

EXHIBIT 3
DATE 2/10/11
HB 363

House Bill 363
February 10, 2011
Presented by Dave Risley
House Fish, Wildlife and Parks Committee

Mr. Chairman and committee members, I am Dave Risley, Fish and Wildlife Division Administrator of Montana Department of Fish, Wildlife & Parks (FWP). I am here in opposition to House Bill 363.

Additionally, the tasks mandated in statute may be ineffective or inefficient now or in the future. For example, the requirement to allocate funds for collaring assumes that this method will always be the best way to monitor wolf populations. In fact, in anticipation of reduced or no federal funding for wolves once they are delisted, FWP has been working with the University of Montana to develop a population monitoring method using wolf sightings by hunters and our existing harvest survey program. It appears that this patch occupancy method is fairly accurate, and a fraction of the cost.

This isn't to say that FWP is ready to cease collaring today, but as time progresses, there could be alternatives to this method. But HB363 and other bills like it would lock in only one method. This seems contrary to the intentions of the Legislature that wants to see state government working more effectively and efficiently.

FWP also opposes establishing "species pays" programs where the revenue from the sales of licenses for a species is earmarked for that species, especially when its use mandated as specifically as in this bill. If FWP was run on a "species pays" basis, we would only be managing deer, elk, trout, and a few other species. We probably wouldn't manage for big horn sheep, mountain lions, or moose; nor would there be any management of listed species, nongame species, or any species that can't pay for itself. This is in direct contradiction to the enabling statute in 87-1-201 that says "the department (FWP) shall supervise all the wildlife, fish, game, game and nongame birds, waterfowl, and the game and furbearing animals of the state...."

Finally, FWP's opposes HB363 because it would result in an immediate diversion of license dollars. The requirement in Section 6(2)(b) (page7, line 5) that requires transfer of license money to the Montana Livestock Loss Reimbursement and Mitigation Board (MLLRMB) would be considered a diversion of license dollars, and would result in loss of all Federal Aid funds, resulting in a \$20 million impact to FWP, as noted in the fiscal note. Because of the immediate effective date and the requirement to transfer funds collected prior to the effective date, FWP would be in immediate diversion if this bill passes.

While FWP understands the frustration about wolves, everyone needs to understand that wolves are federally listed on the endangered species list, and FWP is very limited in what it can do regarding control of the wolf population. FWP shares in that frustration, and has and continues to explore all options for regaining management control.

FWP respectfully requests a Do Not Pass on HB363.



Federal Aid in Sport Fish and Wildlife Restoration Programs Restrict the State's Use of Hunting and Fishing License Funds

State Hunting and Fishing License Dollars

Montana Fish, Wildlife & Parks receives over \$57 million dollars each year from the sale of hunting and fishing licenses. This amount represents 65 percent of the department's total annual budget of approximately \$87 million.

Although license money is state revenue, its use is strictly limited to administering the state's fish and wildlife agency. This unusual restriction results from state and federal laws passed as early as 1937. In order to receive certain federal money from the USFWS, Montana agreed to only use its state hunting and fishing license revenues for fisheries and wildlife management in accordance with federal law as defined in 50 CFR Part 80.

If the state uses its hunting or fishing license dollars for purposes other than fisheries or wildlife management, the U.S. Fish and Wildlife Service will determine that a "diversion" of state license monies has occurred. The penalty for diversion is severe: all Federal Aid in Sport Fish and Wildlife Restoration funding will be withheld from Montana.

The restrictions on use of license dollars applies to: all hunting, fishing, and conservation license dollars; interest earnings from license revenues; federal grant reimbursements from the USFWS, lands acquired with license dollars; and other revenues listed in federal rules.

Federal Aid Programs

Federal funding for fisheries and wildlife has been an important source of revenue for 50-60 years. Montana has received over \$328 million in Federal Aid funding; \$174 million for wildlife since 1939, \$153 million for fisheries since 1952, and \$10.2 million for species of greatest conservation need since 2002.

The department now receives approximately \$20 million each year in Federal Aid in Wildlife and Sport Fish Restoration and in State Wildlife Grant program funds combined, representing approximately 25 percent of total operating budget for the Wildlife and Fisheries bureaus. Federal Aid funds are used for fisheries and wildlife management, research, habitat protection, operations, access, and education programs, as well as for construction projects. At least 25% of the cost of each project must come from license dollars or other non-federal funds.

Examples of ongoing federally funded projects include:

- Fish stocking, stream and lake surveys, fishing access development.
- Boat ramp construction, hatchery rehabilitation, stream restoration.
- Elk, antelope, deer, moose, sheep and goat surveys
- Hunting access acquisition, habitat protection, and WMA establishment.
- Bear, mountain lion, moose, and bighorn sheep research.