Continuing Balance*	<u>11,600,000</u>	<u>11,600,000</u>	<u>11,600,000</u>
Available Balance	\$10,936,400	\$6,500,700	\$843,000

*Includes amounts encumbered (committed, but not yet paid) as well as continuing balances from certain appropriations

(such as trout, waterfowl or wild turkey stamp programs) that are not available for general appropriation.

18. One option could be to move a greater share of CWD program expenditures from the wildlife damage program to the general fish and wildlife account. Up to an additional \$400,000 could be provided for CWD from the fish and wildlife account annually. However, providing additional ongoing funding from the fish and wildlife account would increase the structural imbalance in the account (expenditures would exceed 2008-09 revenues by over \$5 million under the bill). Given (a) the limited results evident from the Department's current CWD strategy, (b) that a revised program has not yet been advanced and (c) the viability of continuing to use wildlife damage revenues for CWD management is in doubt; the Committee could consider providing CWD funding as one-time in 2008-09. DNR could then submit a revised proposal, if needed, to continue CWD funding in the 2009-11 biennium (Alternative A4). Under the bill, CWD funding would total \$1,471,200 in 2008-09 (\$400,000 from general fish and wildlife revenues and the remainder from wildlife damage).

19. As the majority of wildlife damage claims have been for damage related to deer (77% of claims in 2006-07 to date), another alternative could be to increase the wildlife damage surcharge on deer hunting licenses. In order to maintain revenues to the general fish and wildlife account, the license fees would need to be increased to reflect the increase in the surcharge. However, the Department would prefer not to increase the conservation patron fee due to recent increases to this license and declining sales. Further, concerns have been raised over the license fees charged for youth hunting licenses. Therefore, the Committee could exclude these licenses from the surcharge increase. For example, a \$1 increase in the surcharge, and associated license fee, on the following licenses: (a) resident gun deer (b) nonresident gun deer; (c) resident archer; (d) nonresident archer; (e) resident and nonresident conservation patron (surcharge increase only); (f) resident sports; and (g) nonresident sports would be expected to generate approximately \$1.16 million in additional revenue to the wildlife damage account over the 2007-09 biennium (\$460,000 in 2007-08 and \$695,000 in 2008-09) (Alternative A5).

20. Another alternative could be to increase the wildlife damage surcharge and associated license fee on deer hunting licenses to a level adequate to balance the wildlife damage account. If the surcharge, and associated license fee, were increased by \$3.50 for resident and nonresident gun deer, archer, sports, and conservation patron, revenue of approximately \$4 million would be expected and the program would be expected to have a balance of approximately \$300,000 at the end of 2007-09 (Alternative A6). (Youth licenses would again be excluded from the surcharge increase and conservation patron licenses would be subject to the surcharge increase, but not a fee increase.)

21. Concerns have been raised with the current wildlife damage funding mechanism in that bonus deer permit sales tend to be lowest when deer populations (and therefore, associated damage) are highest. That is, as deer populations substantially exceed established goals, more free permits are issued in herd control units, and there are fewer units with bonus permits for sale. Others have raised concerns that hunter fees should not be the sole source of revenue for wildlife damage programs. High deer populations cause increased agricultural damage, but also have other

detrimental effects. For example, forest diversity has been harmed by over browsing from deer and vehicle-deer collisions increase on roadways. In addition, higher deer concentrations may increase the risk of disease transmission. DNR officials and others have argued that broader revenue sources should be considered to fund CWD and wildlife damage programs.

22. 2005 Act 25 transferred \$2.9 million from the recycling fund to the wildlife damage program in 2005-06. Further, recycling fund revenues have been used in the past to support a portion of CWD related costs. The recycling fund or other revenues could again be considered to support CWD or wildlife damage programs. In order to balance the current wildlife damage programs, at least \$3.67 million would be required. It could be argued that others with an interest in reducing deer populations in order to reduce environmental and economic losses could contribute to these programs. For example, forestry, agriculture, and vehicle insurance interests are all negatively affected by high deer populations. Other funds that could be considered would be the forestry account or agricultural chemical fees. With Committee action to date, the June 30, 2009, balance in the forestry account is estimated at \$1.5 million, the agricultural chemical management fund at \$2.4 million, and the agricultural cleanup fund at \$2.9 million.

23. Car-deer collisions were estimated at approximately 17,000 in calendar year 2005 and 17,900 in 2006. Since 1979, there has been a general increase in the number of persons injured or killed in motor vehicle crashes with deer. The 676 people injured or killed in 2005 was 106 more than in 1993 (approximately 649 people were injured or killed in motor vehicle crashes with deer in 2006). A potential source of wildlife damage funding could be a portion of the fee for driver record abstracts. Driver record abstracts are computer-generated copies of Department of Motor Vehicles (DMV) driver records. Abstracts are provided at no cost to federal and state government agencies, county courts and enforcement agencies. A fee of either \$5 or \$6 per record (depending on how the information is provided by DMV) is assessed for abstracts provided to insurance companies, employers, school bus contractors, businesses, and the general public. Fee revenues are deposited in the segregated transportation fund. The fee generated revenues of approximately \$16.15 million in 2005-06, and is expected to generate approximately \$16.2 million in 2006-07. An alternative could be to increase this fee by \$1 beginning January 1, 2008, and direct \$1 of the fee revenue to the fish and wildlife account for wildlife damage (Alternative A7). This would result in an increase of approximately \$4.5 million in wildlife damage revenues by June 30, 2009 (\$1,500,000 in 2007-08 and \$3,030,000 in 2008-09).

24. To the extent that the primary purpose of the wildlife damage program is to provide landowners with financial assistance to implement projects to reduce crop damage and partially reimburse losses incurred from crop damage, it could be argued that program priorities could be specified accordingly. For example, as one option, the Committee could specify that, in the event that available revenues are not sufficient to cover all program costs, the Department first pro-rate funding for CWD program expenditures, then pro-rate funding for venison donation, then for DNR administration and removal costs and so on as shown in Table 4. This option would prioritize the county damage programs first, then urban wildlife abatement, then DNR administration of the damage and removal programs, then venison donation, and finally CWD management (Alternative A8). While the table suggests one alternative for wildlife damage priorities, others could be

considered.

TABLE 4

Wildlife Damage Related Program Priorities

<u>Current Law</u>	<u>Priority</u>	<u>An Alternative</u>	<u>Priority</u>
Urban Grants	1	Damage administration	1
CWD Management	1	Damage abatement	2
DNR Administration/Removal	1	Damage claims	3
Venison Processing	1	Urban grants	4
Damage administration	2	DNR Administration/Removal	5
Damage abatement	3	Venison Processing	6
Damage claims	4	CWD Management	7

ALTERNATIVES TO BILL

A. Wildlife Damage Revenues

1. Specify that 50% of the revenue from the sale of \$2 herd control antlerless deer tags be designated for the wildlife damage claims and abatement program. Estimate revenues of \$140,000 annually. (This would increase the balance of the wildlife damage program by approximately \$280,000 on June 30, 2009, and reduce the general fish and wildlife account balance by the same amount).

2. Specify that wildlife damage abatement assistance be for up to 50% (rather than 75%) of eligible project costs beginning on January 1, 2008. Further, delete \$285,000 relating to wildlife abatement payments in 2008-09.

ALT A2	Change to Bill Funding	Change to Base Funding
SEG	- \$285,000	- \$285,000

3. Transfer \$200,000 SEG annually for the management and control of chronic wasting disease in the state's wild deer herd from wildlife damage surcharge revenues to the general fish and wildlife account of the conservation fund. (This would increase the balance of the wildlife damage program by approximately \$400,000 on June 30, 2009, and reduce the general fish and wildlife account balance by the same amount.)

4. Specify that CWD management funding be provided on a one-time basis in 2008-09. (DNR would need to submit a budget request in 2009-11 to continue CWD funding.)

5. Increase the wildlife damage surcharge applied to the following licenses and by \$1: (a) resident gun deer (b) nonresident gun deer; (c) resident archer; (d) nonresident archer; (e) resident conservation patron; (f) nonresident conservation patron; (g) resident sports; and (h) nonresident sports. (Youth licenses would be excluded from this increase). Further, increase the license fees to reflect the increase in the wildlife damage surcharge (except for conservation patron licenses). Estimate revenues at \$460,000 in 2008-09 and \$695,000 in 2008-09.

ALT A5	Change to Bill Revenue	Change to Base Revenue
SEG	\$1,155,000	\$1,155,000

6. Increase the wildlife damage surcharge applied to the following licenses by \$3.50: (a) resident gun deer (b) nonresident gun deer; (c) resident archer; (d) nonresident archer; (e) resident conservation patron; (f) nonresident conservation patron; (g) resident sports; and (h) nonresident sports. (Youth licenses would be excluded from this increase). Further, increase the license fees to reflect the increase in the wildlife damage surcharge (except for conservation patron licenses). Estimate revenues at \$1,590,000 in 2007-08 and \$2,410,000 in 2008-09.

ALT A6	Change to Bill Revenue	Change to Base Revenue
SEG	\$4,000,000	\$4,000,000

7. Increase the fee for driver record abstracts by \$1 (from \$5 to \$6 and \$6 to \$7), effective January 1, 2008. Specify that \$1 of the fee revenues be transferred to the fish and wildlife account for wildlife damage. Estimate revenues at \$1,500,000 in 2007-08 and \$3,030,000 in 2008-09.

ALT A7	Change to Bill Revenue	Change to Base Revenue
SEG	\$4,530,000	\$4,530,000

8. In addition to one or more of the above alternatives, specify that, in the event that available revenues are not sufficient to cover all wildlife damage program related costs, the Department should first pro-rate (or eliminate) funding for CWD program expenditures, and so on, as shown below.

<u>Program</u>	<u>Priority</u>
Damage administration	1
Damage abatement	2
Damage claims	3
Urban damage grants	4
DNR administration/removal	5
CWD management	6

B. Appropriation Reestimates

1. Provide \$15,000 annually for estimated venison processing donations. Further, provide \$1,322,300 in 2007-08 and \$1,487,300 in 2008-09 to reflect anticipated agricultural wildlife damage claims and abatement costs.

ALT B1	Change to Bill Funding	Change to Base Funding
SEG	\$2,839,600	\$2,839,600

Prepared by: Erin Rushmer