

**Response from Minnesota Department of Natural Resources To  
The Budgetary Oversight Committee's Citizen Oversight Report  
on Game and Fish Fund Expenditures – Fiscal Year 2009**

**September 13, 2010**



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Mr. Joe Duggan, Chair  
Budgetary Oversight Committee  
2600 W 93rd St  
Bloomington, MN 55431

C: Game and Fish Fund citizen oversight appointees

Subject: Response to Citizen Oversight Review of DNR's Game and Fish Fund Report for  
Fiscal Year 2009

Dear Joe:

Thank you for your thorough review of DNR's Game and Fish Fund Report for Fiscal Year 2009. We have prepared a response for your consideration.

The Department is currently collaborating with the BOC to review the status of the Game and Fish fund and develop recommendations to the 2011 Legislature. Our goal is to develop a comprehensive and innovative revenue enhancement package by reviewing our revenue needs and license pricing structures. Over the next several months the Department will involve the BOC and other stakeholders in the review and recommendations process.

Thank you to all involved for their dedication in providing citizen oversight of the Game and Fish Fund.

Sincerely,

/s/ Mark Holsten, Commissioner  
Department of Natural Resources



# RESPONSE TO FISHERIES OPERATIONS SUBCOMMITTEE REPORT

## PREVIOUSLY REPORTED ISSUES

### Loss of Shoreline Habitat

**Subcommittee Response:** *We ask that an update on the success of these rules changes be assembled and discussed. The angling public needs to more deeply understand this large and complex issue. The subcommittee is not satisfied with the pace of solving it.*

**DNR response:** The governor returned the rules package to DNR for further development. DNR will be evaluating next steps and will likely revisit the scope and intent of the rulemaking with its stakeholders and the legislature.

### Recruitment of new anglers

**Subcommittee Response:** *We strongly believe that efforts at recruiting new and retaining old anglers are a justified expense for the GFF. But these efforts need to show success at revenue generation. If we spend money that does not generate more dollars to the fund than are being spent, we waste dollars that could be better spent on improving the fisheries resource.*

**DNR response:** The DNR views angling recruitment, retention and education efforts as long-term investments in maintaining our customer base. To that end, our strategic approach reflects on-going commitments to expanding shore-fishing opportunities (i.e., the Fishing In the Neighborhood program), introducing youth to fishing and the wonders at the water's edge (i.e., MinnAqua), skill-building programs (i.e., Becoming An Outdoors Woman/Family) and cultural outreach to growing minority populations (i.e., Southeast Asian program).

While it is difficult to correlate recruitment and retention expenditures to revenue generation, it is easy to see the long-term importance of outreach efforts in a time of significant social change, including increased urbanization, ethnic diversity, electronic alternatives to outdoor recreation, and an aging population base. The reality is this: most of today's anglers learned how to fish as a result of multiple experiences with family and friends in social settings. To maintain a customer base for tomorrow, it is prudent to invest in programmatic strategies that research suggests will provide the highest return on investment.

While many states have seen significant declines in the number of young anglers, Minnesota anglers between the ages of 16 and 64 declined only 4 percent from 2000 to 2009 when adjusted for population growth. This is the smallest drop in angling participation among five separate age groups of Minnesota anglers between the ages of 16 and 24. In terms of raw numbers, the number of anglers in the 16-24 age segment actually increase from 159,000 in 2000 to 164,000 in 2009. Clearly, something positive is going on.

### Treaty Costs

**Subcommittee Response:** *Since the legislature is unwilling to appropriate General Fund dollars for treaty management effort, we believe that the DNR must identify cost savings/reductions that can be made. The subcommittee requests a thorough review of these efforts with an eye towards changing process to achieve cost savings. Agency efforts that can be better labeled large lake management activity or research should be cost coded under these more appropriate labels.*

**DNR response:** From FY08 to FY09 treaty coordination expenditures from the Game and Fish Fund declined by 30%. The majority of these expenses are related to activities in the 1837 Treaty area with intermittent expenses related to the 1854/1855 Treaty areas. Starting in FY11 cost-coding was revised to make efficient use of available federal aid (sport fish restoration) dollars. These changes will make it easier to charge activities in treaty-waters that are also used for general lake management to the appropriate federal aid program. In addition, research

projects that produce results that will also benefit non-treaty fisheries management are now being conducted as general fisheries research under the appropriate federal aid program. Furthermore, starting in FY12 there will no longer be a treaty-specific appropriation from the Game and Fish Fund. Monies that had been appropriated for treaty-related work will be rolled into the larger Game and Fish Fund appropriation where they can be utilized for non-treaty activities.

### Stocking

**Proposed Solution:** *The subcommittee wants the DNR to review the cost effectiveness of stocking various species in regards to “effort compared to fish caught within the creel”. The changes in funding for fisheries activities means that dollars spent on effort must be maximized for enhancement of angling experience. The subcommittee is concerned that we are unwisely spending dollars on stocking at the loss of spending on other efforts. A better understanding of the cost per fish caught may impact opinions as to the value of stocking.*

**DNR response:** We do not have good data for directly comparing fish caught in the creel across species. However, the Department has recently completed revisions to stocking guidelines for walleye, muskellunge and various trout species. As a result, we are discontinuing stocking efforts in places where stocking is no longer needed, where stocking isn't meeting management goals or natural reproduction negates the need for stocking. Expenditures for each of these three species has increased due to inflationary cost increases. Numbers of trout stocked has remained relatively stable, while both walleye and muskellunge efforts have increased. Although DNR has effective stocking guidelines, legislative direction required additional stocking of Leech Lake.

## **NEW ISSUES**

### Issues surrounding an angling license Fee increase

**Subcommittee Recommendations:** *The subcommittee understands that an inflationary increase in the cost of angling licenses is due next year, and support discussions and efforts in this regard. We remind DNR managers and legislators that funding from other sources [LCCMR, bonding, Legacy funding, etc] need to pay their fair share of the fisheries management costs. The imbalance between license sale revenue and fisheries expenditures must be addressed.*

*The surcharge to license sales that goes to the “license seller” should be deleted. The outdoors industry should be supporting fisheries management as an investment in their financial future. The Game and Fish Fund should not be subsidizing the industry that benefits from angling. The subcommittee believes this is a diversion of license dollars. We offer that if needed, it should be replaced with a General Fund tax rebate “sellers” would be granted based on number of license sales. This tax rebate should be considered an investment by the state in tourism and resource management.*

*Angling license expenditures should first and foremost cover the costs of sport angling related management costs. The subcommittee wants to participate in a discussion with the DNR about Fisheries activities that fall under this narrowly defined definition. We believe we need to better understand what activities are being funded outside of this narrow definition.*

**DNR response:** The Department is currently collaborating with the BOC to review the status of the Game and Fish fund and develop recommendations to the 2011 Legislature. Our goal is to develop a comprehensive and innovative revenue enhancement package by reviewing our revenue needs and license pricing structures. Over the next several months the Department will involve the BOC and other stakeholders in the review and recommendations process.

### Concluding remarks

*Subcommittee members continue to believe that DNR management is becoming more introverted in its management decision making process. We applaud the increased effort to inform anglers of issues – i.e., species management workgroups. However, we remain concerned about “decision making” open engagement.*

**DNR response:** DNR Fisheries routinely and actively engages anglers and other interests to participate in decision-making about management of Minnesota’s fishery resources. Area Fisheries Supervisors seek input from sportsman’s clubs and lake associations on specific actions directed at improving fishing opportunities such as stocking, regulations, and habitat projects. Regulations proposals are required to be vetted in public input forums, and lake management plans frequently are developed with public involvement. As mentioned in the question, our species workshops have provided a forum to hear issues regarding individual species. These efforts have resulted in improved stocking guidelines (e.g., walleye), long-range plans (e.g., northern pike and musky), and partnerships with new stakeholders (e.g., southeast asian anglers and white bass). Finally, we work collaboratively with stakeholders to develop the agenda for the annual Fishing Roundtable. Although our public involvement with the fish management program is well-developed, we are open to new approaches to include anglers in the decision-making process.

# RESPONSE TO TROUT & SALMON STAMP SUBCOMMITTEE REPORT

## PREVIOUSLY REPORTED ISSUES

### Ongoing Issues

#### Lake Superior Cormorant Control

**Proposed Solution:** *The TSSC recommends that the MNDNR take advantage of this opportunity to partner with a conservation organization to design this study, and implement if feasible. The results should allow further management decisions to be based upon scientific evidence.*

**DNR response:** Fisheries research is willing to discuss the feasibility of a study with the TSSC. The U.S. Fish and Wildlife Services has final approval of studies of this nature.

#### Aquatic Invasive Species

**Proposed solution:** *We recommend:*

- 1) *the MNDNR swiftly exercise its emergency rulemaking authority to adopt those measures to prevent the spread of VHS and other invasive species which it sought legislative action to more easily facilitate, and the Legislature pass a bill at the start of next session making the measures permanent;*
- 2) *the MNDNR enforce a ban on the use of fresh or frozen bait from Lake Superior on other waters, and consider additional rules requiring the preservation of such bait;*
- 3) *the MNDNR and Legislature push for rapid adoption, implementation and enforcement of strong federal rules and standards for all ballast water discharges;*
- 4) *the MNDNR and Legislature push for restoration of the permanent, hydrologic separation of the Mississippi River and Great Lakes basins; and*
- 5) *the Legislature ensure adequate funding of the invasive species fund, including via raising surcharge rates.*

**DNR response:**

1. The Department has legislative changes that were part of the 2010 Legislative Game and Fish Bill that was vetoed. It is our intent to ask for approval to move ahead with this same language during the 2011 session.
2. The Department is working on an emergency rule change that will require only preserved Cisco and smelt to be used for bait statewide. This rule should be in place in the next few months. As more information becomes available, the Department is poised to do additional emergency rules if necessary.
3. The Department agrees that Federal rules are needed to regulate ballast water nationwide and in Minnesota. We support quick action by the U.S. Coast Guard and EPA on this issue.
4. The DNR has been active in conversations with other states on this Issue. The MN State Attorney General's Office has joined a suit with the State of Michigan aimed at bringing this issue to the forefront.
5. Stable funding for invasive species prevention and management is important. The DNR will work with the Governors' office and legislature to develop funding recommendations for the upcoming legislative session.

#### Revision of the Timber Harvesting Guidelines

**Proposed Solution:** *The TSSC requests that throughout the revision process the professional judgments of the Fisheries Section and Ecological Resources Division of the MNDNR be forcefully conveyed directly to the MFRC and the public, without alteration by other Division.*



**DNR response:** The MNDNR comments to the MFRC guideline revision process included concerns by the Fisheries Section and the MN Chapter of the American Fisheries Society. Scoping comments for guideline revision were submitted by 22 organizations and individuals during the scoping period which closed on April 30, 2010. All comments were evaluated by the Site-level committee for inclusion in the recommended scope that was presented to the full Council for approval at their July, 2010 meeting.

The Minnesota Forest Resources Council (MFRC) will be considering revisions to the Timber Harvesting and Forest Management Guidelines starting in the summer of 2010. The focus of this revision is on riparian guidelines, as changes to these guidelines have not been previously considered because of a need to compile and evaluate current science related to riparian areas. In 2004, the MFRC commissioned the Riparian Science Technical Committee to report on the current science related to riparian buffers and forest management. For a summary of their findings, you can find it under [Analysis of the Current Science Behind Riparian Issues](#). The MFRC subsequently directed staff to conduct an economic analysis of potential changes to the riparian guidelines based on the RSTC recommendations. The report, [Economic Analysis of Potential Changes to the Riparian Forest Management Guidelines](#), was presented to the MFRC on January 20, 2010. These documents will be used as a basis for technical considerations related to riparian guidelines during the revision process.

The entire revision process is expected to take at least three years, ending in 2012. A detailed outline of steps in the revision process, including a period for public and peer review, can be found on the MFRC web site: <http://www.frc.state.mn.us/index.html>.

### Sulfide Mining

**Proposed Solution:** *The TSSC recommends the MNDNR follow the EPA's guidance and require a revised or supplemental draft EIS before proceeding to the final EIS stage or permitting. Given that the PolyMet mine will set a precedent for other similar mining operations, we urge the Legislature to safeguard the public waters of the state by closing any loopholes and requiring greater assurances that mining company (and not taxpayers') dollars will be available to mitigate and clean up future environmental damage.*

**DNR response:** On June 24, 2010, the MNDNR and the US Army Corps of Engineers (USACE) announced that they would produce a Supplemental Draft EIS for PolyMet's proposed NorthMet Project and that the US Forest Service (USFS) will join the MNDNR and the USACE as a co-lead agency in production of the document. The supplemental draft EIS will include analysis of the potential impacts of a land exchange between PolyMet and the USFS, will evaluate new information and new alternatives related to the NorthMet Project, and will make the results of new analyses available for public review. More information is available in the MNDNR's news release of June 24, 2010, available at <http://news.dnr.state.mn.us/index.php/2010/06/24/supplemental-draft-eis-to-be-prepared-for-proposed-northmet-mining-project/>. In order to operate its proposed project, PolyMet would need to obtain a number of state and federal permits including a Permit to Mine from the MNDNR's Lands and Minerals Division. The Permit to Mine requires that a project proposer provide adequate financial assurance for mine site reclamation. Also, a permit cannot be issued until after the Final EIS is complete.

### Impact of Inappropriate ATV Use upon Trout Waters

**Proposed Solution:** *We urge the MNDNR to identify alternative trail locations in Northeast Minnesota to provide safe and environmentally responsible ATV use by this recreational user group. We recommend increased enforcement to discourage and stop irresponsible and destructive riding.*

**DNR response:** All ATV trail crossing of streams and waterways are under permit from the Division of Ecological and Water Resources and generally by approved bridge design and in limited situations by use of a culvert. All trails and forest routes that were not sustainable to ATV use have been closed prior to the December 2009 implementation date. Monitoring continues with Department personnel as well as with trained Trail Ambassadors to ensure public education, compliance and that issues are identified and dealt with in a timely manner. Enforcement funding

has not increased from the ATV account since FY2009, currently the Division of Enforcement receives \$2.3 million and another \$500k is available as grants to local sheriff departments.

## NEW ISSUES

### Policy Issues

#### Impacts of Decreasing Core Funding Levels

**Proposed Solution:** *The TSSC recommends: (1) the MNDNR, the Legislature and the Governor work with the citizen Budgetary Oversight Committee to develop a sensible package of fishing license fee increases for adoption in the next legislative session, and consider adopting a method for regular fee increases tied to increasing operating costs of the MNDNR; (2) the Legislature and Governor work with the MNDNR to determine what is an appropriate amount of General Fund money necessary to cover the cost of MNDNR Fisheries activities that benefit the general public, and earmark this additional amount for the Fisheries Section in future budgets; and (3) the MNDNR and legislature examine ways to eliminate roadblocks to the MNDNR receiving the new dedicated funds.*

**DNR response:** The Department is currently collaborating with the BOC to review the status of the Game and Fish fund and develop recommendations to the 2011 Legislature. Our goal is to develop a comprehensive and innovative revenue enhancement package by reviewing our revenue needs and license pricing structures. Over the next several months the Department will involve the BOC and other stakeholders in the review and recommendations process.

#### Importance of Continuing Accelerated Acquisition of AMA Easements

**Proposed Solution:** *The Subcommittee makes the following recommendations: (1) the MNDNR should accelerate the development and implementation of an easement monitoring and enforcement program, and include stakeholders in this effort; (2) the MNDNR should work with stakeholders to further prioritize areas and watersheds for acquiring trout stream easements; (3) the Legislature should refrain from blanket bans on additional state acquisitions of AMA easements, including any "no net gain" policies respecting these easements; (4) the Legislature should increase appropriations for accelerating the acquisitions of AMA easements, including through appropriations from the new dedicated funds; and (5) the MNDNR, the Legislature and Governor should work together to ensure adequate funding for personnel to identify and facilitate acquisition of priority easements.*

**DNR response:**

- (1) The LCCMR has recommended a \$500,000 appropriation for DNR's Conservation Easement Stewardship and Enforcement Program, Phase II, for the July 2011 through June 2013 time period. This funding would enable DNR to accelerate implementation of its easement monitoring and enforcement program plan, which is currently being developed in Phase I of the project. A substantial portion of the funding would be used to monitor and prepare baseline property reports for trout stream easements.
- (2) In areas that contain trout streams, Area Managers are in frequent contact with stakeholders to identify landowners willing to sell an easement to the DNR.
- (3) For the most part, no-net-gain policies are in response to issues related to Payment in Lieu of Taxes (PILT). DNR has no tax responsibility when acquiring trout stream easements, therefore no PILT payments are required. We are not aware of any change in tax liability on the part of the landowner once an easement has been sold to DNR.
- (4) DNR could acquire more trout stream easements if manpower were available in the field. During recent years, DNR has been able to fund all trout stream easements that have been submitted. The statutory trout-stream easement formula has removed the need for appraisals and has virtually eliminated failures associated with negotiating payment,
- (5) MNDNR continues to place a high priority on acquiring trout stream easements.

## Greater Regulation of Agricultural Practices which Impact Water Quality

**Proposed Solution:** *The TSSC recommends the state begin an aggressive investigation of the impacts to the state's ground and surface waters as a result of the use of farm field chemicals, including Atrazine, and manure drainage from feedlots. We suggest that the state consider regulating the use of dangerous chemicals on farm fields and that it accelerate the purchase of conservation easements that will protect the vitality and diversity of our aquatic environments. The TSSC also supports a vigorous public education effort to describe this vision to citizens.*

**DNR response:** Protecting Minnesota's water quality is a joint effort between seven partner agencies including: Minnesota Pollution Control Agency, Minnesota Department of Natural Resources, Minnesota Department of Agriculture, Minnesota Department of Health Minnesota Board of Water and Soil Resources, Minnesota Public Facilities Authority, and Metropolitan Council. In addition to their current budgets, these agencies have been successful in obtaining funds to monitor and protect the state's ground and surface waters, such as Lessard-Sams Outdoor Heritage Funds, Clean Water Funds, and the Mississippi River Basin Healthy Watershed Initiative; to name a few. These agencies collectively also license the use of chemicals and provide educational materials to improve and protect the state's water resources.

There are approximately 25,000 registered feedlots in the state, of which 1,187 are NPDES/SDS permitted feedlots. Under state statute and rule, feedlot facilities that meet the criteria for a Concentrated Animal Feedlot Facility (CAFO) must apply to the MPCA for an NPDES/SDS permit for the construction, operation, and maintenance of the feedlot facility. A primary focus of the permitting process is the proper management of manure. The MPCA regulates feedlot facilities via permits, compliance, and assistance activities. There are 55 delegated counties that regulate feedlots smaller than CAFOs. The MPCA regulates the smaller feedlots in non-delegated counties.

# RESPONSE TO WILDLIFE OPERATIONS SUBCOMMITTEE REPORT

## PREVIOUSLY REPORTED ISSUES

### Fishing Overspending and Wildlife Underspending

**Proposed Solution:** *We are again recommending that both hunting and fishing license fees be increased to ensure the financial wellness of the Game and Fish Fund. In addition to this increase, we are recommending that any increases or decreases in appropriations to the Fish and Wildlife Division of the DNR take into account the current imbalance and be used to reduce this imbalance.*

### Fishing and Hunting License Fee Increase

**Proposed Solution:** *The Wildlife Operations Subcommittee recommends license fee increases sufficient to restore the Game and Fish Fund balance, provide for sufficient carry-over balances and provide for inflationary increases for the next 4 bienniums. We are recommending a time period of 4 bienniums (8 years) because historically license fee increases occur on average about every 8 years.*

**DNR response:** The Department is currently collaborating with the BOC to review the status of the Game and Fish fund and develop recommendations to the 2011 Legislature. Our goal is to develop a comprehensive and innovative revenue enhancement package by reviewing our revenue needs and license pricing structures. Over the next several months the Department will involve the BOC and other stakeholders in the review and recommendations process.

From the ***Game and Fish Fund Hunting and Fishing Revenue/Expenditure Allocations, November 15, 2008*** report to the legislature, the DNR has implemented these short-term strategies:

- a) Considered Game and Fish Fund allocation ratios as a factor when determining funding priorities with existing funding.
- b) Leverage new funding opportunities to close the gap when developing funding packages.
- c) Research and analyze fishing fee increases and license structure modifications.

### WMA Acquisitions Goals

**Proposed Solutions:** We recognize that the WMA acquisitions goals are not being met; however there still exists the capacity within the DNR staff to acquire and develop more land than is currently being funded. *We recommend that the Legislature increase funding for WMA acquisition from all available sources (Game and Fish Fund, Small Game Surcharge Account, RIM, Bonding, L-SOHC, LCCMR) to the \$20 million dollar level which would better align actual WMA acquisitions with the Citizen's Advisory Committee recommendation and also recognize the current capacity of the DNR to properly develop WMAs.*

**DNR response:** DNR has the capacity to acquire and develop additional WMAs consistent with the recommendations of the 2002 citizens' report on WMA acquisition. DNR continues to seek accelerated WMA acquisition funds and will include acquisition support and development into requests.

## NEW ISSUES

### **Fiscal Issues**

#### Role of the Wildlife Operations Subcommittee and the Budgetary Oversight Committee

**Proposed Solution:** *Either clarify the roles of the Budgetary Oversight Committee and its Subcommittees or have work plans and budgeting information provided to them.*

**DNR response:** Previous requirements for the Budget Oversight Committee (BOC) and its subcommittees, among other things, were to “review the proposed work plans and budgets for the coming year”. The annual state spending and work plan development process timetable does not align well with the working schedule of the BOC. The authorization of the BOC has sunset and we are working with a subset of the previous committee to look at the appropriate structure and functions of the committee and subcommittees.

## **Policy Issues**

### Game and Fish Fund Appropriations

**Proposed Solution:** *Ensure that all appropriations out of the Game and Fish Fund have either a current or future benefit to the fishing or hunting stakeholders.*

**DNR response:** We agree. Minnesota law requires that Game and Fish Fund expenditures be used only for game and fish and related activities.

Minnesota Statutes, section 97A.057, subd. 2 **Restriction on License Revenue.** Money accruing to the state from fees charged for hunting and angling licenses shall not be used for any purpose other than game and fish activities and related activities under the administration of the commissioner.

### Minnesota Land Use Policy

**Proposed Solution:** *The legislature should endorse a policy of Minnesota land use which includes goals for WMA land acreage that would provide a long term blueprint for funding and acquisition.*

**DNR response:** DNR has received good legislative support for WMA acquisition and is currently working with the Lessard-Sams Outdoor Heritage Council on a legislatively mandated 25 year strategic plan that will include land protection outcome goals.

# RESPONSE TO BIG GAME SUBCOMMITTEE REPORT

## PREVIOUSLY REPORTED ISSUES

### Ongoing Issues

#### Ban big game shooting preserves

**Proposed Solution:** *The Big Game Oversight Subcommittee continues to feel strongly that these facilities pose a threat to wild cervid health and impose significant annual costs to the cervid health account. The FY09 expenditures incurred for CWD testing in southeastern Minnesota was a direct result of the Pine Island positive elk farm. We are concerned funds used to look for CWD near captive facilities will exhaust the fund prematurely.*

**DNR response:** We agree. Currently, regulation of farmed cervids falls under the jurisdiction of the Board of Animal Health. DNR continues to work closely with the Board and has provided input since the responsibility shifted to them in 2004.

CWD monitoring in southeastern Minnesota during 2009 was more intensive due to the positive identification of CWD in the captive elk herd at Pine Island. CWD occurs in a number of states surrounding Minnesota including Wisconsin and routine testing will continue to insure detection of the spread of the disease.

#### Improve and develop new WMA maintenance programs

**Proposed Solution:** *Continue to pursue the purchase and enhancement of WMAs throughout Minnesota. WMAs are popular and provide opportunity for Minnesota hunters.*

**DNR response:** the capacity to acquire and develop additional WMAs consistent with the recommendations of the 2002 citizen's report on WMA acquisition. DNR continues to seek accelerated WMA acquisition funds and will include acquisition support and development into requests.

# RESPONSE TO PHEASANT STAMP SUBCOMMITTEE REPORT

## NEW ISSUES

### Policy Issues

#### Farm Bill Promotion

**Proposed Solution:** *The PSOC realizes the benefit of efforts in Washington, DC, to promote the Farm Bill. More grassland acres can be created or destroyed with the stroke of a pen than any other way. The PSOC recommends that the PHIP account maintains the current level of funding for promotion and evaluation efforts (used by PF).*

**DNR response:** We continue to work with Pheasants Forever to support the existing federal farm bill and will collaborate on the upcoming 2012 farm bill process.

**Proposed Solution:** *The PSOC also recognizes the importance and places a high priority to the Farm Bill Assistance Partnership (FBAP) that provides local technical support to landowners who want to enroll in conservation programs. The PSOC recommends that an appropriate amount of PHIP funds be used to continue this valuable program at current or expanded levels.*

**DNR response:** PHIP funds currently are the primary source of funding for FBAP. As other funding sources have declined we have refocused PHIP dollars to continue to support this important program.

**Proposed Solution:** *The PSOC recognizes the importance of managing the current existing habitats to maximize its productivity. The PSOC recommends the DNR offer various opportunities (workshops, etc) where landowners can learn different habitat management techniques and how to conduct best practices.*

**Proposed Solution:** *The PSOC believes incorporating a wildlife friendly rotational grazing plan into the "Farm Bill supported grasslands" as a contract management option or as a standalone Grazing/CRP program will help maintain grassland complexes thus supporting the rural community and protecting pheasant habitat.*

**DNR response:** We will continue to provide training opportunities as much as possible. We agree that grazing that enhances habitat is an important management tool and continue our outreach to the cattle industry to help us determine the specifics of a wildlife habitat enhancing grazing plan for Minnesota. We continue to implement rotational grazing on major wildlife units and are seeking additional funds for more of the infrastructure necessary for additional implementation.

#### Food Plot Guidance

**Proposed Solution:** *The PSOC recommends that DNR continue their effort to study the effectiveness of food plots and create best practice guides designed to maximize the effectiveness of food plots. In addition we recommend private land food plots demonstrate a significant public benefit.*

**DNR response:** We are in the second year of tracking food plots in a statewide database and will begin to do preliminary analysis soon. Included in this analysis is the specific purpose for each food plot. We will be developing best management guidelines for the use of food plots in Wildlife Management.

**Proposed Solution:** *The PSOC recommends reducing or eliminating the use of PHIP dollars for food plots on private lands and reallocating these funds for private land management, increased FBAP, and/or Roadside Habitat funding.*

**DNR response:** This is currently being implemented and private lands food plot dollars have declined substantially.

### Roadside Habitat Management

**Proposed Solution:** *The PSOC recommends strengthening the roadsides statute as suggested by the Roadsides for Wildlife Committee to better manage roadsides grasslands.*

**DNR response:** We concur and will continue efforts to do so.

**Proposed Solution:** *The PSOC recommends a continued study of roadside habitat in relation to wildlife production. The PSOC recommends continuing or increasing funding of roadside habitat with an emphasis of restoration back to native grass forb mix and a continuation of the media campaign meant to educate landowners on the benefits of roadsides.*

**DNR response:** At this time we do not have any specific studies going on that are measuring wildlife production along roadsides. We do not have any planned. We do agree however that restoration of roadsides to native species and educating landowners on the benefits of delayed mowing have positive effects on wildlife. We will continue to support these efforts.



# RESPONSE TO WATERFOWL STAMP SUBCOMMITTEE REPORT

## PREVIOUSLY REPORTED ISSUES

### Ongoing Issues

#### Waterfowl Stamp

*The WSS recommended that everyone that buys a waterfowl stamp get's the physical stamp. We have addressed this for the past two years, to no avail. If you want the physical stamp, you must pay \$2.00 in addition to the cost of the stamp. This fee is specified in state statute. The WSS looked into the total cost to produce the stamp vs. the price that is charged. The cost at the time was \$.76. The DNR said they concur and that the fee should reflect the cost of issuing the stamp. They went on to say that the DNR would re-evaluate actual costs of production costs of production and fulfillment and propose changes. These changes were proposed by the DNR to be included in the Game and Fish Omnibus bill considered by the 2010 legislature. Unfortunately the language allowing the DNR to charge a fee more in line with the actual costs of producing and mailing the stamp was removed from the bill. The WSS would like to hear how this will be addressed going forward.*

**DNR response:** DNR concurs that the fee should reflect the cost of issuing the stamp. The DNR will propose appropriate changes in state statutes.

## NEW ISSUES

### Fiscal Issues

#### Declining revenue in Waterfowl Stamp Account

**Proposed Solution:** *WSS feels that it is time to raise the waterfowl stamp fee from \$7.50 currently to \$12.50 starting with the 2012 hunting season. With the projected shortfall looming, the WSS feels the Department needs to do more, and the only way to do more is to increase the cost to off-set the work that needs to be done.*

**DNR response:** The Department is currently collaborating with the BOC to review the status of the Game and Fish fund and develop recommendations to the 2011 Legislature. Our goal is to develop a comprehensive and innovative revenue enhancement package by reviewing our revenue needs and license pricing structures. Over the next several months the Department will involve the BOC and other stakeholders in the review and recommendations process.

### Policy Issues

#### Goose Hunting Regulations

**Proposed Solution:** *The WSS would like to see the Mississippi Flyway Council allow the DNR the flexibility to set season frameworks and do away with "goose zones" in Minnesota. The WSS believes that this would simplify goose regulations. The WSS would encourage the DNR to set the Goose hunting regulations to allow maximum opportunity for hunters in Minnesota.*

**DNR response:** DNR successfully proposed significant changes in the goose hunting regulations for 2010. The DNR feels the expanded opportunities and simplified regulations are in synch with the current Canada goose population in Minnesota.

## CONCLUDING REMARKS

*The Waterfowl Stamp Subcommittee is recommending that the Department of Natural Resources add “duck” zones in the state, or use split zones for duck hunting.*

**DNR response:** DNR will be considering changes in our current season framework, including hunting zones, for 2011.

*The WSS also feels strongly that the waterfowl opener be moved from the traditional, Saturday closest to October 1, to Saturday closest to September 24.*

**DNR response:** DNR was unsuccessful in proposing that the legislature drop the restriction requiring opening day to be the Saturday closest to October 1. The same proposal will be made to the 2011 Legislature.

# RESPONSE TO WILD TURKEY MANAGEMENT SUBCOMMITTEE REPORT

## PREVIOUSLY REPORTED ISSUES

### Ongoing Issues

#### Turkey Habitat Increase

**Proposed Solutions:** *Cooperate with DNR and NWTf Wild Turkey Biologists to develop a wild turkey habitat management and restoration plan and implementation strategy. This plan should focus especially on the riparian corridors in the above named areas as well as the blufflands of southeastern MN as identified in the North American Wild Turkey Management Plan. Provide and identify training for SWCD and others in wild turkey habitat management. Local SWCDs and partners could then provide workshops and field days for interested private landowners located along river/stream corridors, riparian areas, and historically wooded areas to complement grassland and wetland management providing additional turkey habitat. Funding for training, workshops, fieldwork, and staff should be pursued through the Clean Water, Land and Legacy amendment. Farm Bill Assistance grants should include opportunities to promote wild turkey habitat management. We strongly encourage interagency (DNR, BWSR, USFWS, USDA FSA, USDA NRCS, SWCD, NWTf, and others) cooperation in wild turkey habitat management.*

**DNR response:** DNR has a Long-Range Action Plan for the Wild Turkey. We are interested in cooperating on the North American plan and in the meantime continue to operate under the existing plan. Additionally DNR has forest management plans for all subsections (including Blufflands) that consider turkey habitat needs. Turkey workshops are conducted as opportunities arise and as time allows. We do integrate turkey information sessions into SWCD sponsored workshops and field days when we can. We will provide training to SWCD staff and stewardship plan writers. We will continue to work cooperatively with other agencies in turkey management. The single role of the Farm Bill Assistance Partnership is to encourage and facilitate landowners to enroll into federal farm conservation programs. To the extent that turkey management practices and federal farm conservation programs overlap, promoting turkey habitat management is an appropriate activity.

#### Information & Education About Wild Turkey Management

**Proposed Solutions:** *Increase the number of landowner workshops/land owner appreciation days. Continue to hold hunter education classes and provide wild turkey information to press and other media aimed at the general public. Develop new wild turkey management information that school teachers could use in the classroom. Produce media releases for mass distribution. Also the wild turkey success story should be told in the DNR Conservation Volunteer magazine and other media outlets.*

**DNR response:** We will continue to provide as much education regarding wild turkeys as staff time allows. In the fall of 2010 the final fall deer hunter survey will be completed. Upon completion we will ask for a story in the *Conservation Volunteer* magazine touting the successful range expansion of the wild turkey and talking about future management.

#### Turkey Habitat Acquisition

**Solution:** *Continue to identify and acquire prime parcels and improve existing public land open to hunting for wild turkeys.*

**DNR response:** DNR has the capacity to acquire and develop additional WMAs consistent with the recommendations of the 2002 citizen's report on WMA acquisition. DNR continues to seek accelerated WMA acquisition funds and will include acquisition support and development into requests.

Public Lands Inaccessible for Public Recreation

**Proposed Solution:** Develop a program to purchase “walk in” access easements to the landlocked public parcels to provide wild turkey hunters and others access to the landlocked public Forestry lands.

**DNR response:** DNR recognizes that access to all public lands is important and will continue to develop acquisition proposals to acquire key parcels for access to existing state forest lands.

# RESPONSE TO ECOLOGICAL RESOURCES SUBCOMMITTEE REPORT

## PREVIOUSLY REPORTED ISSUES

### Ongoing Issues

#### Lead as an Environmental Pollutant

**Proposed Solution:** *DNR should continue to educate the public at opportune forums and through various media about the known impacts of lead in the environment and solutions other states have used to reduce lead's usage. This effort should target a broad spectrum of hunters and anglers with information regarding the negative impacts of lead in aquatic environments and the availability of suitable alternatives.*

**DNR response:** As per last year's response, DNR provides information on lead ammunition and fishing tackle at various forums and will continue to do so. We continue to believe that industry leaders, conservation groups, and the sporting public need to become more involved in the use and advocacy of non-toxic ammunition and fishing tackle to help move this issue forward.

#### Identifying Sensitive Lakeshores

**Proposed Solution:** *DNR should continue to seek out opportunities to disseminate this new tool (or the related rapid identification model that is reported to be under development) to counties and other local units of government to increase local habitat protection efforts and reduce the potential impacts of future shoreland development. Game and Fish Fund dollars should be considered as a source of partial funding for this effort.*

**DNR response:** The DNR is finishing the pilot project with Cass County. Field surveys have been completed on 17 study lakes as well as three connecting lakes, and the Leech Lake assessment is nearing completion. Sensitive lakeshore assessments have been finalized for the 17 lakes and lake reports summarizing the field surveys and sensitive lakeshore assessments have been provided to the county and the public. To date, over 80 miles of shoreline have been identified as sensitive, and Cass County has adopted provisions within their shoreland ordinance to provide protection to those sensitive areas that are rezoned into resource protection districts. Over 30 bird species of greatest conservation need (SGCN) have been documented, representing nearly one-third of the bird species on the Minnesota SGCN list. Included in the project findings are several Minnesota threatened and special concern species, and surveyors have identified four SGCN fish species and over 15 species of rare or unique aquatic plants.

This spring the Sensitive Lakeshore Identification Project received a federal State Wildlife Grant to conduct assessments in Crow Wing County. The objectives of the assessments are to identify important habitat for rare species and to develop methods that can be applied elsewhere to quickly assess lakeshore habitat for SGCN. The project will use the Cass County sensitive lakeshore pilot study data to develop a rapid assessment model that can be used to determine sensitive shorelands that need additional protection on other lakes throughout Minnesota. In addition, the DNR has provided technical assistance to local governments on application of sensitive lakeshore assessments to shoreland zoning and there is currently a LCCMR proposal to expand sensitive lakeshore efforts to Itasca County.

Game and Fish Fund dollars support a portion of this work, with LCCMR funds and State Wildlife Grants being the major funding sources.

#### Updating Minnesota's Shoreland Rules

**Proposed Solution:** *In their response to our FY08 report, DNR identified a goal of completing this work by June 30, 2010. Our current understanding is that the revised rules have been drafted and*

are under review by the Department. We appreciate the update, but request that DNR commit to completing its internal review of the draft rules by June 30, 2010.

**DNR response:** The DNR completed its internal review of the draft shoreland rules, but the Governor's Office did not approve moving the rules forward. The DNR is currently reviewing its options and will wait to determine how the next Governor wants to address this issue.

#### Terrestrial Invasive Species Management

**Proposed Solution:** *In their response to our FY08 report, DNR indicated that it would consider new, dedicated sources of funding as part of the next biennial budget process. To adequately address the growing problem of terrestrial invasive species (both those species now in Minnesota and those on the doorstep), however, the DNR first needs to determine the level of funding needed to aggressively prevent both the introduction of new species and control the spread of current species. Only then can consideration of potential funding sources (OHV license surcharges, utility trailer license surcharges, etc) lead to proposal of a specific source or sources of new revenue to provide funding for these programs.*

**DNR response:** Prevention and management of invasive species is an enormous challenge, with potential for almost unlimited actions. Therefore, additional efforts and funding need to be targeted and infrastructure in place to effectively carry out planned actions. In FY2008 and 2009 the invasive species budget increased substantially and it took time to ramp up efforts and put actions into place to reduce the risk of spread and control populations of invasive plants.

New budget initiatives will be considered to allow significant increase in prevention efforts (education, inspections and enforcement) and control of invasive species that provide long-term ecological and economic benefits. Any new initiatives will consider staff and infrastructure required to ensure increased efforts and expectations are met.

#### Aquatic Invasive Species (AIS) Management

**Proposed Solution:** *In their response to our FY08 report, DNR indicated that it would consider new, dedicated sources of funding as part of the next biennial budget process. As in the case of terrestrial invasive species, to adequately address the growing problem of AIS (both those species now in Minnesota and those on the doorstep), the DNR needs to determine the level of funding needed to prevent both the introduction of new species and control the spread of current species. Only then can consideration of potential funding sources (boat license surcharges, out-of-state angling license surcharges, etc) lead to a proposal of a specific source or sources of new revenue to provide more stable funding for AIS programs.*

**DNR response:** See above response for terrestrial invasive species management.

#### Endangered Species

**Proposed Solution:** *In their response to our FY08 report, DNR indicated that the revised rule and accompanying Statement of Need and Reasonableness would be submitted by September 30, 2009, and the rule process completed by early to mid-2010. Our current understanding is that the rules have been drafted and are under review by the Department, but that the mid-2010 timeline will not be met. We appreciate the update, but request that DNR commit to completing its internal review of the draft rules by June 30, 2010.*

**DNR response:** The department is still reviewing the proposed changes and is unsure when that review will be completed.

## Biofuels

**Proposed Solution:** *We appreciate DNR's comments to this issue in their response to our FY08 report, but the subcommittee believes that DNR should more aggressively exercise its permitting and environmental review authority (i.e. groundwater appropriations and EAW/EIS preparation) to ensure that the potential impacts to the state's groundwater resources and fish and wildlife habitats (both immediate and cumulative) are adequately identified, evaluated, and minimized and that water conservation strategies are required in all biofuels-related groundwater appropriation permits and EAW/EIS documents.*

**DNR response:** The DNR does not have anything to add to last year's response.

## Protection of High Significance, Biologically Diverse Habitats

**Proposed Solution:** *In their response to our FY08 report, DNR indicated that a GAP analysis of the protected status of each Native Plant Community by Ecological Section has been completed in 4 of 10 sections in the state and that this analysis will serve as the basis to prioritize future land acquisition efforts. We encourage DNR to complete this analysis and then begin targeting lands with the highest biodiversity value for each category of recreational lands.*

**DNR response:** The DNR has completed a GAP analysis of the protected status of each Native Plant Community by Ecological Section using all available data in six of the eight ecological sections in the state outside of the prairie region. These data have been used most recently in setting goals for Representative Sample Areas as required by DNR's FSC Forest Certification. See the response below for prairie landscape consideration.

## Prairie Landscape Protection and Restoration

**Proposed Solution:** *To meet the goal of prairie protection in Minnesota, concentrations of native prairie and grasslands across the state have been identified. DNR now needs to undertake a multi-divisional and multi-partner planning process to develop a protection and restoration plan for each identified prairie landscape area with the goal to protect remnants of high-quality native habitats, reduce fragmentation, and improve wildlife populations within a working system.*

**DNR response:** The Minnesota County Biological Survey has evaluated and mapped 220,000 acres of native prairie in the state, which documents the loss of this habitat as compared to the approximately 18 million acres recorded at the time of the public lands surveys (1847-1908). About 120,000 acres of prairie is currently protected in public ownership or with conservation easements. For example, State Wildlife Management Areas contain about 68,000 acres of native prairie and nearly 9,000 acres are within Scientific and Natural Areas or Native Prairie Bank Easements. In recognition of the need to more effectively and efficiently achieve native prairie and grassland protection and restoration goals, a multi-agency/organization team has convened to craft a prairie and grassland comprehensive plan. The team includes five DNR staff and is due for completion in 2010. The plan is intended to unify the conservation community and present a set of spatially-explicit recommendations for the acreage totals, timeline, and funding needed to conserve Minnesota's prairie heritage over the next 25-years.

## Fire Management and Training

**Proposed Solution:** *In their response to our FY08 report, DNR detailed its efforts to provide fire management training to both DNR employees and potential project partners and contractors. We advise DNR to continue this effort to ensure that adequate numbers of properly trained personnel are available to conduct these critical prairie management activities. We also encourage the DNR to more actively engage with the Legislature to evaluate the benefits of establishing a "Prescribed Fire Insurance Fund" and to change statutes to reduce potential liabilities for properly trained individuals using approved prescribed fire practices.*

**DNR response:** The DNR continues to train high numbers of DNR employees, partners and contractors in fire suppression and prescribed fire management courses, despite budgetary pressures. It is the DNR's intention to sustain the present level of training effort.

The DNR is interested in supporting the ability of prescribed fire contractors to obtain liability insurance at a reasonable cost. However, initiating a legislative policy effort aimed at limiting contractor liability for wildfires that result from prescribed burning is not within our purview. The DNR would consider supporting legislation to limit liability for the state's costs of suppression only, when prescribed burns initiated by qualified contractors escape control.

The DNR would assist in documenting prescribed burner training and qualifications through a user-fee supported program if called upon by the legislature.

## NEW ISSUES

### Policy Issues

#### Change in Management of School Trust Lands

**Proposed Solution:** *DNR should compile and provide information to key members and committees of the Legislature regarding the potential negative impacts of a change in management of School Trust Lands on natural resource management and on Game and Fish Fund availability for support of such activities.*

**DNR response:** The DNR is aware that this is an important issue and is currently developing a report for the legislature that includes a wide range of information on the DNR's management of school trust lands.

#### Conservation Grazing

**Proposed Solution:** *DNR should continue to expand its use of conservation grazing to better manage state-owned prairie habitats and work with private owners of native or restored prairie to use this valuable land management tool. Lease income from grazing on state-owned lands should be used at the management unit generating the funds to pay for the costs of administering and overseeing the leases and to pay property taxes on the land.*

**DNR response:** Conservationists, recognizing the wildlife benefits of habitat diversity through fire and grazing interaction, have begun to adopt conservation grazing in almost every Midwestern state in the U.S., including Minnesota. This is an attempt to shift toward a broader focus on working landscapes and integrate conservation with other land-use goals. While many private landowners remain skeptical of changes to traditional grazing, DNR lands provide an opportunity to demonstrate and refine conservation grazing practices. In 2010 the DNR initiated a large patch-burn grazing project that includes the Lac Qui Parle WMA. This demonstration project will closely monitor long-term impacts on biodiversity and inform the feasibility and effects of managed grazing on conservation lands – the first of its kind in Minnesota. The DNR's Native Prairie Bank easement program protects privately-owned native prairies while also allowing landowners to retain the land as part of a working farm. Once enrolled, Native Prairie Bank landowners receive technical assistance from DNR prairie specialists on how to best manage their prairies. The DNR continues to seek additional funding for this program. Grazing agreements on DNR administered lands commonly use a bartering approach where livestock producers invest in habitat or infrastructure improvements in trade for the livestock forage taken. The DNR remains open to new and innovative grazing agreements on DNR lands that can both protect the public interests and improve habitat conditions. The DNR will also continue to carefully use managed grazing to meet habitat goals on DNR administered lands and adapt as more is learned about prairie friendly grazing.



RESPONSE TO ENFORCEMENT AND OPERATIONS SUPPORT  
SUBCOMMITTEE REPORT

No issues raised that call for a response.