

DNR Response to

Citizens Oversight Report on
Game and Fish Fund Expenditures
Fiscal Year 2016

December 2017

Response to Top Findings and Recommendations from the
Citizen Oversight Report on Game and Fish Fund Expenditures
Fiscal Year 2016
Division of Fish & Wildlife

Finding/Recommendation #1:

Develop a comprehensive package of funding, including license fee increases for fishing, hunting, ice shelter, and the like, which will ensure the solvency of the Game and Fish Fund (GFF) for the next decade, without a reduction in the level of management effort. The funding plan should include all the following areas:

- A proposal regarding all fees, including: permit fees, stamps, ice shelter fees, dark house fees, etc.
- A proposal for annual general fund appropriations to the GFF that reflects the tremendous economic impact that non-game species and wildlife watching activities, fishing and hunting, and fish and wildlife management activities provide to the citizens and state treasury
- A proposal for fully funding the Division of Enforcement to allow it to fill all Conservation Officer field vacancies along with increased Enforcement operating funds to cover the increased costs of fully staffed CO positions
- Creation of an endowment fund
- Strategic forecast for the Environmental Trust Fund, Lifetime Account, and Legacy Fund

DNR Response: DNR agrees that a funding strategy is desirable and important to ensure fund solvency. DNR worked with legislators to develop a package of fee increases during the 2017 session that was ultimately adopted as a partial fee increase. DNR recognized and strategized that a partial fee increase to assure fund solvency through 2021 was necessary. Also, last year the legislature provided funding to the Enforcement Division to fill vacant stations, and we are currently in the hiring process. In the spring of 2018, a large group of new conservation officers will be starting the conservation officer academy at Camp Ripley.

DNR agrees that we need to continue to pursue a long-term funding strategy that considers all fees, General Fund appropriations, and the feasibility an endowment fund. Such a strategy must also be informed by forecasts for the Lifetime account, the Environmental Trust Fund, and Legacy Funds.

Finding/Recommendation #2:

Submit the comprehensive funding proposal to the Governor's office, key Legislative leaders and committee chairs by January 2018 in order to give the proposal the best chance of being enacted before July 1, 2019 (the start of FY 2020).

DNR Response: DNR agrees that a comprehensive funding proposal needs to be reviewed and vetted as part of the legislative budget process. This would be best-addressed through the biennial budget process. We will continue to work with the Budget Oversight Committee, the Governor's office and the Legislature on future funding proposals.

Finding/Recommendation #3:

Ensure the Deer Management Plan is implemented promptly upon completion, which should include a plan for adequate funding for management and control of chronic wasting disease and other cervid diseases.

DNR Response: DNR continued to work on the development of a statewide deer management plan with the Deer Management Plan Advisory Committee during FY 2017. We anticipate conducting a public review of the draft plan in early 2018, after which the plan can be put into final form and proceed to implementation. The Plan will include performance metrics to ensure implementation stays on track. The committee identified “healthy deer” as an important topic to be addressed in the deer plan. Draft objectives related to deer health emphasize the desire to minimize the presence and introduction risk of Chronic Wasting Disease (CWD) and other deer diseases. A current Deer Committee proposal is to seek revenue from the General Fund to support CWD monitoring, management, prevention, and other activities that reduce risk.

Finding/Recommendation #4:

Update and fully implement the Prairie Plan for the benefit of plant species and all game and non-game animal species.

DNR Response: DNR, with assistance from The Nature Conservancy, took a lead role in updating the Prairie Plan, and we anticipate the updated plan being finalized in January 2018. Areas of change include: remapping of Core Areas to better capture conservation opportunities; a renewed focus on working lands, especially grazing, on public and private lands; tourism and other recreational opportunities. Partners are meeting in early January 2018 to finalize a timeline for completing an implementation plan. Finally, four partners, led by the DNR, recently received a federal grant to help develop protocols for monitoring wildlife responses to Prairie Plan efforts. This monitoring effort is an important element to measuring success of Prairie Plan implementation over time.

Finding/Recommendation #5:

Implement and fully fund the R3 Initiative for recruitment and retention of future hunters and anglers and women.

DNR Response: This has been and will continue to be a high priority for DNR. For more than a decade, the FAW Outreach Section has offered R3 programs with a strategic focus on mentoring and education programs for women, youth, and communities of color (Becoming and Outdoors Woman, MinnAqua, National Archery in the Schools) and marketing hunting and fishing opportunities along with license sales, often in partnership with Explore Minnesota Tourism.

Recent one-time appropriations from the Game and Fish Fund have allowed FAW Outreach Section to round out the strategic focus by developing a nationally recognized resource called the “R3 Toolkit – A guide for Recruitment, Retention and Reactivation” and to working on building capacity in external partner organizations in several ways:

- 1) We selected seven external partner organizations to receive in-person, individualized workshops provided by DNR staff to identify steps to strengthen each organizations’ R3 efforts.
- 2) In 2016, we held a first-ever R3 Summit to share information among partners and build momentum for next steps.

- 3) We drafted a charter in 2017 to establish a statewide R3 council in preparation for the kick-off of such a group in the near future.
- 4) We developed an R3 Grant Program and received nearly 100 applications requesting \$1.3 million in 2016 and 2017. The program awarded 35 grants for a total of \$480,000. We are currently exploring ways that such a grant program may be carried into the future.

Finding/Recommendation #6:

Provide funding from the state's General Fund to assist the Mille Lacs walleye fishery recovery to avoid diverting a disproportionate share of the fisheries budget for statewide fisheries management.

DNR Response: To date the legislature has not provided a General Fund appropriation for Mille Lacs fisheries work. Mille Lacs, as one of the ten large lakes, receives regular Game and Fish funds programmed to large lake work. Work above and beyond the standard large lake program includes:

- annual creel surveys (instead of two years out of six, the normal rotation for most of the other large lakes);
- two to three annual meetings with the Ojibwe Bands;
- maintaining and running a special stock assessment model for determining stock status and annual safe harvest levels;
- maintaining a citizen advisory committee that meets several times per year; and
- periodic studies, such as the tagging studies and the recent revision to the hooking mortality model.

The sum total of all these extra efforts, on an annual basis, is likely between \$300,000 and \$400,000.

Finding/Recommendation #7:

Use dedicated Trout and Salmon Stamp funds now to accelerate acquisition of trout stream easements from willing sellers, which will have the desired outcome of reducing the current large balance;

DNR Response:

Trout stream easements are an important part of our fisheries habitat work, providing the necessary ownership to complete stream habitat restoration while providing angler access. Current funding sources for trout stream easements come from the Outdoor Heritage/Legacy funds in addition to T&S Stamp. We are in the process of evaluating potential easement acquisitions for funding expected from a 2018 Outdoor Heritage proposal and will consider using trout stamp dollars for high priority easements that do not have another funding source. Currently, 16 trout stream conservation easement transactions are in progress, and we recently completed an additional 12 easements, all with LSOHC funds.

Given that the statute for this account allows broad use for trout management, over this past year we have diversified the use of the large balance for programs such as Lake Superior management and coldwater hatchery production including Area staff time for stocking fish. On a statewide basis, trout management including hatchery production and habitat work costs between \$4.5M and \$5.0M per year. The T&S fund generates approximately \$1M per year in revenue, and thus a large balance of the program is funded from Game and Fish, and a smaller portion from the Heritage account.

Finding/Recommendation #8:

Increase the aquatic management permit fees to a level that will cover all the costs of providing and monitoring these permits;

DNR Response: This has been a regular request from the FOC, and the DNR does support a fee structure that more fully covers all costs of the program. In the past, this issue received considerable attention in the political arena but with only marginally successful outcomes. We will continue reviewing this program to seek solutions to cover expenses. In addition, the DNR is considering new fee structures that may go further to recover program costs than the current fees.

Finding/Recommendation #9:

In the area of outreach:

- Consider directing additional efforts toward re-engaging the retiring baby boomers;
- Market shore fishing areas by providing access maps and booklets;
- Emphasize low cost ice fishing opportunities, including darkhouse angling;
- Consider requesting additional “Explore Minnesota Tourism” funding;
- Pursue more efforts to promote the DNR website and pages such as MinnAqua;

DNR Response:

Overall, marketing efforts for hunting and fishing licenses are targeted at re-engaging hunters and anglers because focusing on re-engagement is the most effective use of our marketing dollars. To enhance our efforts, a study was initiated and completed in 2017, through a grant from the Recreational Boating and Fishing Foundation, to explore and pilot a targeted approach of marketing Lifetime Licenses. The study determined that an effective and inexpensive approach is to send several emails to previous annual license purchasers the year they reach 51 years of age, which is when a large percent of lifetime licenses are purchased. The return on investment was \$11,441. We plan to continue this effort annually.

Several versions of shore fishing maps and booklets are available currently and need to be consolidated. This is a project being considered for the near future.

We concur that ice fishing and spearing are low-cost and effective opportunities to expose new anglers to fishing. Each year there are about four statewide news releases related to ice fishing, including “Take a Kid Ice Fishing Weekend” in February (free for those mentoring kids younger than 16) and dark house spearing. Social media promotion of ice fishing and dark house spearing opportunities continues throughout the season depending on ice conditions. Ice fishing is featured in at least one of our Becoming an Outdoors Woman classes, and darkhouse fishing is a class option for participants at this January’s workshop. Ice fishing is featured as a popular winter MinnAqua program option, where students are taken out to experience ice fishing. We also participate in multiple community ice-fishing events – some targeted at specific audiences like military veterans/personnel and disadvantaged youth (Big Brothers-Big Sisters). Finally, we feature ice fishing and ice safety topics repetitively on radio shows throughout the winter, and look for new opportunities to provide ice fishing to participants.

Explore Minnesota Tourism matches dollar for dollar what the DNR is able to allocate to an annual marketing contract with them. When additional dollars are available, DNR looks for opportunities to expand efforts with Tourism.

The DNR website is referenced in nearly all press releases and social media posts, so that readers can obtain more information on the specific topic or related topics. Additionally, the DNR website is undergoing modernization in the next year, in effort to make it more user-friendly and responsive to mobile devices.

Finding/Recommendation #10:

In the area of fishing access:

- Emphasize a broader vision for access development in the future, with additional quality shore fishing opportunities for youth and seniors;
- Review partnerships with local government entities to ensure that the DNR encourages each local entity to develop its own access, whether for boating or shore fishing;
- Prefer cost-sharing in local government partnerships and when local entities can agree to support a portion of the maintenance, but not at the expense of providing quality experiences;

DNR Response:

DNR made a strategic change to direct the limited access and fishing pier/shore fishing funds towards taking care of what we have rather than focusing on new development. There are limited exceptions for high priority projects.

The Parks and Trails Division's new strategic direction encourages partnerships in maintenance and development. Limited funding makes this all the more important. It is important to recognize that local government entities may not always want additional public access and may not be willing to take on maintenance of existing sites. Sportfish Restoration restrictions require that a minimum of 15% of the Sportfish funds must be spent on boating access. Parks and Trails Division has directed that funds beyond the 15% minimum level be spent on fishing piers and shore fishing rather than on boating access. We have used this approach for the past two years, but the lack of revenue increases in other boating access funds will make this challenging to continue.

The Fishing in the Neighborhood (FiN) program has been successful in making angling more accessible with at least 100 shore fishing lakes and piers in the seven-county Metro-area. Logistics makes similar programs difficult in rural settings. Development in out-state urban centers (e.g. St. Cloud, Duluth, Rochester) is limited by available funding.