

Fiscal Note Request HB0378, As Introduced

(continued)

4. To maintain current levels of service in existing fish and wildlife programs, state general license dollars equivalent to the re-directed seven percent will be used to replace the federal PR and WB funds being redirected to projects on Indian reservations.
5. With administrative costs capped at five percent, FWP will not be able to collect adequate federal overhead revenue for administrative support. FY 2005 federal overhead rate is 17.87 percent. Overhead revenue loss would be \$83,563 ($\$803,583/1.1787 = \$681,754$ in direct costs and 17.87 % or \$121,829 in overhead, $\$803,583/1.05 = \$765,317$ in direct costs and 5% or \$38,266 in overhead, $\$121,829 - \$38,266 = \$83,563$).
6. FWP assumes that the tribes are responsible for the required non-federal match (25 percent of entire project cost) on each of their eligible projects.

FISCAL IMPACT:

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
<u>Expenditures:</u>		
Operating Expenses (staff)	\$2,000	\$1,000
Operating Expenses (programs)	<u>803,583</u>	<u>803,583</u>
TOTAL	\$805,583	\$804,583
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$805,583	\$804,583
<u>Revenues:</u>		
Federal Special Revenue – Overhead (03)	(\$83,563)	(\$83,563)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	(\$805,583)	(\$804,583)
Federal Special Revenue – Overhead (03)	(\$83,563)	(\$83,563)

LONG-RANGE IMPACTS:

1. Because \$803,583 will be diverted to tribal programs, this means \$803,583 of federal funds now being used in ongoing department programs and projects will not be available to FWP. Management of fish and wildlife resources by FWP will be reduced by an equivalent amount or, if the general license dollars are used to replace the diverted federal funds, there will be an accelerated depletion of the general license fund projected balance.