

Mr. Chairman and members of the Committees:

I am Ed Smith from Sheridan County, the pheasant capital of Montana. I appear in opposition to SB17 for many reasons which I intend to point out.

Last Thursday I sent each of you some information. If you don't have it, I have several copies. I want to give a short synopsis on how these issues came about.

In 1987, I introduced SB331. The purpose of that legislation was to coincide with the beginning of the Federal Conservation Reserve Program by raising and releasing pheasants into that habitat.

Montana now has over 3 million acres in that program. The Smith family has raised and released pheasants successfully for many years or I wouldn't have introduced the legislation. That law specifically states:

The amount of money specified in this section from the sale of each license listed must be used exclusively by the department to enhance and preserve the pheasant population in Montana. As I pointed in my December letter, those hadn't.

In the 1989 session, after I had retired from the legislature, FWP convinced the legislators to add the word habitat. That's when the mischief began and still exists. Now let's look at how those funds were spent. From 1987, when the legislation was passed, through 2005, FWP spent \$7,593,465 dollars for habitat purposes which were to include pheasant releases, shelter belts, food plots, range improvements, nesting cover and above all provide hunter access.

FWP spent \$1,593,304 dollars for administration and overhead, and an additional \$1.1 million of Federal Pittman-Robertson funds for a total of \$10,238,880 dollars and only \$512,000 for pheasant releases. Now FWP is spending another \$1.1 million by paying ranchers \$12 per acres for not plowing up sage brush. Doesn't FWP know that Montana has a strict anti-sod busting law.

On July 31, 2000 I decided to visit several project sites in eastern Montana where the major portion of UGBHE funds were spent. One of several project sites that I visited was the Charlie Russell ranch in Powder River County. I was shocked to find FWP had paid \$100,853 for a project on that ranch in 1992. In the meantime, the Russell's purchased another ranch and FWP initiated another contract for \$252,526 in 1995. This was on 7010 acres of grazing land at a cost of \$35.87 per acre. On September 13, 2000 I took this information to the Environmental Quality Council which has oversight responsibilities of FWP activities. That council voted unanimously to request an audit by The Legislative Audit Committee. That audit was completed by Auditor Scott Seacat in December 2000.

Due to time constraints, the audit was done on 10% of FWP contracts with landowners. Here are some of the expenditure examples including the \$252,526 Russell contract, page 30-31.

Russell's balance sheet and map
Pictures-signs not posted, ~~no~~ hunting sign in 2002

It was because of these expenditures and others that Senator Linda Nelson and Rep. Don Hedges were asked to introduce SB304 in the 2001 session. It was in that bill that FWP was required to spend 15% of the UGBHE funds for raising and releasing pheasants. It also provided for supplemental feeding of upland game birds under severe weather conditions. It also made FWP more accountable for the expenditures of UGBHE funds and that is why FWP has a \$2.8 million unspent balance in that account as of July 1, 2006.

FWP has done everything possible to cover up the way \$11 million has been spent knowing the sportsman would be outraged, which they should be.

On March 5, 2005 I wrote a letter to Governor Brian Schweitzer explaining some of the above. My closing comment in that letter was it will be a new day in Montana for me and thousands of Montanans when you and our 150 legislators hold the FWP bureaucracy accountable and change their attitude that they can say and do anything they damn please and do not have to answer to anyone.

On April 7, 2005 I received a letter from Bruce Nelson, Governor Schweitzer's Chief of Staff, in which he stated, we believe a sound approach to insure that your expertise is used to its best advantage is to create a three member person advisory council for the commission to advise it on specific aspects of the program, notably bird planting and winter feeding.

We believe you, along with two others with strong backgrounds could provide some extremely valuable assistance to the commission and the department. Please let us know any thoughts you have on others who might be willing to help. I hope you will consider the appointment to this, should it be established. Wow, I thought now we are going to accomplish something. I called Mr. Nelson and said being I was the sponsor of the legislation, I would serve if I was the chairman. He said that's fine. I had mentioned several competent individuals who would bring constructive ideas on how to improve the UGBHE program, which is certainly needed.

I had expected the Governor's office to select the other two members but instead on June 3, 2005 I received a letter from Director Jeff Hagener on who was appointed. I knew that Craig Roberts, whom Hagener had appointed had close ties with FWP and would be a problem but that's another matter.

This to me appeared to be another cover up instead of a corrective solution to the management of the UGBHE program. It turned out to be the opposite. We had two meetings, the last was held on December 9, 2005. It wasn't until May 1, 2006, five months later that I received a copy of the minutes consisting of 87 pages.

The accomplishments that Director Hagener used as an excuse to terminate the council are frivolous compared to the real problems in the administration of the UGBHE program which I mentioned in my December 12, 2006 letter which you have.

After I received a copy of SB17, the first thing that came to my mind was why would anyone introduce this bill if they knew FWP had \$2.8 million unspent funds in the UGBHE account. Senator Larson, that is why I asked those five questions.

I still would like to know if the FWP personnel at the PL/PW council meeting told the members that this \$2.8 million would have been available for habitat purposes.

FWP collects approximately \$690,000 each year under Section 87-1-246 MCA from the UGBHE law 15% of \$690,000= \$103,000-\$6.00 per bird=7,666 birds to release, 25% of \$103,000=\$27660-\$6 per bird=4,911 birds released. If FWP hadn't spent the \$103,000 Each year since 2001 when the bill was passed, FWP would have over \$3 million in the unspent balance in the UGBHE account. That's why I oppose SB17.

Why doesn't FWP cooperate in making the release program better like I have instead of destroying it. I asked several questions in my December 12, 2006 letter and 10 of these were definitely not answered by Director Hagener.

I hope this committee has better luck than I had. The only way to accountability is an audit. I have served on several business boards, on the school board, and church boards and all have annual audits to prove accountability. FWP has spent over \$11 million of public funds generated by the UGBHE law that I sponsored and had an audit on only 10% of the expenditures over a 20 year period. It's incredible.

Some information on pheasant releases.

Pheasants survive only if there are trees. May lose pheasants this winter due to no feed. Pheasants do not hibernate like skunks and badgers which some FWP personnel think

SD pheasant program