

STAFF SUMMARY FOR AUGUST 24-25, 2016

26. WILDLIFE RESOURCES COMMITTEE**Today's Item**Information Action

Review tasks referred to the Wildlife Resources Committee (WRC), review potential agenda topics for Sep 21, 2016 WRC meeting, and consider new potential topics for WRC review. Provide an update on the Predator Policy Workgroup (PPWG).

Summary of Previous/Future Actions

- | | |
|----------------------------------------------|------------------------------------|
| • Most recent WRC | May 18, 2016; WRC, West Sacramento |
| • Most recent PPWG meeting | Jul 12, 2016; WRC-PPWG, Sacramento |
| • Today, approve draft Sep WRC topics | Aug 24-25, 2016; Folsom |
| • Next WRC meeting | Sep 21, 2016; WRC, Woodland |
| • Next PPWG meeting | Sep 28, 2016; WRC-PPWG, Sacramento |

BackgroundWRC Work Plan and Draft Timeline

FGC directs committee work. Current topics already referred to WRC are shown in Exhibit 2 and include two new topics referred by FGC in Jun 2016 (falconry regulations, and the Hatchery and Inland Fisheries Fund). A discussion of the falconry regulations and the Hatchery and Inland Fisheries Fund are tentatively scheduled for Jan 2017 and May 2017, respectively.

Draft agenda topics for the Sep WRC meeting are shown in the Sep column of the WRC work plan (Exhibit 1) for FGC review and consideration today. Topics include discussion and recommendations on four annual rulemaking packages: mammals; waterfowl; Central Valley salmon; and Klamath River sport fish. Also proposed are continued discussion on wild pig management and a PPWG update.

Predator Policy Workgroup

The WRC's PPWG met in Jul 2016 to review existing predator policies and identify the management issues to address in a predator policy. The meeting summary is available on the FGC website. The next meeting is scheduled for Sep 28, 2016 in Davis.

Discuss and Approve New WRC Topics

No new topics are proposed at this time.

Significant Public Comments

1. Letter received from California Legislature Outdoor Sporting Caucus requesting DFW present a detailed analysis of revenues and expenditures for the Hatchery and Inland Fisheries Fund for the fiscal years 2013-2014, 2014-2015, and 2015-2016 at the Sep 2016 WRC meeting (Exhibit 2).

STAFF SUMMARY FOR AUGUST 24-25, 2016

Recommendations

Approve draft agenda topics for the May 2016 WRC meeting:

- *Proposals for annual rulemaking*
 - *Mammals for 2017-18*
 - *Waterfowl for 2017-18*
 - *Central Valley Salmon for 2017*
 - *Klamath River Sportfish for 2017*
- *Special project updates:*
 - *Wild pig management discussion*
 - *PPWG update*

Exhibits

1. [WRC work plan and draft agenda topics for Sep 21, 2016 WRC meeting](#)
2. [Letter from California Legislature Outdoor Sporting Caucus concerning the Hatchery and Inland Fisheries Fund, received Aug 11, 2016](#)

Motion/Direction

Moved by _____ and seconded by _____ that the Commission approves the draft agenda topics for the Sep 2016 Wildlife Resources Committee meeting.

Wildlife Resources Committee (WRC) 2016-2017 Draft Work Plan: Schedule topics and timeline for items referred to WRC (Updated for Aug 2016 FGC meeting)

Topic	Type of Topic	2016			2017		
		JAN Cancelled	MAY (West Sac)	SEP (Woodland)	JAN (TBD)	MAY (TBD)	SEP (TBD)
Annual Game Regulations							
Upland Game Birds	Annual	X / R		X	X / R		
Sport Fish	Annual	X	X / R		X	X / R	
Mammals	Annual		X	X / R		X	X / R
Waterfowl	Annual		X	X / R		X	X / R
Central Valley Salmon	Annual			X / R		X	X / R
Klamath River Sport Fish	Annual		X	X / R		X	X / R
Regulations & Legislative Mandates							
Possession of game for processing into food (Sec. 3080(e), Fish and Game Code)	Referral for review	X			X	X / R	
<i>Falconry</i>	Referral for review				X	X	
Emerging Management Issues							
Lead Ban Implementation	DFW project				X	X	X
Wild Pig Management	Referral for review		X	X	X / R		
<i>Hatchery & Inland Fisheries Fund</i>	Referral for review					X	X
Special Projects							
Predator Policy Workgroup	WRC workgroup		X	X	X	X / R	

KEY X Discussion scheduled R Recommendation developed and moved to FGC



August 11, 2016

Anthony Williams, Co-Chair

Russ Burns, Co-Chair

Wildlife Resources Committee

California Fish and Game Commission

1416 9th St., 13th Floor

Sacramento, CA 95814

RECEIVED
CALIFORNIA
FISH AND GAME
COMMISSION
2016 AUG 11 PM 3:18

Dear Commissioners Williams and Burns:

We are writing to express concern regarding the solvency of the Hatchery and Inland Fisheries Fund which is overseen by the Department of Fish and Wildlife (DFW). According to the Department of Finance (DOF), this fund is operating at an annual loss and is perilously close to insolvency. This would dangerously impact California freshwater anglers.

When presented with DOF's analysis, in the attached letter of opposition to AB 1844 (Gallagher), of the Hatchery and Inland Fisheries Fund, DFW was unable to provide concrete data that the fund will continue to remain solvent in the future. In the letter, DOF reported, "Expenditures in the Hatchery and Inland Fisheries Fund also exceed revenues resulting in an annual imbalance of \$2.2 million; the fund is anticipated to become insolvent in fiscal year 2018-2019." DFW's response was simply that the fund is not currently insolvent and provided no data regarding the alleged operating loss. Considering the importance of the Hatchery and Inland Fisheries Fund, we believe that DFW should be required to provide a detailed analysis of the fund.

The undersigned members of the California Legislature Outdoor Sporting Caucus (OSC) support a detailed analysis of revenues and expenditures for the Hatchery and Inland Fisheries Fund for the fiscal years 2013-2014, 2014-2015 and 2015-2016. It is our understanding that the Fish and Game Commission staff will make a recommendation to the full Commission at the August 24 meeting as to whether or not this analysis should be presented by DFW at a public meeting. We strongly urge the Commission to have DFW present the aforementioned analysis to the Wildlife Resources Committee at its September 21, 2016 meeting in order to identify the necessary steps to prevent insolvency.

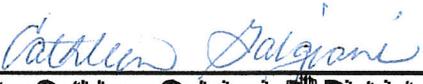
Thank you for your attention to this important matter.

Sincerely,

[PLEASE SEE SIGNATURES BELOW]

cc: The Honorable Jerry Brown, Governor
Fish and Game Commission
Charleton H. Bonham, Director, DFW
Encl. – DOF opposition letter to AB 1844 (Gallagher)

SIGNATURES:



Senator Cathleen Galgiani, 5th District, Co-chair



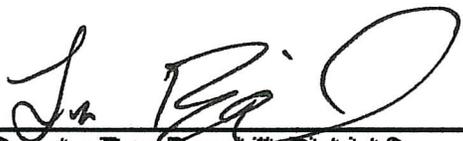
Senator John Moorlach, 37th District, Co-chair



Assemblymember Brian Dahle, District 1, Co-Chair



Assemblymember Jim Frazier, District 11, Co-chair



Senator Tom Berryhill, District 8



Senator Anthony Cannella, District 12



Senator Jean Fuller, District 16, Senate Republican Leader



Senator Jim Nielsen, District 4



Assemblymember Catharine Baker, District 16



Assemblymember Ken Cooley, District 8



Assemblymember James Gallagher, District 3



Assemblymember Devon Mathis, District 26



Assemblymember Frank Bigelow, District 5



Assemblymember Travis Allen, District 72



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR., GOVERNOR

STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

Honorable James Gallagher
Member of the Assembly
State Capitol, Room 5128
Sacramento, CA 95814

Dear Assemblymember Gallagher:

Our office has reviewed AB 1844 as amended March 10, 2016. On the basis of our attached analysis of available information, we regret that we must oppose your legislation. If you feel that we may have overlooked factors that may be important in evaluating your legislation, please call me at 445-8610 and we will arrange any assistance necessary.

Sincerely,


MICHAEL COHEN
Department Director

Attachment

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 03/10/2016
POSITION: Oppose
SPONSOR: California Sports Fishing League

BILL NUMBER: AB 1844
AUTHOR: Gallagher, James
RELATED BILLS: SB 1081, Morrell

BILL SUMMARY: Hunting and fishing licenses: reduced license fees: veterans.

Existing law requires the Department of Fish and Wildlife (Department) to issue a reduced-fee sport fishing license or hunting license to disabled veterans and to active military personnel who are recovering from an injury.

This bill would expand the list of those eligible to receive reduced-priced hunting and fishing licenses by requiring the Department to issue both annual and lifetime fishing, hunting, and sportsman licenses, to honorably discharged U.S. veterans who are residents of California, at a 25 percent discount. Further, for fishing report cards or associated tags, validations or other entitlements that may be required in addition to a lifetime fishing license, this bill would provide a 25 percent discount to resident discharged U.S. veterans, and a 50 percent reduction for resident disabled veterans. The Fish and Game Commission (Commission) would be precluded from increasing fees to recover the costs of providing these discounts.

FISCAL SUMMARY

The Department estimates a loss of \$768,000 in revenue for the issuance of reduced-fee annual and lifetime fishing, hunting and sportsman licenses, assuming that 6.19 percent of licensees would be resident veterans. This estimate does not include potential workload that the Department is still evaluating associated with this bill. Finally, there may be some offset to the extent that lowered fees encourage more qualifying veterans to pursue licenses.

Revenue from sport fishing and hunting licenses are deposited in the Fish and Game Preservation Fund and the Hatchery and Inland Fisheries Fund. The Fish and Game Preservation Fund currently has a structural deficit with expenditures exceeding revenues by over \$21.5 million; the Governor's Budget reflects a reserve balance of \$6 million in fiscal year 2016-17. Expenditures in the Hatchery and Inland Fisheries Fund also exceed revenues resulting in an annual imbalance of \$2.2 million; the fund is anticipated to become insolvent in fiscal year 2018-19.

COMMENTS

While the intent of this bill is meritorious, the Department of Finance opposes this bill because it reduces revenue for the Fish and Game Preservation Fund and the Hatchery and Inland Fisheries Fund, both of which are structurally imbalanced with annual expenditures exceeding annual revenues.

Currently, hunting and sport fishing licenses each cost \$47.01 for California residents; reduced-priced licenses are provided at \$6.95 to disabled veterans and recovering active military members. In addition to licenses, the application fee for hunting tags for specific species cost between \$5.97 and \$38.62; hunting tags themselves can cost between \$22.42 and \$445.35. Validations for ducks and some upland game birds are up to \$20.52. Sport fishing licenses also require report cards for certain fish with costs between \$6.22 and \$22.42 depending upon specified species.

Analyst/Principal (0684) A.Martin Date Program/Budget Manager Karen Finn Date

Department Deputy Director Date
Orig. Signed By J.W.H. APR 25 2016

Governor's Office: By: Date: Position Approved _____
Position Disapproved _____

BILL ANALYSIS--(CONTINUED)

Form DF-43

AUTHOR

AMENDMENT DATE

BILL NUMBER

Gallagher, James

03/10/2016

AB 1844

COMMENTS (continued)

Existing law requires the Department to issue hunting and sport fishing licenses at reduced-fees or at no cost to certain groups including low income senior citizens and Native Americans, disabled veterans, recovering service members, and persons who are blind, developmentally disabled, or mobility impaired. Approximately 17,500 resident and nonresident disabled veterans currently take advantage of reduced-fee hunting and fishing licenses with revenue of approximately \$118,000.

According to the author's office, there are only limited opportunities for reduced-fee hunting and sport fishing licenses for military men and women and this bill will allow those who devoted their lives to the service of our country to more easily participate in fishing and hunting in California. The author anticipates that the proposed fee reduction will encourage greater participation among Veterans and their family and friends. This expanded participation would then lead to increased sales of licenses in future years.

Senate Bill 1081 (Morrell) is a related bill that reduces fees to a base of five dollars for hunting and fishing licenses for honorably discharged veterans, provides a 50 percent discount for fishing report cards or associated tags, validations or other entitlements, and waives all fees for disabled veterans and recovering active military personnel.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)							Fund Code
	SO	LA	(Dollars in Thousands)					
	CO	PROP						
	RV	98	FC	2015-2016 FC	2016-2017 FC	2017-2018		
3600/FishWild	SO	No		---- See Fiscal Summary ----			0200	
3600/FishWild	SO	No		---- See Fiscal Summary ----			3103	
<u>Fund Code</u>	<u>Title</u>							
0200	Fish and Game Preservation Fund							
3103	Hatchery and Inland Fisheries Fund							