

Game & Fish Fund Budgetary Oversight Committee

—Authorized under Minnesota Statutes Section 97A.055 Subd. 4b—

CITIZEN OVERSIGHT REPORT ON GAME AND FISH FUND EXPENDITURES FISCAL YEAR 2007

July 2008

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This report was approved by the Game & Fish Fund Budgetary Oversight Committee (BOC) by an e-mail vote completed on July 13, 2008.

BOC MEMBERS:

Brad Cobb
Budgetary Oversight Committee Chair

Terry Peltier
Fisheries Operations Subcommittee Chair

Dave Bennett
Trout & Salmon Stamp Subcommittee Chair

Terry Johnson
Wildlife Operations Subcommittee Chair

Scott Nagel
Big Game Subcommittee Chair

Eran Sandquist
Pheasant Stamp Subcommittee Chair

Tom Glines
Wild Turkey Management Subcommittee Chair

Ryan Heiniger
Waterfowl Stamp Subcommittee Chair

John Hunt
Ecological Resources Subcommittee Chair

Randy Goetsch
Enforcement & Operations Support Subcommittee Chair

Senator Satveer Chaudhary

Representative David Dill

Game & Fish Fund Budgetary Oversight Committee

—Authorized under Minnesota Statutes Section 97A.055 Subd. 4b—

Brad Cobb, BOC Chair

Senator Satveer Chaudhary
Representative David Dill

Subcommittee Chairs:

Terry Peltier—Fisheries Operations Subcommittee
Dave Bennett—Trout & Salmon Stamp Subcommittee
John Hunt—Ecological Resources Subcommittee
Scott Nagel—Big Game Subcommittee

Randy Goetsch—Enforcement & Operations Support Subcommittee
Terry Johnson—Wildlife Operations Subcommittee
Eran Sandquist—Pheasant Stamp Subcommittee
Tom Glines—Wild Turkey Management Subcommittee
Ryan Heiniger—Waterfowl Stamp Subcommittee

June 30, 2008

Commissioner Mark Holsten
Minnesota Department of Natural Resources

Sen. Satveer Chaudhary
Chair, Senate Environment & Natural Resources Committee

Sen. Ellen Anderson
Chair, Senate Environment, Energy, & Natural Resources Budget Division

Rep. Kent Eken
Chair, House Environment & Natural Resources Committee

Rep. David Dill
Chair, House Environment & Natural Resources Committee – Game, Fish, and Forestry Division

Rep. Jean Wagenius
Chair, House Environment & Natural Resources Finance Division

Ladies and Gentlemen:

Enclosed you will find the Game and Fish Fund Budgetary Oversight Committee (BOC) report for Fiscal Year 2007. As chair of the BOC I want to express my sincere appreciation to all of the various volunteer subcommittee members who have contributed countless hours of time to this final report. The BOC would also like to thank the Department of Natural Resources (DNR) staff for their cooperation throughout this reporting cycle and attendance at all of our monthly meetings. We would also like to extend our thanks to Beth Carlson –the DNR BOC liaison.

This was the first year that the two Minnesota Legislative bodies – House and Senate – had representation on the BOC. They were Representative David Dill and Senator Satveer Chaudhary. We welcomed their insights and knowledge to the process.

In general, the BOC found that expenditures complied with the overall requirements and intent of the Game and Fish Fund (GFF) and state statutes. We encourage all of you to review each subcommittee report and their findings and/or recommendations.

Besides the business of GFF budgetary reviews, the BOC also has the responsibility to express opinions or recommendations on issues affecting the GFF. Throughout the course of our reporting cycle we discussed a wide range of topics and proposed legislation that may have direct or indirect relationships to the GFF.

As a follow up to one of last year's key items – the funding imbalance between fisheries and wildlife – the DNR has made several public presentations on the fund imbalance, most notably at the annual DNR Roundtable in January 2008. The DNR has also reported to the BOC that they are still preparing the legislative report that is due in November 2008.

No further action was taken during this session on the idea of changing to a biennial reporting cycle. The BOC will not continue this as an agenda item unless it is presented to the Committee for further review and/or discussion.

Several of the GFF subcommittees want to briefly express some key recommendation in this letter. Again, we ask all of you to read each of the subcommittee reports, findings, and recommendations.

The Fisheries Operations Subcommittee: With the current funding imbalance between wildlife and fisheries and the pending DNR response report to the state legislators, the fisheries operations subcommittee wants a well thought out draft response to this dilemma to be made available to the BOC prior to the DNR proposing anything to the legislature. One of the complicating factors is fisheries management activities are poorly supported by any funding source other than license dollars, so making up the inequity may well damage fisheries management within the state. The DNR is working hard to support vital fisheries programs and developing marketing strategies to increase revenue.

The Wildlife Operations Subcommittee: The committee wants to address the Fishing Over-spending and Wildlife Under-spending and offer some key points to consider. The spending imbalance still continues to be a concern of the Wildlife Operations Subcommittee. The February 2008 forecast for the Game and Fish Fund showed the situation worsening for hunting (wildlife). In order to straighten out this inequity, either fishing license fees need to be increased to better align with their expenditures or expenditures for hunting need to be increased. The WOS recommends an increase in fishing license fees in order to maintain the current level of programs and services provided by both Fishing and Wildlife.

The Big Game Subcommittee: The DNR has been doing a great job with the revenues in the Big Game accounts. The Big Game Subcommittee feels that hunting revenues are still funding too large a portion of disease control from Department of Agriculture-controlled animals that transfer diseases to the wild game population. Hunting revenues are still paying for a large portion of the reactionary control rather than going to the source of the problem. The last few years the Big Game Subcommittee has recommended several pro-active controls for reducing disease outbreak, we recommend that these controls be re-visited to try to control future disease outbreaks.

Trout & Salmon Stamp Subcommittee: The TSSC suggests that the Legislature evaluate closely the composition of the committee that will allocate funds brought as a result of the Dedicated Funding for Conservation, should that become a reality. This committee is concerned that decisions for funding be based on good science; decisions that will ensure the protection and preservation of our natural resources into the future.

The Wild Turkey Stamp subcommittee: The Turkey Stamp Oversight Committee applauds the use of funds to help acquire the Ferndale Ridge WMA in Houston that will provide excellent hunting opportunities for turkey and other game species. They would also like to note that while the funds will not be used in the next year's budget for the Trap and Transplant Program, that the program

should not be considered complete until the population's surveys are complete and analyzed in the near future. We are also pleased with the hiring of the new wild turkey biologist Eric Dunton and look forward to working with him on habitat improvement projects across the wild turkey range.

Ecological Resources Subcommittee: The committee has several key points. First, to achieve the multiple goals of increasing outdoor recreation opportunities while protecting lands of significant biodiversity, future acquisition decisions by the DNR should become more proactive so that the lands with the highest natural resource values are targeted for each category of appropriate recreational use, such as WMAs, SNAs, AMAs, State Parks, etc. Some lands can remain in private ownership and be protected through voluntary land-owner management agreements or easements, while other lands can be acquired from willing sellers. A comprehensive plan that suggests what types of activities are appropriate for each area can help with acquisitions made using Game and Fish monies and other funding sources. Such an approach could leverage different sources of funds to protect the highest quality WMAs and AMAs.

Secondly, concurrent with completing its pilot project with Cass County to identify and protect sensitive lakeshore areas via zoning, the DNR should also request that the official rulemaking process be restarted so that the revised thresholds for environmental review of proposed projects that include shoreland development can be adopted and implemented.

Pheasant Stamp subcommittee: With the goal of maintaining or increasing pheasant populations, the PSOC recommends placing the highest priority on grassland habitat. Given commodity pressures, we need to mitigate habitats losses and use best practices to manage the existing grassland to maximize productivity.

In conclusion, over the course of this past reporting cycle the BOC has addressed some tough issues with the DNR and we found the agency to be very cooperative in helping us get a better understanding of these various issues and working with us to find solutions. As chair of the BOC I want to personally thank the men and women from all nine subcommittees and the two legislative members who have donated their time and talents to the GFF oversight process. We need to ensure a viable and stable game and fish funding, given the possibility of dedicated funding on the horizon and the tremendous opportunities those funds will have for a wide range of natural resource activities like; acquisitions, restoration, enhancements, and protection practices. We need to keep a close watch over the Game and Fish Fund into the future and ensure that we have sustainable funding practices in place for future generation of anglers and hunters. Future BOC members will need to work with the DNR to help chart a course of action based on a long range plan to ensure the stability of the game and fish fund.

Sincerely,

Bradley H. Cobb
Chair, Game & Fish Fund Budgetary Oversight Committee

FISHERIES OPERATIONS SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Terry Peltier (Forest Lake, MN)
John Schneider (Roseville, MN)
Jeff Bergeron (Andover, MN)
Jeff Byrne (Victoria, MN)
Betty Wilkens (Mora MN)

INTRODUCTION

The committee would like to thank DNR staff members: Al Stevens, on his presentation on VHS and Fishing Tournament cost; Dave Wright, Ecological Resources, re: PCA Impaired Waters; Pete Jacobsen for his data on walleye stocking; Pete Skwira, and a special thanks to Ron Payer for his wonderful insight.

PREVIOUSLY REPORTED ISSUES

Loss of Shoreline

Current Situation: We are still losing shoreline habitat at an alarming rate statewide.

Problem: The long term loss of habitat along our lakes' shores not only damages the habitat that fish often use to spawn and find prey; but it also decreases the enjoyment and success anglers have pursuing shallow water species.

Proposed Solution: *The Fisheries Operations Subcommittee does not have faith in the efforts to date to turn around this trend. We must act now and stop this loss of habitat. Anglers demand more from our DNR's fisheries managers in this area. Both the DNR and legislature must address this serious loss of habitat and come up with solutions.*

Let's Go Fishing Funding

Current Situation: Financial support of the "Let's Go Fishing" program was previously funded from special funds.

Problem: The legislature is considering supporting this activity with Game and Fish Fund dollars.

Proposed Solution: *The Fisheries Operations Subcommittee strongly believes that this program should under no conditions be funded from Game and Fish dollars. Recruitment efforts by the DNR to increase angler number must be accurately assessed to their effectiveness at increasing long and moderate aged anglers and cost efficiency. Activities in this regard should create more fisheries dollars than are spent.*

Treaty Costs

Current Situation: The portion of treaty management costs that the GFF pay is still rising unfairly. We had previously asked for Funding from General Fund dollars for Fiscal Years 2007 and 2008, which the Governor has proposed at \$258,000 per year. Legislation has changed this back to funding from the Game and Fish Fund. The bill passed does not fund treaty costs out of the General Fund, which would have made \$516,000 in appropriations from the GFF available for other department priorities. The states anglers are unfairly covering this cost.

Fishing Tournament Cost

Current Situation: Significant Game and Fish dollars are spent on management activities surrounding tournament angling. Tournament anglers and those that organize these events do not pay sufficient fees to offset these costs. Hence the non-tournament angler is subsidizing these events. For-profit and non-profit events seem to have different rules.

Proposed Solution: *The Fisheries Operations Subcommittee continues to believe that the DNR needs to assess fees on tournament anglers/organizers that adequately cover the cost of their management activities. Discussions should continue with tournament anglers and organizers on how best to achieve this. We believe that many cooperative opportunities can be created by willing managers and anglers that not only regulate and manage the tournaments' impacts on the resource, but may even help improve the resources these events are held on. A three year plan should be drawn up that gets these events in compliance with covering their own costs. The committee does not agree with the concept that the organizers pass all of these costs on to the tournament anglers.*

Aquatic Plant FIN

Current Situation: DNR fishing in the Neighborhood is a great program but the Fishing Piers are being choked by aquatic vegetation by early summer.

Problem: This makes them un-useable for fishing and currently there is no maintenance program.

Proposed Solution: *The subcommittee would like to see a proposal to find funding for the maintaining of keeping Piers fishable. Instead of adding more fishing piers, the current funding could be switched to the maintenance of existing.*

NEW ISSUES

Division Support Costs

Current Situation: When comparing Division support costs charged to Game and Fish fund across the various groups within DNR, an imbalance appears to be found.

Problem: All services should be assessed Divisional support in a similar manner. At a minimum, how these values are calculated and reported should be the same across the various groups within the Game and Fish Fund report. If you take the amount of divisional support and divide it by the total appropriations within each group, the following values are found: Enforcement 1.9%, Ecological Resources 4.9%, Wildlife 5.1%, and Fisheries 8.0%.

Proposed Solution: *We assume the difference in these values is the process on how the amounts were tallied and not inappropriate charges against fisheries. We respectfully submit that all lines within the report that are like named should be calculated with the same mechanism from each management group. This allows comparisons to be made within and between sources. An explanation should be made immediately.*

License Fees

Current Situation: Various changes in license fees for angling seem to be in the works: reduced cost conservation license, seniors discount, youth free through 18, increase cost for a normal fishing license, etc.

Problem: The dollars generated by license fees into the *Game and Fish account* by anglers does not now cover the management costs related to the fisheries. Any changes that are considered should not make this worse by reducing dollars generated.

Proposed Solution: *The Fisheries Operations Subcommittee believes that anglers should cover the management costs of their activities. Fees need to be structured so that several things are accomplished: fees generate required management dollars, changes in fees should not reduce dollars coming in, changes should not add to confusion at time of purchase, the life time license fee structure needs to be in balance with any changes.*

Hunting & Angling Fees

Current Situation: Hunting and angling fees collected are not in balance with appropriations for these activities, with slightly more money going into fisheries management.

Problem: Both the hunting and angling communities assume that their license fees go towards management activities that are directly related to their license. This is not the case at the present time.

Proposed Solution: *The Fisheries Operations Subcommittee wants a well thought out draft response to this dilemma to be made public prior to the DNR proposing anything to the legislature. One of the complicating factors is fisheries management activities are poorly supported by any funding source other than license dollars, so making up the inequity may well damage fisheries management within the state. This should be avoided.*

If and when cuts are made to fisheries management, they should be tracked and evaluated for “in-the-field lost opportunity,” and reported back to this subcommittee.

Our committee strongly feels that funding from other sources [like LCCMR, bonding, General fund, etc] be sought to help fix this imbalance. Historically, these other funding sources have not been “good” fits for fisheries related needs; therefore the DNR and legislature should sit down and massaged the statutory language so fisheries is not inadvertently short changed. We should also make sure that the constitutional amendment language and statutory appropriation language for these new potential funds avoid this in the future.

Walleye Stocking

Current Situation: The cost of walleye stocking continues to escalate.

Problem: The value added to the fishery from stocking needs to be assessed. What is the actual cost to the angler for each stocked fish consumed by the angler? Are the dollars we are spending on stocking the most efficient use of angler fees?

Proposed Solution: *Within a year, the Fisheries Operations Subcommittee wants a draft report compiled that accurately reflects the cost of each caught stocked fish. Anglers should be made aware of the continuing escalating cost of this program. Discussions between anglers and managers should be started that will determine the extent to which we try to make lakes walleye lakes. Fisheries dollars are limited, and this committee demands that we efficiently use the limited dollars we have to best manage the resource. We are becoming concerned that walleye stocking costs are consuming more dollars than can be efficiently spent.*

Clean Water

Current Situation: The state evaluates water quality in an huge number of water bodies; lakes, ponds, rivers, streams, etc.

Problem: Are we using the best possible approach to maximize information and cost efficiencies in this regard? Are agencies cooperating in the best possible way to achieve the best results?

Proposed Solution: *The Fisheries Operations Subcommittee would like a report compiled that accurately examines whether the DNR and related agencies are accomplishing all that can be cost effectively done. What is needed, what info is wanted, what are we doing about what we find*

out, what changes are being made to clean up identified problems. The committee's findings to date suggest we [the state and anglers] are watching and doing little else.

VHS Virus

Current Situation: The VHS virus appears to be migrating towards Minnesota, thus another added cost needs to be covered by Game and Fish Fund dollars.

Problem: How much will this cost, and how will the DNR pay for it?

Proposed Solution: *The department should accurately compile the cost of this virus to management activities and report back to this committee. A long term plan to cover the needed expenses should be prepared. Appropriate funding should be identified.*

MEASURABLE OBJECTIVES

- **Long Term Goal** – Maintain the programs needed to keep our waters and shorelines healthy, keeping VHS out of our waters, as well as other aquatic nuisance while trimming the budget.
- **Long Term Goal** – Maintain needed staffing, while as employees retire, holding vacancies to save on expenditures.

CONCLUDING REMARKS

Fisheries Section employees are working hard at enticing citizens to buy licenses and take the family fishing. They have thought of new ideas to add income to their budget. They have a strong and well thought-out plan for the future of muskies and pike, and are developing the same for walleyes.

TROUT & SALMON STAMP SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Dave Bennett (Burnsville, MN)
John Eaton (Two Harbors, MN)
Tom Helgeson (Minneapolis, MN)
Karl Kaufman (Cloquet, MN)
John Lenczewski (Eden Prairie, MN)
Chuck Prokop (White Bear Lake, MN)
Sue Rousseau (Golden Valley, MN)

INTRODUCTION

The Trout and Salmon Stamp Committee wishes to thank the Minnesota Department of Natural Resources staff for providing their assistance to the committee in completing its charged duties. A special thanks to both Mark Ebbers and Linda Erickson-Eastwood for attending all of our meetings and providing the committee with requested information, documents and reports, and to other DNR staff that attended some meetings to offer assistance with specific issues. A special thanks also to the late Duke Hust for his valuable contribution while serving on the TSSC and to Scott Thorpe, for having attended and participated in many meetings over the past three years as a citizen. Welcome new member John Lenczewski representing Trout Unlimited.

PREVIOUSLY REPORTED ISSUES

Ongoing Issues

Lake Superior Cormorant Control

Current Situation: In mid-February of 2008 the Knife River Citizens Committee (KRCC) appealed to the TSSC to assist them in their efforts to stop the destruction of Knife Island by cormorants including immediate lethal control. The KRCC letter was passed on to the DNR Budget Oversight Committee (BOC) for review, and the BOC's chairman Brad Cobb wrote a letter of support on March 3, 2008. Control of cormorants on Knife Island was first addressed by the TSSC in its FY04 Report. To date, no lethal control efforts have been implemented despite repeated recommendations and support by the Lake Superior Steelhead Association, TSSC, BOC, and now the KRCC.

Minntac Discharge to the Dark River and St. Louis River Watersheds

Current Situation: The TSSC continues to be concerned about the possible effects on fish and other aquatic life of discharges of U.S. Steel Minntac tailings basin water into the Dark River and Saint Louis River headwaters near Mt. Iron, MN. A report on pilot testing of precipitation and membrane separation techniques to deal with contamination by dissolved sulfates and chlorides, hardness, and specific conductivity is due to the MPCA on May 15th. A water management strategy report due to the MPCA 45 days after approval of the pilot test report will propose specific discharge rates, locations, and treatment technique preferences. In the meantime, seeps of tailings pond water into the Dark River will continue.

Proposed Solution: *The subcommittee supports continued monitoring and careful review of Minntac's water management plan in order to protect the aquatic resources at risk from tailings pond discharges and seepages.*

ATV Use of the North Shore State Trail

Current Situation: The TSSC understands that the North Shore State Trail is not being converted to use by ATVs. We are satisfied with this outcome. However, we remain concerned that pressures from ATV groups, especially on the legislature and the Trails & Waterways Division of the MNDNR, may once again threaten the valuable resources bisected by the trail. While we support responsible trail riding by ATVs in appropriate areas, the North Shore State Trail is an inappropriate site for such use. This snowmobile trail cuts across numerous fragile trout streams that flow into Lake Superior. The watersheds contain vital wetlands and steep slopes that make motorized use when they are not snow covered very destructive of these unique, valuable resources. TSSC remains very strongly opposed to any use of the North Shore State Trail by ATV's under any circumstances.

Proposed Solution: *The TSSC recommends the laws and regulations that govern ATV use be revised to restore the provision that ATV use is allowed only on those trails which are posted as "open" to such use.*

NEW ISSUES

Expenditure Review

The Trout and Salmon Stamp Subcommittee has reviewed the following accounts and expenditures of the FY 06 Trout and Salmon Stamp Fund:

Habitat Improvement	\$261,998
Fish Culture and Stocking.....	452,765
Easement Acquisition and Identification	50,457
Lake Superior Research and Special Projects	88,877
Cancel to account.....	113,000
Total	\$959,096

The Trout and Salmon Stamp Committee has found the expenditures to be compliant with the legislative intent of Minnesota Statutes, section 97A.075, subd. 3.

FY07 Game and Fish Fund Report

The FY 07 Game and Fish Report was acceptable to the Trout and Salmon Stamp Committee

Policy Issues

VHS and other Exotics

Current Situation: The TSSC is concerned about the impacts of aquatic invasive species, including organisms and pathogens such as spiny water fleas, New Zealand mud snails, zebra mussels and viral hemorrhagic septicemia (VHS), on trout and salmon populations in Lake Superior and its tributaries, as well as the larger ecosystems themselves. The recent discovery that (VHS) is killing fish in other Great Lakes and connecting waters and might, without extreme preventative measures, move into and begin killing trout and salmon in Lake Superior.

Problem: While detrimental effects on specific aquatic populations have been difficult to observe, introductions of aquatic invasive species have contributed to a general decline in the

pristine quality and integrity of these systems, and it is likely that one of these organisms, such as VHS or a “new” one, will eventually have catastrophic effects on native and wild populations of salmonids in the Lake Superior. Eventually, an invasive species such as this would be transported into our inland trout waters as well.

Proposed Solution: *Since this problem has been recognized as a serious threat for a many years, and several remedies (e.g. chlorination of ballast water) have been proposed or even tested and found effective, the Committee urges the MNDNR, other agencies and the Minnesota legislature to redouble their efforts to find solutions (technical, political, or other) to the problem of the transport of aquatic invasive species into Lake Superior as a result of foreign and domestic shipping activities. A significant proportion of the state's trout and salmon angling opportunities and MNDNR management activities supporting them absolutely hang in the balance. Anglers' substantial annual investment in this resource must be safeguarded now. The TSSC applauds the leadership of MPCA director Brad Moore for being among the first public officials to push for the necessary ship ballast and bilge water disposal regulations to deal with this problem. We also urge the MNDNR to continue to do whatever it can to promote or enact appropriate regulatory measures to protect Lake Superior and its fisheries resources.*

Riparian Buffer Zones – Timber Harvesting Guidelines in Riparian Management Zones

Current Situation: The Minnesota Forest Resources Council (MFRC) published voluntary timber harvesting and forest management guidelines in 1999, and revised guidelines in 2005. In August 2007 a team of scientists completed their review of the adequacy of the guidelines to protect riparian forest functions.

Problem: Forested watersheds can provide the favorable runoff, water quality, and in-stream habitat essential for healthy trout populations. How riparian forests are managed, including what timber harvesting practices are used, influences these forest benefits. Without these benefits many of Minnesota’s northern trout streams could no longer support trout. The adequacy of portions of the guidelines recommending various practices to protect riparian forest functions, especially in riparian areas or “riparian management zones”, has been repeatedly questioned. MNDNR Fisheries personnel, the American Fisheries Society, and conservation groups have urged revisions of the current “best management practices” (BMPs) for timber harvesting in riparian areas, especially along trout streams and lakes. The MFRC declined to revise the riparian zone BMPs in 2005, instead appointing a riparian science technical committee to evaluate the current science regarding the management of riparian forests. The technical committee report contained the scientists’ professional judgment on how to improve the guidelines so that they adequately protect Minnesota trout streams and lakes. The MFRC has refused to adopt any of these recommendations. The current guidelines are voluntary BMPs, not regulations, and often provide for deviation away from (lessening of) what protections do exist. The current guidelines provide no clear guidance for those landowners who wish to improve, not merely lessen the harm to, the trout fisheries in their watersheds.

Proposed Solution: *The MNDNR, including the Division of Forestry, should request that the MFRC revise the guidelines to incorporate the revisions recommended by the technical committee in its August 2007 report, at least in those watersheds which contain trout streams and lakes. Furthermore, the MNDNR Fisheries Section should retain the same riparian science technical committee to draft guidance for those landowners and land managers who wish to improve the trout fisheries in their watersheds. This guidance should be provided in an easy to understand format and mailed to all owners and managers of land in forested watersheds that support trout waters. A separate guidance document should be developed for the Lake Superior basin, given its unique combination of topography, geology, and hydrology.*

Copper, Nickel & Other Metal Mining

Current Situation: Serious consideration is being given to the advent of Cu-Ni and other precious metal (cobalt, gold, platinum, palladium) mining near the BWCAW boundary and in the Superior National Forest. PolyMet Mining, the first of three companies to formally apply for the necessary permits, is preparing to submit an EIS this summer on open-pit mining near Babbitt.

Problem: The subcommittee is concerned about the adequacy of review of the EIS because of the catastrophic effects of sulfide mineral mining, the type of ore body to be exploited here, and associated acid mine drainage (AMD), that have occurred elsewhere in the U.S. and Canada. By 1989, an estimated 180,000 acres of lakes and reservoirs, and 12,000 miles of U.S. streams had been polluted by AMD. Mining site stabilization has cost up to \$410,000 per hectare. We are concerned about the proximity to and possible effects of AMD and jointly mobilized toxic heavy metals and other pollutants on the pristine aquatic resources in the area. As pointed out by experts like the DNR's own Kim Lapakko and others, many geological and environmental factors can affect the extent of the hazards posed by this mining, complicating the challenge of predicting them ahead of time. Some effects have not occurred until well past the time actual mining was completed.

Proposed Solution: *Therefore, the TSSC urges the DNR to apply the greatest possible oversight and expertise in reviewing the adequacy of the company's estimates of the potential impact of this mining on the environment of northeast Minnesota. Furthermore, the requisite mining permits should not be granted until the current and future protection of aquatic ecosystems in the vicinity of the mine or waste rock deposits are shown to be possible by conducting the appropriate effect estimation/mitigation tests, and by requiring that the protective measures indicated by these tests will indeed be implemented by PolyMet. One should also ask if it will cost more to remediate the harmful effects of the mining than the state will gain in permitting it.*

Eyota Ethanol

Current Situation: A corn to ethanol plant is proposed to be built and operated on land proposed to be annexed to Eyota, Minnesota.

Problem:

- **Water:** This location is well within the geologically sensitive limestone area of southeast Minnesota known as the karst. Karst limestone slowly dissolves with water from rains, snow melt, and flowing water in aquifers. The aquifers in this area provide the headwaters of the Whitewater River. The very large amounts of water needed for the proposed facility (several gallons of fresh water per gallon of ethanol produced), or any corn to ethanol plant, may present a serious threat to the water needs of not only the area rivers but also human water needs. Test well pumping near the site demonstrated that pumping water from the aquifer at the rate the plant would require (1.2 MGD) resulted in a draw down of the aquifer by 8 feet in 8 days days. Although information provided by the DNR would indicate proposed well pumping to be a small percentage of mid-stream flow, concern still exists about impact on headwaters flow.
- **Wastewater:** There is concern over the discharge of wastewater into nearby Bear Creek and the increase in total dissolved solids (TDS) from the reverse osmosis reject water.
- **Sink Holes:** The karst area also is subject to sink hole formation. There appear to be nine sink holes in the land proposed for this plant.
- **Other Environmental Concerns:** There are also significant concerns regarding noise, trucks, and odor potential. Locating this plant in this area would subject the heavy equipment and components to random sinkhole formation and resultant problems.
- **DNR Cost Recovery:** It is estimated that DNR has spent over 300 hours to date on this proposed project. DNR has assured the TSSC that it will recover costs associated with providing the agency work effort into reviewing the proposed facility planning process.
- **Alternative Sites:** Why can't this plant be located on the Mississippi River

approximately 40 miles to the east, potentially using the river to transport via barge the finished product?

Proposed Solution: *The TSSC understands an Environmental Assessment Worksheet (EAW) is due to be completed/published on or about May 12. Upon review of the EAW, the TSSC may recommend moving this project to an Environmental Impact Statement (EIS).*

MEASURABLE OBJECTIVES

Long Term Goal: The TSSC recommends that the Department establish a dynamic mechanism through which impending threats to the health of this state's coldwater resources are identified and solutions are considered and communicated to anglers and other user-groups. Such issues include harmful farm practices that lead to river and lake pollution, the environmental "costs" of corn-based ethanol, inappropriate development and "sprawl," invasive species and climate change.

Short Term Goal: Evaluate the urgency of these threats.

Short Term Goal: Schedule regional meetings throughout the state to discuss both the threats and the possible solutions — similar to the meetings held by the DNR to broadcast policy or regulations changes.

Short Term Goal: Look for opportunities to "information meetings" at schools, colleges and universities to get in touch with college-age young people, young people who will be managing these problems in the future.

Long Term Goal: The DNR needs to consider actively the changes imminent in the state's demographics and move toward meaningful dialogue with new constituencies.

Short Term Goal: Evaluate and anticipate population changes — for instance, a bulging post-retirement "boomer" constituency.

Short Term Goal: Schedule information meetings with groups of color — Latino, Asian, African American and post-career adults.

Short Term Goal: Ensure that the annual Round Table begin to reflect the diversity of this state's population base.

Short Term Goal: Develop contacts with the state's educational vehicles — schools, colleges, universities.

Long Term Goal: As the size of the outdoors shrinks and as the audience for outdoor pursuits begins to change and diminish, the mission of the DNR will change as well. The Department needs to be prepared for this change and be pro-active.

Short Term Goal: The Department should consider a public relations initiative that identifies and honors the mission of the DNR.

Short Term Goal: The recommended public relations initiative should focus on the competence of DNR field employees and their value to the state and its outdoor community.

CONCLUDING REMARKS

The TSSC suggests that the Legislature consider the state's diminishing natural resources and the urgency of dealing with threats to their health and future. The TSSC also suggests that the Legislature evaluate closely the composition of the committee that will allocate funds brought as a result of the Dedicated Funding for Conservation, should that become a reality. This committee is concerned that decisions for funding be based on good science; decisions that will ensure the protection and preservation of our natural resources into the future.

WILDLIFE OPERATIONS SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Terry Johnson (New Brighton, MN)
Kevin Hisey (Chatfield, MN)
Michael Hunziker (Lakeville, MN)
Rob Theobald (Owatonna, MN)

INTRODUCTION

The Wildlife Operations Subcommittee wishes to thank Dennis Simon of the Minnesota DNR for his valuable support and contributions. The Wildlife Operations Subcommittee reviewed the FY 2007 Game and Fish Fund Report and the appropriations, budgets and expenditures for the Wildlife Operations and Maintenance, Wild Rice Management, Small Game License Surcharge and Heritage Enhancement Accounts. We also reviewed the Game and Fish Fund expenditures of the Forestry and Land and Minerals Divisions.

PREVIOUSLY REPORTED ISSUES

Fishing Overspending and Wildlife Underspending

Current Situation: Fishing expenditures continue to exceed fishing revenue, while wildlife expenditures continue to be less than wildlife revenue. The DNR must provide to the legislature a plan by August 15, 2008, explaining how this problem will be fixed.

Problem: The spending imbalance still continues to be a concern of the Wildlife Operations Subcommittee. The most recent Game and Fish Fund forecast (Feb 2008) shows the situation worsening for hunting (wildlife). Since the last report dated June 30, 2007, the allocation for hunting (expenditures/revenue) for FY 2010-2011 has decreased from 97.7% to 91.3%.

Proposed Solution: *In order to remedy this inequity, either Fishing license fees need to be increased to better align with their expenditures or expenditures for hunting need to be increased. We recommend an increase in Fishing license fees in order to maintain the current level of programs and services provided by both Fishing and Wildlife.*

Heritage Enhancement Reporting

Current Situation: In 2005, 2006, 2007, and again this year we recommend treating Heritage Enhancement receipts as a transfer from the General Fund. The DNR reply has been that Heritage Enhancement receipts are reported pursuant to *Minnesota Statutes*, sec. 297.94; since this statute is silent on accounting treatment and financial reporting we have yet to receive a meaningful response to our recommendation.

Proposed Solution: *According to Minnesota Statutes, section 297A.65, “the money must be treated as other proceeds of the sales tax.” We again recommend that the DNR, along with the Department of Finance treat the Heritage Enhancement receipts accordingly.*

Wildlife Management Areas

Current Situation: A Long Range Plan (50-year) for WMA acquisition has been adopted and, in 2002, a Ten-Year goal of 210,000 acres was established. However, WMA land acquisition outcomes are falling woefully short of annual incremental targets to accomplish these goals.

Proposed Solution: *We feel it is important to provide stakeholders and legislators with reasons why these goals are not being met. We acknowledge that the biennial WMA acquisition report gives detailed acquisition results; however, we feel the GFF Report (under the section “Land Acquisition; long term trends”) should provide insight into whatever issues are impeding the achievement of desired goals.*

Development Funds for Wildlife Management Areas

Current Situation: We are concerned about the DNR’s capabilities to monitor and fund deteriorating conditions on the 1300+ existing WMAs, as well as future sites. There is a need to identify and fund revitalization of degraded WMAs to ensure quality habitat and sporting experiences, beyond the initial development.

Proposed Solution: *Since our recommendation from last year, the DNR has implemented an interactive web site that allows for users to comment on the conditions of WMAs. While we think that this monitoring program is a step in the right direction, we are still very concerned because it doesn't address an approach on how to assess the feedback and fund the necessary improvements.*

Land and Minerals Division

Current Situation: The Land and Minerals Division spent \$1,007,000, \$843,000 and \$938,000 in FY 2007, FY 2006 and FY 2005, respectively, from direct appropriations received from the Game and Fish Fund. LAM received these direct appropriations to cover the cost of recurring services provided to the Division of Fish and Wildlife (primarily land work on behalf of the Wildlife Section).

Problem: Up until now, The Wildlife Section has not received specifics about uses of the direct appropriations because LAM does not separately account for time charged to recurring Division of Fish and Wildlife activities.

Proposed Solution: *Since last year's recommendation, the Division of Lands and Minerals has implemented a time reporting system that will provide sufficient information on how the Game and Fish Fund appropriations are being spent. We recommend a review of the data in early CY 2009, with a full review in early CY 2010. Recommended adjustments will be made, if appropriate, after the full review.*

NEW ISSUES

Shallow Lakes

Current Situation: A large percentage of Minnesota’s shallow lakes have become degraded. Their ecological and recreational value has decreased. In addition, the fall migration of waterfowl using our shallow lakes has been disappointing. There exists a great opportunity to do something to improve our shallow lakes.

Problem: Along with the imbalance between Fishing and Wildlife expenditures in the Game and Fish Fund, the current planning estimates for the Consolidated Game & Fish Fund shows the fiscal year-end fund balance increasing through FY 2011. Much of this increase is the result of increased projections from the Dingell-Johnson and Pittman-Robertson federal grants.

Proposed Solution: *If the Game and Fish year-end balances continue to show an increase, we recommend an increase in appropriations for the Shallow Lakes Program to help alleviate the current imbalance between fishing and wildlife, and to accelerate the recovery of our shallow lakes.*

Excess Fund Balance in Wild Rice Account

Current Situation: The Wild Rice Management Account is used mainly to control water depths on designated public waters to improve natural wild rice production. The work is mainly contracted out to 3rd party vendors.

Problem: This account's \$40,000 fund balance is higher than we believe necessary. After consulting with officials from the DNR, we feel that this account's FY end balance does not need to be in excess of \$10,000.

Proposed Solution: *We recommend a temporary increase in spending from this account to extend the number of publicly designated managed waters for wild rice while at the same time lower the fund balance carry-over to no more than \$10,000.*

Viability of Heritage Account

Current Situation: The revenue Heritage Account (239) comes from the in-lieu-of-sales taxes from the Minnesota State Lottery. The Fisheries, Wildlife, Ecological Services and Enforcement Divisions all rely on significant funding from this account to carry out their responsibilities.

Problem: The projected fund balance goes negative by FY 2010.

Proposed Solution: *We recommend that the BOC come to an agreement on how to align revenues with appropriations.*

School Trust Lands

Current Situation: The Minnesota DNR is responsible for managing a large portion of the Minnesota School Trust Land.

Problem: Based on State Statutes, The School Trust Lands are to be managed in a manner to secure the maximum long-term economic return consistent with sound natural resource and conservation practices. Currently, some of the DNR land is being managed primarily for the environment and not for the long-term economic return. Because of this, there currently exists a threat whereby the DNR may lose administrative responsibility for some School Trust Land parcels within WMAs and State Forests due to this "miss-management". If that were to happen, the likely results will be degradation of habitat quality, fragmentation and loss of public use.

Proposed Solution: *We recommend the DNR acquire fee-title interest in the high-priority parcels. Funding sources need to be identified so that high-priority parcels can be preserved for the benefit of the environment and at the same time provide improved benefits for the School Trust.*

BIG GAME SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Scott Nagel (Little Falls, MN)
Todd Grimes (St. Charles, MN)
Carrie Mellesmoen (Inver Grove Heights, MN)
Doug Strecker (Hackensack, MN)
Darwin Vicker (Austin, MN)

INTRODUCTION

We thank Lou Cornicelli and Kathy DonCarlos of the Minnesota Department of Natural Resources for their expert technical assistance during our review of the 2007 expenditures. The Department had all the information to us this year prior to us requesting it; this made our review go quickly.

Several issues that are important for wild cervid health have arisen in the last few years. Because dedicated funds are often used to pay for diagnostic tests and other efforts, we feel that these concerns are worth noting.

Bovine TB and another emerging infectious disease, chronic wasting disease, threaten not only wildlife, but also domestic animals and Minnesota's agricultural economy as a whole. The DNR should be applauded for their efforts to remove these diseases from Minnesota.

Big game shooting preserves are now allowed, through a legal loophole that was not applicable when game farm oversight was under the jurisdiction of the MN Department of Natural Resources. This is significant because transmission of both CWD and bovine TB is facilitated by interstate transfer of domestic livestock.

These matters are of concern to all stakeholders, including outdoorsmen and women, conservationists, farmers, and animal health officials. We feel that strict measures must be taken to avoid new outbreaks as well as the spread of existing disease cases.

The alarming decline Minnesota's moose population is also cause for concern and we hope that measures can be taken in the near future to understand the etiology of this condition.

PREVIOUSLY REPORTED ISSUES

In 2005 and 2006, we suggested that the farmed cervid Industry needed to have strict regulations over movement and handling of their animals; this problem has still not been resolved.

Ongoing Issues:

The MN DNR should be encouraged to continue their efforts to:

1. Improve WMA maintenance
2. Increase opportunities for adult hunter education
3. Determine assumptions and objectives for big game harvest ratios, wildlife sex ratios, and age structures.

We would also like to renew our 2005 request for the DNR to fund CWD and TB efforts from sources other than hunter dollars. Currently, a significant portion of the funds necessary for testing wild cervids for CWD and TB are paid for by hunter dollars from the Game and Fish Fund or Dedicated Funds. Given current research that suggests a link between disease outbreak and transfer of captive animals, we believe that Minnesota's deer hunters should not be required to finance the solutions to these problems.

NEW ISSUES

FY07 Game and Fish Fund Report

The Big Game Subcommittee reviewed appropriations and expenditures documented in the FY2006 Game and Fish Fund Report as well as those of the following dedicated accounts:

Deer/Bear Management (231)
Deer Management Account (232)
Emergency deer feeding/Wild cervid health management

After review of the FY07 expenditures, we find that all funds appropriated for dedicated accounts encompassing deer management, deer and bear management, and emergency deer feeding/wild cervid health management have been used for their intended purposes.

Fiscal/Policy Issues

Use of Hunter License Dollars for Other Purposes:

Current Situation: Recently added hunting opportunities have increased significantly the amount of money allocated the Game and Fish Fund.

Problem: The additional funds have not been allocated to wildlife-related programs. Instead, spending by DNR Fisheries has exceeded the income from fishing licenses, leading to a discrepancy of approximately \$11.8 million. Current proposals narrow the gap but fall short in bringing a solution to this problem.

Proposed Solution: *We propose that a greater percentage of hunter license dollars be spent on wildlife programs, including venison donation and Wildlife Management Area acquisition and maintenance. As stated in the Citizen Oversight Report on Game and Fish Fund Expenditures, Fiscal Year 2006, we believe that discretionary flexibility in GFF expenditures is acceptable. However, we expect that within the next fiscal year, the level of inequity that has been demonstrated in recent years can be decreased.*

CONCLUDING REMARKS

Since the outbreaks of CWD (domestic animals) and Bovine TB (domestic and wild animals), the Minnesota DNR has done an exemplary job of testing and attempting to control the dissemination of active disease. However, wild cervid diseases are best managed in a proactive manner and additional measures are needed to minimize the chance of new outbreaks. Increased communication with the Board of Animal Health, which currently oversees game farms in the state, and severely limiting domestic cervid enclosures may play an important role in future cervid health management plans.

We congratulate the DNR for their professionalism in managing the dedicated accounts and ask that policy changes be made to resolve the perceived financial inequity of the Game and Fish Fund.

PHEASANT STAMP SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Eran Sandquist (South Haven MN)
John Maile (Paynesville, MN)
Rod Mitchell (Mankato, MN)
Roel Ronken (Minneapolis MN)
Kyle Thompson (Glenwood MN)

INTRODUCTION

The PSOC would like to thank Bill Penning, our DNR Liaison, for his help and expertise.

In 2007-08 the PSOC turned-over one (1) Committee appointment and welcomed three new PSOC members: John Maile, Roel Ronken, and Rod Mitchell.

John, Roel, and Rod bring diverse and encompassing knowledge and talents to the PSOC. With the addition of John, Roel and Rod the PSOC is now at full compliment.

The PSOC wants to recognize departing Committee member Brian Smith. His leadership and dedication to wildlife conservation and pheasant management will be greatly missed and we wish him well in all he does.

PREVIOUS REPORTED ISSUES

Satisfactorily Addressed Issues

The PSOC wishes to thank the DNR for acting upon Committee recommendation to spend down the surplus PHIP Account dollars. In addition the Committee also thanks the DNR for maintenance and midterm reviews of the Long Range Pheasant Plan.

NEW ISSUES

FY07 Game and Fish Report

The Fiscal Year (FY) 2007 Pheasant Habitat Stamp Improvement Program (PHIP) report to the PSOC was reviewed in January and February 2008. The PSOC has reviewed the FY 2007 expenditures for the PHIP account and found them to be compliant with language in Minnesota Statutes, section 97A, 075, subd.4. This action was completed and voted on by the entire Subcommittee on March 4, 2008.

Policy Issues

Farm Bill Promotion

Current Situation: Minnesota has recently experienced 40-year highs in the pheasant population. It's no coincidence that we also are experiencing 40-year highs in the total acres of

grassland habitat. The PSOC recognizes the current pressures being placed on those grasslands as a result of high commodity prices.

Problem: Grassland complexes that exist especially through our Federal Farm Bill Conservation Programs are set to disappear drastically over the next several years. The PSOC believes the general public doesn't fully understand the negative consequences of this.

Proposed Solution: *The PSOC realizes the benefit of lobbying efforts in Washington DC. More grassland acres can be created or destroyed with the stroke of a pen than any other way. The PSOC recommends that the PHIP account maintains the current level of funding for lobbying and promotion efforts (used by PF).*

Proposed Solution: *The PSOC also recognizes the importance and places a high priority to the Farm Bill Assistance Partnership (FBAP) that provides local technical support to landowners who want to enroll in conservation programs. The PSOC recommends that an appropriate amount of PHIP funds be used to continue this valuable program.*

Proposed Solution: *Due to current commodity pricing and in an effort to protect targeted high priority land, the PSOC recommends that the DNR provide additional incentives toward existing State and Federal conservation programs. The PSOC believes that providing comparable value, through the use of these additional incentives, will encourage landowners to participate in programming that creates and/or protects wildlife habitat rather than use that same property for farming or grazing.*

Proposed Solution: *The PSOC recognizes the importance of managing the current existing habitats to maximize its productivity. The PSOC recommends the DNR offer various opportunities (workshops, etc) where landowners can learn different habitat management techniques and how to conduct best practices.*

Pheasant Stamp Increase

Current Situation: The PSOC continues to believe that pheasant hunters are a significant and willing potential source of additional revenue. Dedicated funding is slated to give voters an opportunity to create a solid and secure funding source for MN's water and wildlife.

Problem: The cost to create and manage habitat continues to rise. Now more than ever dollars are needed to protect and create adequate habitat with MN's pheasant range.

Proposed Solution: *The PSOC recommends that the DNR continue to consider the idea of another license fee increase (pending the dedicated funding decision) and begin the process of educating the public on the need for additional funds to achieve the goals of the Long-Range Pheasant Plan.*

Food Plot Guidance

Current Situation: Food plots are used extensively as an easy, "feel good" way to believe you're impacting pheasant populations. This is due to the fact that pheasants are often seen near these areas during hunting season. The PSOC commends the DNR for their efforts to study the benefits and cost effectiveness of food plots.

Problem: Food plots tend to trump the limiting factor to pheasant populations in Minnesota: nesting and brood rearing cover.

Proposed Solution: *The PSOC recommends that DNR continue their effort to study the effectiveness of food plots and create best practice guides designed to maximize the effectiveness of food plots.*

Roadside Habitat Management

Current Situation: There are roughly 500,000 acres of roadside habitat located in Minnesota's pheasant range. Many of these acres are mowed recreationally, cut for hay, or illegally farmed.

Problem: In some areas roadsides constitute the majority of the nesting habitat available.

Proposed Solution: *The PSOC recommends a continued study of roadside habitat in relation to wildlife production. The PSOC recommends continuing or increasing funding of roadside habitat with an emphasis of restoration back to native grass forb mix and a continuation of the media campaign meant to educate landowners on the benefits of roadsides.*

MEASURABLE OBJECTIVES

- **Long Term Goal** - The PSOC believes that we should be using tactics and strategies that will eventually lead us to a Minnesota pheasant harvest averaging 750,000 roosters per season which will require 6 million acres of grassland in the MN pheasant range as outlined in the Long Range Pheasant Plan.
 - **Short Term Goal** - To reach this goal more habitat is required. Given that markets aren't favorable to increasing grassland acres, we recommend that the DNR work to maintain the current acres.
 - **Short Term Goal** - In addition an effort to better manage existing acres aimed to produce maximum potential.
 - **Short Term Goal** – Extend the sunset on the FBAP.
 - **Short Term Goal** – Fully maintain or increase FBAP staff to maximize landowner education and participation in our Federal Farm Bill Conservation Programs.
- **Long Term Goal** – Continue to monitor the suitability of the established Pheasant Stamp Fee and other funding sources and make the appropriate increases at the first opportunity.
 - **Short Term Goal** – continue to promote dedicated funding
- **Long Term Goal** – Strive to reduce acres of negative or wasted food plots.
 - **Short Term Goal** – create best practice guide for food plots that is aimed at educating landowners to planting only the most effective food plots.
- **Long Term Goal** – have a working roadside for wildlife habitat program that has enhanced our current roadsides.
 - **Short Term Goal** – work to create high visibility demonstration plots that act as a guide to further enhance roadside acres. Continue to educate landowners on why roadside is so important, and offer financial assistance to willing landowners wanting to improve their roadside habitat.

CONCLUDING REMARKS

We again wish to thank the DNR and partners for their efforts. We have been experiencing high pheasant populations due to favorable weather and increased habitat. However, we are on the cusp of losing many grassland acres that we all worked hard to acquire. We need to ensure that losses are as minimal as possible and the remaining habitat is managed to achieve its full potential. We believe the PHIP Account can help mitigate these issues as outlined in the above in the report.

WILD TURKEY MANAGEMENT SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Tom Glines (Coon Rapids, MN)
Dennis Fuchs (St. Cloud, MN)
Dave Mahlke (Winona, MN)
David Maier (Royalton, MN)

INTRODUCTION

We wish to thank Bill Penning, DNR Farmland Wildlife Program Leader, for his assistance with our review of spending in this account.

The Department of Natural Resources has done a great job of taking our previous recommendations and considering them in regards to the wild turkey resource and its management.

Highlights:

- DNR hired new turkey research biologist, Eric Dunton
- For the spring season of 2007, there was a 12% (4,016) increase in permits available

PREVIOUSLY REPORTED ISSUES

Satisfactorily Addressed Issues

- The DNR has released turkeys in northwestern Minnesota in January-March of 2007 and is continuing with the study of bird movements and survival.
- The DNR has approved the Long Range Turkey Management Plan and it has been approved by the Division Management Team (DMT)
- Under the guidance of Jay Johnson, Hunter Recruitment/Retention Supervisor, the DNR has increased the youth turkey hunt opportunities through Mentored Hunts in spring of 2008 to over 400 permits. With mentors, 250 youth went afield and harvested 94 birds in '08.
- Physically Challenged hunts continue to increase as demand increases.

Ongoing Issues

The Wild Turkey Management Subcommittee would like to recommend the following changes to the policies governing the Turkey Stamp Account

Trap & Transplant Program

Current Situation: Complete Trap & Transplant Program

Problem: Continue to develop the criteria to determine what IS turkey habitat and develop a plan to stock it with sufficient releases. The goal here is to completely stock the remaining habitat. The goal *is not* to stop trap and transplant program.

Proposed Solution: *Using DNR GIS mapping of land cover, snow fall depths and data bases of information the priority range of wild turkeys has been evaluated. Look at what the unstocked area is, and determine how many releases it will take to stock. Trap at least 200 birds a year*

until the unfilled area is stocked. Trapping is discontinued by the DNR until hunter surveys are in this fall. This may be premature and is disappointing.

Turkey Habitat Increase

Current Situation: Little effort to increase turkey habitat in South Central, Southwestern, and West Central Minnesota on public and private lands.

Problem: During the last several years DNR has primarily focused on grassland and wetland habitat work. The TSOC would like to see some shift in emphasis to raise the level of commitment to forest habitat work through the turkey range.

Proposed Solutions: *Cooperate with new DNR biologist to identify turkey habitat improvement plan and strategy. Promote hardwood restoration & management on private, state, and federal lands along river/stream corridors, riparian areas, and historically wooded areas to complement grassland and wetland management to provide additional turkey habitat. Possibly leveraging the DNR and BWSR Farm Bill Assistance Grant for additional staff activity to promote wild turkey habitat. Promote Conservation Easements (habitat protection) on private lands; key concern is protection of Oak Savannah and Big Woods habitats that existed in pre-settlement times.*

Information & Education About Wild Turkey Management

Current Situation: There is increasing need to inform and educate the general public, land owners, and hunters about the management of wild turkeys, especially in the new areas of the State where turkeys are being released.

Problem: A major success story of wild turkey management and habitat improvement needs to be told.

Proposed Solutions: *Increase the number of landowner workshops/land owner appreciation days. Continue to hold hunter education classes and provide wild turkey information to press and other media aimed at the general public. Update on wild turkey related brochures.*

Turkey Habitat Acquisition

Current Situation: More turkey hunters take up the sport – ? There are more turkey hunters in the state than we have current opportunity for permits.

Problem: Lack of public lands in which to turkey hunt

Solution: *Continue to seek out and acquire public lands that have turkey habitat.*

NEW ISSUES

FY06 Game and Fish Fund Report

The Wild Turkey Management Subcommittee has reviewed FY 07 expenditures from the Turkey Stamp Fund and found them to be compliant with the language of Minnesota Statutes section 97A.05, subd. 4b (9).

Fiscal Issues

In FY0-07 the annual budget was \$121,000. In 2007 with rollover dollars from 2006, there was \$132,000 to spend in the final year of the biennium. \$109,000 was spent and the balance was cancelled back to the Turkey Stamp Account.

The FY08-09 Biennium will have a \$172,000 budget; we would like to know how the DNR Turkey Committee plans to budget that money.

Note: The committee came to find during the course of the meetings, that turkey stamp funds could be affected by the current situation at ELS terminals that hunters purchasing turkey licenses may not have purchased turkey stamps. **The DNR is addressing this issue in the current Game and Fish Bill.**

Policy Issues

Public Lands Inaccessible for Public Recreation

Current Situation: The State owns land (Forestry) in many areas of Minnesota that are landlocked by private lands and unavailable to public recreation

Problem: Desirable public hunting lands are inaccessible to hunters and others.

Proposed Solution: *Develop a program to purchase “walk in” access easements to the landlocked public parcels to provide turkey hunters and others access to many landlocked public Forestry lands. What is the status of this solution? We have had no response on this topic that directly relates to this issue.*

MEASUREABLE OBJECTIVES

- **Long Term Goal** – 50,000 Turkey Hunter Opportunities for Spring Hunting (for now)
 - **Short Term Goal** – Continue to tweak permit levels and model for increase in tags, we were at 33,976 regular tags and 3057 archery tags in spring of 2007, that increased to 37,992 regular tags. Archery tag totals will be known after the season is closed. Update numbers – Done
 - **Short Term Goal** – Look at allowing unlimited tags for the last two weeks for gun or bow, if that is their choice by the application deadline
- **Long Term Goal** – More WMAs that have turkeys on them
 - **Short Term Goal** – Purchase lands that have turkey habitat (mature forest stands)
 - **Short Team Goal** – Use turkey stamp monies to improve and create hardwood stands on existing WMAs that can support turkey habitat
- **Long Term Goal** – Private lands management program
 - **Short Term Goal** – Help facilitate Landowner workshops that work with private landowners to instruct them on how to enhance their properties for wild turkeys, which includes government programs of cost sharing. In FY05 we had 2 landowner workshops and it is estimated it impacted roughly 200 landowners. We would like to see this effort expanded in the future to at least 10 throughout the turkey range.
 - **Short Term Goal** – More technicians to work in the field for help in enrolling in more of these programs. Leverage the DNR BWSR Farm Bill Assistance Grant to increase technical assistance to landowners. This would provide landowners with additional education and information about USDA Farm Bill programs to promote turkey habitat.
 - **Short Term Goal** – Cost-share biologist with the NWTF
- **Long Term Goal** – Raise more funds to continue and expand important turkey management and habitat work
 - **Short Term Goal** – Noted: the change in the language to combine the license fee and the stamp fee to avoid losing revenue.

CONCLUDING REMARKS

We believe the wild turkey stamp is an important resource to continue to grow the sport of wild turkey hunting in Minnesota. Much more can be done to increase the recreational opportunities into the future.

Expanding the range has been the easiest and quickest way to continue that growth, but the day is coming that turkeys will have been stocked in all easily identifiable habitat areas.

Two areas that will be critical in the future are enhancing the land to hold more turkeys and providing places for Minnesota's sportsmen and women to hunt and recreate. Public and private lands need to be managed for turkey habitat which includes mature roost trees, fruit and nut bearing trees and shrubs for natural food sources, sufficient nesting cover, and brood rearing habitat. The agency, along with its conservation partners, needs to continue to purchase lands that hold turkeys for WMAs, as well as foster a positive attitude with private landowners to allow access to their lands for the turkey hunters

WATERFOWL STAMP SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Ryan Heiniger (Lakeville, MN)
Tom Kowal (St. Cloud, MN)
Brad Nylin (Plymouth, MN)

INTRODUCTION

The Chair of the Waterfowl Stamp Subcommittee (WSS) would like to recognize the ongoing efforts of Mr. Brad Nylin and Mr. Tom Kowal for their contributions to the committee.

The WSS would also like to recognize and thank Mr. Ray Norrgard, Wetland Wildlife Consultant, with the Department of Natural Resources for his contribution of time and technical assistance to the Subcommittee in the preparation of this report.

PREVIOUSLY REPORTED ISSUES

Satisfactorily Addressed Issues

In recent years, the WSS has made recommendations that at least 60 percent of the Waterfowl Stamp funds be allocated to wetland habitat management purposes. In FY 2007, 57 percent of these funds were spent on this purpose. The WSS recommends that waterfowl stamp funds continue to be spent with an emphasis ($\geq 60\%$) on wetland habitat management activities that are consistent with the DNR's long-range duck recovery plan.

In conjunction with the youth waterfowl day, the DNR co-hosted a dedication with DU and MWA on Lake Onamia commemorating the 30th anniversary of the state waterfowl stamp. A total of 48 people attended and the dedication was a huge success. We appreciated the DNR's contributions that made this event possible and want to especially recognize Ray Norrgard and Dave Pauly for their individual efforts.

Ongoing Issues

Electronic licensing and concerns over disappearance of waterfowl stamp

Current Situation: In the 2007 legislative session, Minnesota statute 97A.405, subd2, section d, was modified to require waterfowl hunters to pay an additional \$2 fee to receive a copy of the actual waterfowl stamp. The premise behind the change was that since the electronic license confirms a waterfowl stamp has been purchased, hunters should not be required to have a Minnesota migratory waterfowl stamp in their possession - thus making the hard copy optional.

Problem: The WSS expressed concern last year that if enacted, this change would erode the time-honored connection between waterfowl hunters and the contributions of the stamp to improve habitat. For many years, waterfowl hunters automatically received a stamp in the mail without having to pay processing fee. Although the DNR has stated in writing their commitment to maintain the pictorial stamp, we remain concerned the demise of the stamp as we know it has started. There is strong evidence to support our claim. In 2007, only 14,645 (14.6%) of 100,133 waterfowl hunters paid the extra \$2 processing fee. In 2006, all 101,000 waterfowl hunters would

have received the stamp. Additionally, the WSS learned that the actual fulfillment costs were only \$0.76 rather as compared to the \$2 hunters are being charged.

Proposed Solution: *The WSS supports making the hard copy stamp available to those who request it (at the time of purchasing) for no additional charge. We feel that by making the stamp available for no charge, a majority of stamp purchasers will choose to receive a copy and thus continue the time-honored tradition of collecting the stamp as an integral part of waterfowl hunting.*

NEW ISSUES

FY07 Game and Fish Fund Report

The WSS has reviewed the GFF Report for FY 2007 and found that the expenditures from the Waterfowl Habitat Improvement Account (233) are compliant with the governing Minnesota Statutes, sec. 97A.075, subd. 2.

Fiscal Issues

Declining revenue in Waterfowl Stamp Account

Current Situation: The waterfowl stamp account is currently experiencing a decline in both revenue and purchasing power. This is being caused by a combination of declining numbers of waterfowl and the negative impacts of inflation on the cost of implementing waterfowl conservation projects and programs.

Problem: The number of waterfowl hunters has declined by more than 20 percent since 1998. In 2008, the number of hunters may fall below 100,000. The price of the waterfowl stamp is currently \$7.50 and was last raised in 2004. In 2007, approximately \$750,997 was generated from the sale of 100,133 stamps. In 2004, \$855,022 was raised from the sale of 114,003 stamps.

Proposed Solution: *The WSS feels that it is too premature to recommend a stamp increase at this juncture. Given the DNR has a stated goal of retaining 140,000 waterfowl hunters, we believe the potential exists to generate additional revenue by selling more stamps (i.e. recruiting more hunters) rather than charging existing hunters a higher price. The WSS recommends the DNR develop and implement a marketing strategy to recruit new waterfowl hunters in a similar fashion to what has been done for fishing.*

Policy Issues

Riparian Easements

Current Situation: Many of the shallow lakes and large marshes in the prairie region of Minnesota are degraded due to a perfect storm of high-water, invasive rough-fish, intensive land use and other pressures. This has had serious, but reversible impacts on the waterfowl use of these systems. The preferred best management practice to restore the ecological health of these wetlands is to conduct one to two year drawdowns. This management treatment eliminates fish populations and provides the emergent vegetation the ideal conditions to germinate.

Problem: In order for the DNR to conduct water-level management, they must obtain flowage easements from all riparian landowners, one-time written consent from all riparian landowners or the Commissioner can designate the lake as a wildlife (game) lake. Increasingly, finding consensus by all riparian landowners to obtain easements or temporary permission is difficult since not all the landowners have wildlife or clean water interests and as a result, many feasible projects are stopped due to the requirement to obtain 100% of riparian owners support.

Proposed Solution: *The WSS suggests the DNR modify the administrative rule in chapter 6115.0271 – (C)(2) to change the requirement from written consent to written notification of all riparian owners. The WSS believes there is other precedent in state statute where the DNR is only required to provide notification and not receive consent for actions that impact public waters.*

MEASURABLE OBJECTIVES

- **Short Term Goal –**
 - **Short Term Goal #1**– Annually enhance 36 shallow lakes by installing/replacing water control structures and adding fish barriers.
 - **Short Term Goal #2** – Designate two shallow lakes per year for wildlife management purposes
 - **Short Term Goal #3** – Restore and protect 40,000 acres of wetlands and prairies through a combination of WMA acquisitions, RIM easements, farm bill programs and other conservation measures in areas of highest importance to breeding waterfowl.
 - **Short Term Goal #4** – Prevent loss of existing natural habitats and lands currently enrolled in federal farm programs.
- **Long Term Goal –**
 - **Long Term Goal** – Enhance 1,800 shallow lakes for waterfowl migration habitat
 - **Long Term Goal** – Restore and protect an additional 2 million acres of wetland and grassland complexes beyond what existed in 2006
 - **Long Term Goal** – Maintain a breeding duck population of 1 million birds and achieve a recruitment rate of 0.6
 - **Long Term Goal** – Retain an average of 140,000 waterfowl hunters

CONCLUDING REMARKS

The future of waterfowl hunting is at a serious crossroads in Minnesota. There is good reason to be optimistic given the progress made in the last few years under the Duck Recovery Plan and the potential for dedicated funding to provide a major infusion of new funding into shallow lake programs, working lands initiative, acquiring new wildlife management areas, etc. However, steadily declining numbers of waterfowl hunters coupled with uncertainties in federal farm programs and accelerating pressures to maximize crop production are serious threats to habitat conservation and need to be addressed accordingly.

The WSS believes the DNR should aggressively and promptly implement a recruitment strategy to reverse the decline in waterfowl hunter numbers. The DNR should also acknowledge the potential loss of current hunters as “baby-boomers” continue to age and eventually stop waterfowl hunting. Bringing new hunters into the sport will help ensure a continuation of the proud waterfowling tradition in Minnesota as well as provide new revenue to offset inflationary pressures currently eroding the buying power of the stamp fund.

The DNR should also examine ways to continue and increase supporting conservation work in Canada given the importance of those landscapes to producing waterfowl harvested by Minnesota hunters.

ECOLOGICAL RESOURCES SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: John Hunt (Big Lake, MN)
Steve Chaplin (Roseville, MN)
Mark Peterson (Birchwood, MN)
Paula West (Brainerd, MN)

INTRODUCTION

The subcommittee wishes to thank Steve Hirsch of the Minnesota Department of Natural Resources (DNR) for his assistance in arranging meetings and providing background data and information as the committee prepared its FY07 expenditures report. The subcommittee also extends its greetings to Division of Ecological Resources Director Lee Pfannmuller and wishes her a speedy return to full-time work.

Finally, the subcommittee would also like to thank departing subcommittee member Erik Wrede for his participation in 2007.

PREVIOUSLY REPORTED ISSUES

Satisfactorily Addressed Issues

Previously identified issues are still being addressed, but the subcommittee is satisfied with the DNR's response so far

Ongoing Issues

1. Lakes and Rivers

A. Identifying Sensitive Lakeshores

Current Situation: Sensitive lakeshores provide critical fish and wildlife habitat, but are increasingly threatened by development. Recently, the DNR Division of Ecological Resources established objective, science-based criteria to identify sensitive lakeshores on large lakes, and assembled the protocol in a manual that describes the criteria, process, and methodology.

Problem: The DNR does not have a systematic program to identify and protect sensitive lakeshores across the state.

Proposed Solution: *The DNR Division of Ecological Resources is currently conducting a pilot project with Cass County using state and federal dollars through the FY 2010-2011 biennium, with DNR surveys completed in FY 2009-2010. An expanded program would allow other local units of government to establish sensitive shoreline districts in their jurisdiction that would provide additional habitat protection from the potential impacts of shoreland development. If, upon completion of the pilot project with Cass County, additional local units of government express interest in this program, Game and Fish Fund dollars should be used to provide part of the funding for the effort.*

2. Ecosystem Health

A. Terrestrial Invasive Species Management

Current Situation: Terrestrial invasive species on state-owned lands is an ever increasing problem. The Division of Ecological Resources' role is to help other divisions within the DNR inventory and manage terrestrial invasive species on DNR-managed lands.

Problem: Funding provided to the DNR for terrestrial invasive species management is still not adequate to address the issue on state-owned lands and does not begin to address the issue on other public or private lands.

Proposed Solution: *Increased, ongoing funding is needed to allow the planning and implementation of cooperative projects with local land managers.*

B. Aquatic Invasive Species (AIS) Management

Current Situation: Thirty-five (35) percent of Minnesota's primary recreational lakes (general development and recreational development lakes) contain at least one AIS, and the number of infested lakes continues to grow each year.

Problem: AIS displace native aquatic plants, disrupt fish and wildlife habitat, compete for food sources, and interrupt the food chain, leading to shifts in both forage and game fish populations. Funding provided to the DNR for aAIS management is still not adequate to enforce current AIS-related laws, to assist in the rapid response to newly discovered infestations, to aggressively manage established infestations, or to help support local prevention efforts.

Proposed Solution: *Additional sources of ongoing funding for management, prevention, enforcement, and rapid response to AIS must be secured through such means as increased boat license surcharges, access fees, out-of-state angling license surcharges, or other sources. Because of the impacts of AIS on fish and wildlife habitat, Game and Fish Funds should be considered to be a legitimate partial funding source for AIS prevention, management, and rapid response.*

3. Integrated Conservation Information

No ongoing issues to report since last year's subcommittee report.

4. Nongame and Rare Resources

A. Biofuels

Current Situation: Production of motor fuels (primarily ethanol and biodiesel) from corn and soybeans is currently a booming business in Minnesota, and the state is considering mandates that would increase use of these biofuels statewide.

Problem: The growing of corn and soybeans and subsequent conversion into ethanol and biodiesel can require large amounts of groundwater and fossil fuels to produce. Many of the fuel production facilities are located in areas with limited groundwater resources. Increased biofuel production in the United States has also increased domestic and international demand for corn and soybeans. This increased demand has led to higher commodity prices, and many agricultural producers are taking marginal crop land out of CRP to produce row crops for fuel and food. This loss of habitat will have a negative impact on wildlife populations (especially game and non-game birds) and on groundwater and surface water quality within watersheds. Academic research has demonstrated that stands of mixed-species perennial native prairie grasses produce more biomass per acre per growing season than traditional row crops. Commercial technology to convert perennial grasses and other biomass residuals into biofuels, however, is not expected to be available for many years.

Proposed Solution: Until commercial biofuels production technologies reduce the reliance on conventional row crops and use of groundwater, the DNR should exercise its permitting and environmental review authority (i.e. groundwater appropriations and EAW/EIS preparation) in a manner that ensures that the potential impacts to fish and wildlife habitats are adequately identified, evaluated, and minimized and that water conservation strategies are included in all biofuels-related groundwater appropriation permit applications and EAW/EIS documents. When and if commercial biofuels production technologies reduce the need for conventional row crops, the DNR should then work with the Minnesota Department of Agriculture to encourage agricultural producers to plant mixed perennial native prairie grasses that can be harvested for biofuel production. The DNR should also continue to educate the public concerning the higher value of mixed perennial native prairie grasses relative to monoculture plantings of row crops and/or perennials for both wildlife habitat and biofuel production.

B. Scientific and Natural Areas (SNAs)

Current Situation: The SNA program would benefit from broader public support and recognition.

Problem: The uses of SNAs are misperceived by some citizens as being overly restricted and with limited public opportunities. In reality, 88% of the acreage in the SNA system is open to some form of hunting and most SNAs are open to a variety of recreational activities.

Proposed Solution: DNR needs to promote SNAs more effectively to a broader segment of the public. Working with other partners, the Department should identify opportunities to increase public activities on SNAs -- such as recreation, research, and education -- without diminishing the ecological values that SNAs were purchased and established to protect. The Department may wish to consider social science research for citizen perceptions of SNAs, successful models from other states, recognition programs for SNA supporters and volunteers, and DNR communication opportunities.

NEW ISSUES

FY07 Game and Fish Fund Report

The format for the Game and Fish Fund report for the Division of Ecological Resources was acceptable.

Fiscal Issues

The Ecological Resources Subcommittee has reviewed the Division's FY07 Game and Fish Fund expenditures and has found the expenditures to be compliant with legislative intent (Minnesota Statutes, section 97A.057, subd. 2). Specifically, the dollars have been appropriately spent on activities that support game and fish related activities. The Subcommittee notes that the Division of Ecological Resources' total FY07 expenditures (combined Game and Fish Operations and Heritage Enhancement funds) represent only 4.3% of the total expenditures made from the Game and Fish Fund during the fiscal year. Game and Fish Operations funds provided 8.6% and Heritage Enhancement funds provided 7.1% of the total expenditures for the Division of Ecological Resources in FY07 (see Figure 1). Figure 2 depicts how both the Game and Fish Operating dollars and the Heritage Enhancement dollars were expended within the Division by major program area.

Policy Issues

Comments on policy issues have been organized by the four key resource areas of the Division and then prioritized within each resource area.

1. Lakes and Rivers

A. Shoreland Environmental Review Thresholds

Current Situation: The thresholds for triggering state environmental review of projects involving development of shorelands are currently based upon the size of the proposed development, not the nature or quality of the fish and wildlife habitat that may be impacted by the proposed development.

Problem: The state has drafted proposed changes in the thresholds that would better account for fish and wildlife habitat value, but has not begun the official rule making process to implement the changes. This lack of action has resulted in additional sensitive shoreland areas undergoing development without adequate environmental review by the state.

Proposed Solution: *Concurrent with completing its pilot project with Cass County to identify and protect sensitive lakeshore areas via zoning, the DNR should also request that the official rulemaking process be restarted so that the revised thresholds for environmental review of proposed projects that include shoreland development can be adopted and implemented.*

2. Ecosystem Health

No new policy recommendations at this time.

3. Integrated Conservation Information

A. Information on Habitats of High Biodiversity Significance

Current Situation: The County Biological Survey is within a few years of completing the initial catalog of significant natural lands for the entire state.

Problem: Comprehensive information on the location and status of Minnesota's significant natural lands is needed to drive the state's protection efforts. We need to know how many high-quality examples of each of the state's native habitat types are left and where they are located. This information can be used to direct expenditures from the Game and Fish fund for land acquisition that achieves the multiple objectives of protecting both high-quality game and fish habitat and significant biodiversity lands.

Proposed Solution: *Minnesota needs a comprehensive inventory of the state's natural lands. The inventory field work needs to be completed as soon as possible and equally important, the data needs to be rapidly compiled and made readily accessible for use in natural resource planning.*

4. Nongame and Rare Resources

A. Protection of High Significance, Biologically Diverse Habitats

Current Situation: The County Biological Survey has identified hundreds of thousands of acres of land of high biodiversity significance across the state. Many of these lands are also high quality game, fish, and forest habitat.

Problem: Too many acres of the remaining high quality natural lands and habitats are lost each year to development or conversion. Many of these losses are occurring in areas of the state with low levels of public recreation lands. The DNR needs to better prioritize land acquisition to

emphasize parcels identified as having both high biodiversity significance and natural resources values.

Proposed Solution: *A comprehensive plan for private lands of high biodiversity significance is needed. Many of these significant lands also have high natural resources value. Such a plan would describe which of these lands can become part of the state's outdoor recreation system where hunting, fishing, and selective logging is allowed and promoted. Only a small percentage of the most sensitive and significant lands will need the added protection of SNA designation. In fact, high-quality native habitat and should be the core of all future DNR acquisitions including new WMAs, AMAs, SNAs, State Parks, and State Forests. To achieve the multiple goals of increasing outdoor recreation opportunities while protecting lands of significant biodiversity, future acquisition decisions by the DNR should become more proactive where the lands with the highest natural resource values are targeted for each category of recreational lands. Some lands can be protected in private ownership through voluntary land-owner management agreements or easements. Other lands should be acquired from willing-sellers. A plan that suggests what types of activities are appropriate for each area can help with acquisitions made using Game and Fish monies and other funding sources. Such an approach could leverage different sources of funds to protect the highest quality WMAs and AMAs.*

MEASURABLE OBJECTIVES

As noted in the FY07 Game and Fish Fund report (p. 26), the Ecological Resources Subcommittee previously identified four “outcome goals” for the Division, all of which fall into the “Lakes and Rivers” resource area:

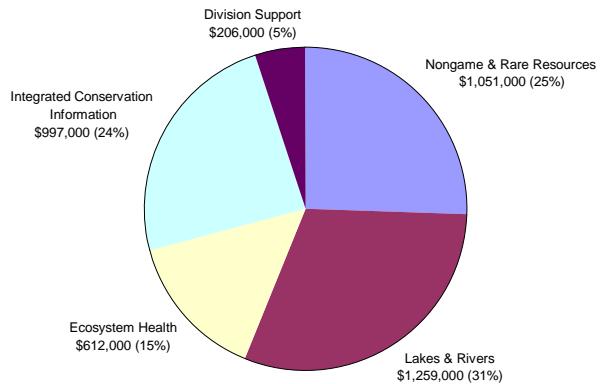
1. Ensure ecologically sustainable river and stream resources that provide healthy fish and aquatic invertebrate populations and recreational opportunities.
2. No net loss of emergent or floating-leaf vegetation on any lake.
3. Double the percentage of lakeshore owners seeking permits in relation to the volume of aquatic herbicides sold.
4. Ensure that lake improvement and management efforts are guided by the most accurate and up-to-date information.

In discussing the FY07 Game and Fish Fund Report with Division staff, the Subcommittee realized that the Division does not currently have the means to measure or evaluate items 2 or 3 on this list. Items 1 and 4, while appropriate as part of the Division’s mission statement, also do not have measurable objectives. Given the Division’s broad spectrum of both game and non-game programs and funding sources, the Ecological Resources Subcommittee believes that establishing measurable objectives for all program areas and activities of the Division is beyond the scope of our oversight.

CONCLUDING REMARKS

The Ecological Resources Subcommittee has found the FY07 Game and Fish Fund expenditures in the Division of Ecological Resources appropriate and justified within the context of the Game and Fish Fund.

Figure 2. Ecological Resources
FY07 Expenditures of Game & Fish Fund
(includes Game & Fish and Heritage Enhancement)



ENFORCEMENT & OPERATIONS SUPPORT SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Randy Goestch (Andover, MN)
Lee Borash (Minneapolis, MN)
Sven Lindquist (Spring Lake Park, MN)
Tom Neustrom (Grand Rapids, MN)
Dan Ross (Deer River, MN)

INTRODUCTION

The Enforcement and Operations Support Subcommittee lost one member last year. This committee would like to recognize departed Committee Chair Fredric Boethin for his direction, dedication and contributions to our committee. New committee member Randy Goetsch accepted the chair position in April 2008.

This committee would like to thank the Minnesota Department of Natural Resources staff members, Denise Anderson, DNR Management and Budget Services; Col. Michael Hamm, DNR Enforcement; and Beth Carlson, DNR Management and Budget Services, for their continued service, support and assistance.

PREVIOUSLY REPORTED ISSUES

Satisfactorily Addressed Issues

Statewide Indirect Costs

The “indirect costs” associated with federal dollars received by the State are recoverable through guidelines identified in “OMB Circular A-87 Revised.” This cost allocation plan prepared by the State is audited by the federal government for compliance with OMB requirements. This subcommittee recommended the DNR review the state “indirect cost plan” to assure it met the specific needs associated with the Game and Fish Fund maximizing federal reimbursement. This subcommittee is satisfied with the DNR’s review of the “indirect cost plan” per our recommendation.

NEW ISSUES

The Enforcement and Operations Support Subcommittee would like to acknowledge the North American Wildlife Enforcement Officers Association convention investigation. Comments regarding this issue will be made after the official investigation and audit is complete.

FY07 Game and Fish Fund Report

This subcommittee has reviewed the FY07 expenditures for Enforcement and Operations Support associated with the Game and Fish Fund and found them to be compliant and approve the associated fiscal requirements.

CONCLUDING REMARKS

The Enforcement, Support Services and Administration Subcommittee was not well organized for FY07, this is reflected by this brief report. We look forward to having a much more active, productive, and energized subcommittee for FY08.

May 14, 2008

Mr. Brad Cobb, Chairperson
Minnesota Game and Fish Fund
Budget Oversight Committee

Dear Brad,

It is a pleasure to offer a brief report to the Budgetary Oversight Committee (BOC). This is the first time legislative members have participated in the process so it is new for the BOC and also without precedent for legislators.

The greatest value for me has been the interaction between legislators and the stakeholders on the oversight committee. A forum, where a variety of perspectives are shared and discussed, is a healthy and productive way of examining budget issues and the related policy. The opportunity to listen to the discussions has led to a more intimate understanding of sportsmen's issues for me and, I hope, a clearer understanding of the legislative process for the participating sportsmen members of the BOC. This is no small thing!

There are many specific legislative items to report on, but I will just mention those that have been discussed in recent BOC meetings. First, the Let's Go Fishing program. 2007 legislation required the Department of Natural Resources (DNR) to develop a work program and progress report, with the BOC to review and make recommendations to the Commissioner of Natural Resources. Second, in recognition of the imbalance between wildlife and fisheries within the Game and Fish Fund, the legislature required DNR to provide a report, due in November 2008, detailing remedies to that imbalance. Third, should the walleye stamp legislation pass this year, a new BOC subcommittee will be necessary to oversee subsequent incomes and expenditures. Fourth, last minute actions to address the bovine TB crisis in areas of northern Minnesota were signed into law on May 5, 2008 as Chapter 274.

Thank you again for the opportunity to provide a brief report. I look forward to participating in the work of the BOC in the coming years and for continued legislative-citizen interaction.

Sincerely,

Satveer Chaudhary
State Senator

P.S. I look forward to more "field reviews," such as the one hosted by Brad this past fall. Thank you, Brad!