



DNR Response to

Citizen Oversight Report on Game and Fish Fund Expenditures Fiscal Year 2018

October 2019

Response from Minnesota Department of Natural Resources (DNR) to Top Findings and Recommendations from the Citizen Oversight Report on Game and Fish Fund Expenditures for Fiscal Year 2018

Fund Sustainability

The number one concern the BOC has reported on for over 25 years is the Game and Fish Fund 2200 and its ability to maintain Fish and Wildlife Programs. The Game and Fish Fund 2200 actual and projected revenues and balance for FY 2019 through FY 2021, shown on page 5 of the 2018 Game and Fish Fund Report are shown to fall below expenses. The long standing funding model of user based fee structure to fund the Division is failing to keep pace with the needs of Minnesotans.

DNR Response: We recognize the importance of healthy finances on the agency's long-term ability to manage and meet expectations for fish and wildlife conservation. Major factors contributing to the concern include 1) reliance on user fees to support our programs, 2) declining base of paying users, and 3) increased expectations of what the Game and Fish Fund can and should do.

Past strategies have included increases in user fees and efforts to attract new users. We recognize fee increases are short-term fixes and do not solve the longer term trends. Our R3 efforts are targeted at keeping a healthy base of users. This past legislative session we were successful in demonstrating Chronic Wasting Disease (CWD) is an issue of concern for all Minnesotans, not just deer hunters, and we were able to obtain general funds to pay for some CWD management work. We closely monitor legislative appropriations and incoming revenues and we make every effort to maximize federal Pittman-Robertson/Dingell-Johnson reimbursements.

We are currently working on a strategic planning process in which financial sustainability has been identified as a strategic priority for the DNR. We are committed to financial viability of all user fee based funds, including the Game and Fish Fund. In complement to these agency-wide strategic planning efforts, the Fish and Wildlife Division is actively working on a strategic planning effort and has identified a goal to "Strengthen the Organizational, Workforce, and Fiscal Health." We are engaging project teams to explore funding innovation opportunities. We believe conservation funding should come from all who benefit from a healthy natural environment and we welcome funding ideas to help mitigate funding challenges on the horizon. We look forward to future conversations with the oversight committee on DNR's approaches to ensure the financial health of the Fund.

Chronic Wasting Disease

Chronic wasting disease (CWD) has become a very serious and immediate problem affecting deer across areas of Minnesota. This disease could also threaten moose and elk populations in the future. Unless prompt and decisive action is taken, CWD could lead to a severe deterioration in Minnesota's cervid population, devastate the revenue stream (public and private) created by deer hunting, as well as destroy a Minnesota family tradition. Efforts to forestall such outcomes requires urgent action by multiple entities, including the DNR, the Board of Animal Health (BAH), the Department of Agriculture

(DOA), all farmers, all hunters, and all wildlife enthusiasts. Moreover, CWD is not just a “hunter’s issue.” Therefore, the cost of controlling the disease should not fall strictly to the Game and Fish Fund.

The time has come to adopt a sense of urgency and unite to focus on the threat.

DNR Response: DNR appreciates the support and commitment from the oversight committee to addressing CWD. We’ve treated CWD as an important issue since 2002, when we began testing Minnesota’s wild deer herd. We have taken aggressive and immediate action when we’ve detected disease in the wild. We have worked very hard with partners to move this from a “deer hunting issue” to a Minnesota issue.

As DNR has responsibility over wild deer, we have focused our attention in that area, while working concurrently with BAH and US Department of Agriculture on captive cervid management. We also recently completed a landowner survey to assess attitudes toward CWD management options in order to better target our work with that group.

Going into the 2019 legislative session, Governor Walz recommended a \$4.57 million General Fund appropriation as part of his FY 2020-21 budget. The Minnesota legislature ultimately appropriated \$1.87 million from the General Fund and \$2.8 million for the Game and Fish Fund over the next two fiscal years for CWD management work. These funds will allow us to continue surveillance in what are now larger CWD zones, conduct social science surveys, and hire staff to aid in public engagement (landowners and hunters).

As an agency, we remain committed to broadening the funding source for this important work and appreciate the support of the oversight committee.

Timber Harvest Practices

In the interest of enhancing habitat in Minnesota’s wildlife management areas (WMAs), as provided in Minnesota Statutes, section 86A.05, subd. 8, the WOC proposes the lead division within DNR for timber harvesting decisions on DNR managed lands within and adjacent to WMAs should be Fish and Wildlife. All decisions on what, when, and where to harvest timber in and around WMAs should be determined by wildlife managers.

DNR Response: Timber harvesting decisions on DNR-managed lands are made at multiple spatial scales, from statewide to individual forest stands, through coordination among 3 divisions—Fish and Wildlife, Forestry, and Ecological and Water Resources. To achieve the DNR’s mission, we manage for multiple benefits across all DNR-managed lands. Forest management does differ in important ways, depending upon which division administers the land and how the land was acquired. In other words, WMAs—while managed for the benefit of wildlife—do also contribute to commercial uses of timber resources. Conversely, state forests are managed more actively for timber production, but wildlife and biodiversity objectives strongly influence land management decisions in our state forests as well.

At a statewide level, WMA forest stands that are not part of the Permanent School Trust are selected for field examination and potential harvest using criteria established by Fish and Wildlife staff in consultation with other divisions. These criteria, in general, allow for development of older forests on WMAs and they allow a larger percentage of a stand selected for harvest to remain untreated. Statewide timber harvest planning ensures that the DNR offers for sale an amount of timber that has been determined to be sustainable. It also allows more thoughtful planning about how and where various habitat components are placed on the landscape.

At the local level, managers of specific WMAs have the discretion, working within a departmental framework, to make decisions about 1) how to adjust the model-generated stand examination list (such as swapping stands, dropping stands, scheduling the year of harvest) and 2) how timber harvest is implemented on stands selected for treatment (such as grouping stands, size and location of reserve patches, regeneration methods) to achieve wildlife management objectives.

Public Lands

The agency needs to continue efforts to educate the legislature, county officials, and the public to promote long-standing policies supporting public land purchases. Of particular concern are policies and actions pursuant to “No Net Gain” resolutions that prevent acquisition of available parcels for many varied beneficial uses, such as wildlife management areas (WMAs), aquatic management areas (AMAs), scientific and natural areas (SNAs), public water accesses, and easements. Policies that prevent public land acquisition limit the use and enjoyment of Minnesota’s great outdoors and can stifle the economic benefits that are the result of that use.

DNR Response: We agree that public lands provide many important values to Minnesota. We will continue to work with partners to demonstrate those values. We also need to work with counties and townships to understand their concerns and work toward mutual understanding regarding public lands, including the role of PILT (payment in lieu of taxes) as a replacement for property taxes. Providing information to legislators and local officials is an ongoing job as newly elected or appointed officials take office. In 2017, the DNR launched a “Your State-Managed Public Lands” campaign to educate the public and elected officials about lands managed by the DNR. That information is updated and available on the [DNR website](#).

The DNR embraces strategic land management principles, such as protecting critical natural resources, consolidating public lands into larger connected blocks, thoughtful selling of some parcels, improving access to existing public lands, and seeking county board approval on most acquisitions. The DNR completed a draft strategic plan for wildlife management area and aquatic management area acquisition that outlines the rationale for acquiring lands. After final approval, we plan to use this document as we meet with local governments. We anticipate sharing the approved plan with the citizen oversight committees during the January-May 2020 committee meetings.