

Game and Fish Fund Budgetary Oversight Committee

—Authorized under *Minnesota Statutes*, sec. 97A.055, subd. 4b—

CITIZEN OVERSIGHT REPORT ON GAME AND FISH FUND EXPENDITURES FISCAL YEAR 2010

October 2011

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This report was approved by the Game and Fish Fund Budgetary Oversight Committee (BOC) by an email vote completed on October 24, 2011.

BOC MEMBERS:

Joe Duggan
Budgetary Oversight Committee Chair

Terry Johnson
Wildlife Operations Subcommittee

John Schneider
Fisheries Operations Subcommittee

Gary Duncomb
Big Game Subcommittee

John Lenczewski
Trout and Salmon Stamp Subcommittee

Brad Nylin
Waterfowl Stamp Subcommittee

John Hunt
Ecological Resources Subcommittee

Dennis Fuchs
Wild Turkey Management Subcommittee

Game and Fish Fund Budgetary Oversight Committee

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

Joe Duggan, BOC Chair

Subcommittee Chairs:

John Schneider—Fisheries Operations Subcommittee

John Lenczewski—Trout and Salmon Stamp Subcommittee

John Hunt—Ecological Resources Subcommittee

Terry Johnson—Wildlife Operations Subcommittee

Gary Duncomb—Big Game Subcommittee

Brad Nylin—Waterfowl Stamp Subcommittee

Dennis Fuchs—Wild Turkey Management Subcommittee

October 14, 2011

Mr. Tom Landwehr, Commissioner
Minnesota Department of Natural Resources
500 Lafayette Road
St. Paul, Minnesota 55155

Senator Bill Ingebrigtsen, Chair
Senate Environment and Natural Resources Committee
Capitol Building, Room 303
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Representative Denny McNamara, Chair
House Environment, Energy and Natural Resources Committee
State Office Building, Room 375
100 Rev. Dr. Martin Luther King Jr. Blvd.
St Paul, MN 55155

Gentlemen:

This past year, the Game and Fish Fund Budgetary Oversight Committee (BOC) operated at the request of the DNR Commissioner as the statutory authority had expired June 30, 2010. We firmly believe the oversight work of the committee provides an important service to the DNR, the Legislature, and the citizens of Minnesota. Therefore, we applaud the Legislature and the Governor for recognizing the value of the BOC and re-establishing the statutory authority for it this past session.

Enclosed you will find the Fiscal Year 2010 Review Report. The BOC and its subcommittees found the Game and Fish Fund expenditures complied with the overall requirements of the Game and Fish Fund. Subcommittee sections within the report identify many account-specific topics of concern and provide recommendations. The BOC suggests the following five impact more than one account and thus are of special importance.

1. We support the current efforts underway to modify the structure and increase hunting and fishing license fees. The structural modifications and inflationary increase proposed will make the Game and Fish Fund solvent for the next several years. The changes will also correct the imbalance between angling license sale revenue and fisheries expenditures.

2. The habitat found within a lake's shoreland is both critical to its health and under increasing developmental pressure for more intensive use. Updated shoreland rules were developed as part of a comprehensive, multi-stakeholder process, but were not finalized. Progress in preserving and protecting the vital habitat found within a lake's shoreland is needed.
3. The expanding presence of terrestrial and aquatic invasive species on state-owned lands and waters is creating negative ecological and economic impacts. Invasive species displace native plants, disrupt fish and wildlife habitat, compete for food sources, and interrupt the food chain, leading to shifts in both game and fish populations. New dedicated funds and effort are required to improve Minnesota's mitigation efforts.
4. Wildlife Management Areas (WMAs) provide many substantial benefits. WMAs improve the quality of life for our citizens by providing an area to enjoy nature be it bird watching, hiking or hunting. Also, WMAs provide substantial environmental benefits including reduced erosion, improved water quality and flood reduction. The development and management of WMAs often include wetland restorations providing basins and vegetative areas preventing sediment and chemical runoff into the watersheds. Finally, WMA lands in agricultural areas are typically marginally productive cropland. The BOC supports the continuation of WMA acquisitions in strategic ways that will maximize the benefits for soil, water, and wildlife that will ensure Minnesota's Outdoor Heritage.
5. The Game and Fish Fund Report should be enhanced to better reflect how expenditures and effort are tied to the Fund's strategic objectives.

We stand ready to assist you and legislative leaders in determining the future role of citizen oversight in maintaining the health and abundance of fish and wildlife habitat and their populations in Minnesota.

Finally, on behalf of the committee, we thank you and your staff for your support in developing this report. The Budgetary Oversight Committee members for this FY 2010 review are available to discuss any of these recommendations.

Yours truly,



Joe Duggan
Chair, Game and Fish Fund Budgetary Oversight Committee

Note: Statutory authority for the Game and Fish Fund Budgetary Oversight Committee (BOC) was sunset on June 30, 2010, because the intended extension was in the vetoed game and fish bill. DNR commissioners continued to support the BOC and its subcommittees while anticipating that the legislature will reestablish the oversight authority and responsibilities. The statutory authority was renewed by the 2011 legislature with some adjustments to the oversight structure. The DNR commissioner's new appointments will be announced in late 2011.

FISHERIES OPERATIONS SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: John Schneider (Roseville, MN)
Jeff Bergeron (Andover, MN)
Jeff Byrne (Victoria, MN)
Michael Scott Dosch (Waconia, MN)
Terry Peltier (Forest Lake, MN)
Peter Perovich (Ramsey, MN)

INTRODUCTION

The Fisheries Operations Subcommittee wishes to thank the Minnesota Department of Natural Resources staff for providing their assistance to the subcommittee in completing its charged duties. This year's report is much shorter than normal. Our efforts went into the redesign of the committee's structure and function. However, a few issues can and should be highlighted.

PREVIOUSLY REPORTED ISSUES

Satisfactorily Addressed Issues

Division support costs

Current Situation: Changes in cost coding for Division support has recently undergone revision.

Subcommittee Response: *The subcommittee applauds the DNR's changes. We will continue to evaluate the impact of these changes.*

Stocking

Current Situation: The Department has recently completed revisions to stocking guidelines for walleye, muskellunge and various trout species. As a result, they are discontinuing stocking efforts in places where stocking is no longer needed, where stocking isn't meeting management goals or natural reproduction negates the need for stocking. Expenditures for each of these three species have increased due to inflationary cost increases.

Subcommittee Response: *The subcommittee applauds these efforts. We will continue to evaluate the impact of these changes.*

Ongoing Issues

Loss of shoreline habitat

Current Situation: Our state's lakes continue to lose an alarming amount of habitat due to private shoreline development. In last year's report, we applauded the potential impact of the DNR's new shoreline management rules. However, Governor Pawlenty returned the rules package to DNR for further development. These much needed changes seem stuck in political limbo.

Subcommittee Response: *The angling public wants to see forward progress in preserving and protecting a lake's shoreline – the habitat found within this buffer region is critical to a lake's health. The subcommittee remains unsatisfied with the pace of solving this important issue.*

Recruitment of new anglers

Current Situation: States have seen significant declines in the number of anglers. Conversely, the number of Minnesota's anglers in the 16-24 age segment has increased recently.

Subcommittee Response: *We strongly believe that efforts at recruiting new and retaining old anglers are a justified expense for the GFF. But such efforts must show success at revenue generation. Spending money that does not generate more dollars to the fund can be considered throwing cash into the wind. We would be wasting dollars that might better be spent on improving the fisheries resource. The Committee encourages continued tracking of this important effort. We want to stress that some changes in the proposed license fee structures may help recruit new and "sometime" anglers.*

NEW ISSUES

FY 2010 Game and Fish Fund Report

The Fisheries Operations Subcommittee has found the expenditures listed within the FY 2010 Game and Fish Report to be compliant with the legislative intent of Minnesota Statutes, section 97A.075, subd. 3.

Fiscal Issues

Angling license Fee increase needed

Problem Statement: An inflationary increase to the cost of angling licenses is due. The imbalance between angling license sale revenue and fisheries expenditures must be addressed.

Proposed Solutions: *The committee has taken an active effort in the DNR's efforts in this regard, and continues to believe that fees need to generate sufficient resource management dollars. Angling license expenditures should first and foremost cover the costs of sport angling related management costs. The subcommittee wants to participate in a discussion with the DNR about Fisheries activities that fall under this narrowly defined definition. We believe we need to better understand what activities are being funded outside of this narrow definition.*

We remind DNR managers and legislators that funding from other sources [LCCMR, bonding, Legacy funding, etc] need to pay their fair share of the fisheries management costs

TROUT AND SALMON STAMP SUBCOMMITTEE REPORT

CHAIR: John Lenczewski (Eden Prairie, MN)
John Eaton (Walker, MN)
Gary Meier (Duluth, MN)
Chuck Prokop (Hugo, MN)
Sue Rousseau (Golden Valley, MN)
Scott Thorpe (Minneapolis, MN)

INTRODUCTION

The Trout and Salmon Stamp Subcommittee (“TSSC”) wishes to thank the Minnesota Department of Natural Resources staff, especially Linda Erickson-Eastwood, for providing assistance to the committee in completing its charged duties.

PREVIOUSLY REPORTED ISSUES

Satisfactorily Addressed Issues

Not applicable this year.

Ongoing Issues

Impacts of Decreasing Core Funding Levels

Current Situation: The Trout and Salmon Stamp Subcommittee and the thousands of coldwater anglers we represent recognize that effective, efficient, and sustainable management of trout and salmon populations requires decisions based upon sound science and good data collection. We believe that basing fisheries management decisions on other factors can too often result in long-term damage to our fisheries and fishing. For the past decade, the purchasing power of available funding for fisheries management activities by the Fisheries Section has been declining. The TSSC is particularly concerned about the impacts of these reductions on coldwater fisheries activities, and on the ability of the MNDNR to work for the benefit of all fish and water resources in a state uniquely gifted with these resources. Funding cutbacks have resulted in the significant reductions in field staff around the state, fewer habitat improvement projects, reduced creel survey crews checking harvest rates and other population metrics, reduced longer term monitoring of fish populations, and reduced stocking of trout around the state. Important research activities (e.g. identification of prey fish assemblages in Lake Superior, determination of genetic compatibility between endemic and planted fish stocks, etc.) involving highly skilled staff are being reduced, jeopardizing the quality of data necessary to make good science-based decisions to maintain and improve fishing.

Problem Statement: The Subcommittee is very concerned about the continuing decline in core funding to the Section of Fisheries, exacerbated by years of declining purchasing power. Fishing license fees were last increased a decade ago and it would take an increase of more than \$4 just to restore the Fisheries Section’s buying power to where it was in 2000. In the past year, the MNDNR listened to anglers and hunters and acknowledged that it needs a fee increase in order to maintain the quality of angling in Minnesota. In the past year, it worked with the citizen Budgetary Oversight Committee and stakeholders to develop a sensible package of fishing license fee increases for adoption in the 2011 legislative session. Unfortunately, the bills containing these increases were not finalized before the regular session ended.

It is troubling that the Fisheries Section no longer receives state General Fund dollars, when many Fisheries Section activities benefit the general (non-angling) public through activities such as environmental review, permitting of land use activities, and cooperation with the MPCA in clean water activities. The loss of general funds, coupled with a freeze on license fees mean that fisheries and water-related management activities are being reduced to the detriment of citizens and anglers.

Some Fisheries activities could be funded from sources other than the Game and Fish Fund, such as LCCMR funded research projects. However, the Lessard-Sams Outdoor Heritage Council has been reluctant to recommend OHF money for activities typically done by DNR personnel, even where they supplement current levels of activity. Thus, the new dedicated funding cannot be used to lessen the impact of inadequate core funding, even as the projects funded with the new monies place greater demands on the time of Fisheries personnel.

The Subcommittee is pleased with the MNDNR's efforts to utilize the voluntary labor and funding brought by individuals and conservation groups such as Minnesota Trout Unlimited and Muskies Inc. We urge the MNDNR to continue to look for and promote cooperation with outside entities in order to further diversify funding sources and better coordinate activities with user groups. However, such efforts cannot replace the pressing need for greater core funding for the Fisheries Section.

Proposed Solution: *The TSSC recommends (1) that the Legislature act swiftly in any special legislative session to provide adequate funding to maintain and improve angling opportunities through the passage of the license fee increases proposed in HF 1583 and SF 1227; (2) that the Legislature and Governor work with the MNDNR to determine what is an appropriate amount of General Fund money necessary to cover the cost of MNDNR Fisheries activities that benefit the general public, and earmark this additional amount for the Fisheries Section in future budgets; and (3) that the MNDNR and Legislature examine ways to eliminate roadblocks to the MNDNR receiving the new dedicated funds.*

Aquatic Invasive Species

Current Situation: Researchers in January 2010 confirmed that the VHS virus has been introduced into Lake Superior, including St. Louis Bay. While a decade of prodding state agencies and conservation groups has now led the U.S. Coast Guard to finally begin rulemaking in 2009 to meaningfully regulate ballast water discharges in the Great Lakes, it has come too late to prevent the introduction of VHS into Lake Superior. However, we can limit its spread and perhaps spare our inland waters. In April 2010, it was revealed that VHS had also been found in herring near the Apostle Islands, and the MNDNR announced that it would enforce a ban on the use of smelt taken from Lake Superior, to prevent spreading VHS into inland waters.

The Legislature passed SF 943, which contains several provisions enabling the MNDNR to more effectively regulate the bait industry and bait users to prevent the spread of VHS. The TSSC supports those measures, including a ban on fresh or frozen bait from Lake Superior being used elsewhere, with those certain exceptions for certified frozen bait found in sections 63-64 of SF 943. SF 943 was vetoed for reasons unrelated to the AIS provisions.

In late November 2009, scientists announced they had discovered Asian carp DNA upstream of an electric fish fence just six miles from Lake Michigan and nearly 20 miles closer than previous tests had shown. More recently, Asian carp DNA has been found in at least three of the five channels that connect the canals to Lake Michigan and in Calumet Harbor of Lake Michigan. Minnesota legislators, the MNDNR and Minnesota Attorney General have been vocal leaders of the growing consensus in the Great Lakes region that stopping the movement of invasive species between the Great Lakes and Mississippi River is critical to maintaining the area's ecological and economic vitality. The TSSC greatly appreciates this leadership. Asian carp and other invasive species which could transit the Chicago canal would eventually reach Lake Superior, disrupting

the food chain and damaging the fishing, boating, and tourism industries. The only sure solution to this ongoing threat is to restore a permanent, hydrologic separation of the two basins.

Proposed solution: *We recommend: (1) the MNDNR swiftly exercise its rulemaking authority to adopt those measures to prevent the spread of VHS and other invasive species which it sought legislative action to more easily facilitate; (2) the Legislature pass a “stand alone” bill during any special session or at the start of the next regular session making such measures permanent and otherwise adopting the VHS, fish disease and AIS related provisions of SF 943; (3) the MNDNR enforce a ban on the use of fresh or frozen bait from Lake Superior on other waters, and adopt additional rules requiring the preservation of such bait; (4) the MNDNR and Legislature push for rapid adoption, implementation and enforcement of strong federal rules and standards for all ballast water discharges; (5) the MNDNR and Legislature push for restoration of the permanent, hydrologic separation of the Mississippi River and Great Lakes basins; and (6) the Legislature ensure a stable, long term source of adequate funding for effectively combating aquatic invasive species, including via raising surcharge rates on boats.*

Lake Superior Cormorant Control

Current Situation: The relationship between increasing cormorant populations and the poorer than expected improvement in the Knife River steelhead fishery and the destruction of vegetation on Knife Island has been identified as an ongoing concern of the TSSC since FY 2004. In 2005, a limited cormorant stomach sampling study conducted by the USDA-APHIS showed predation upon rainbow trout by cormorants in the Knife River. Various proposals for cormorant control discussed by the MNDNR, the Minnesota Cormorant Coordination Group, USDA-APHIS, the Lake Superior Steelhead Association, the Knife River Citizens Group, and Lake County have yielded no action. In 2009, the Lake Superior Steelhead Association offered to provide financial support for a more comprehensive study of the extent of cormorant predation on steelhead and kamloops trout. The MNDNR Fisheries Section recently assessed the tasks and costs associated with conducting such a study, and also observed that cormorant predation in the Knife River has been reduced now that high concentrations of smolts are no longer present due to the completion of a 5-year smolt stocking program. It has concluded that such a study would not be feasible. However, the Duluth Area Office of MNDNR Fisheries indicated that it could support a pilot study similar to one conducted in 2005, i.e., sampling approximately 50 birds in one year and then using information obtained to determine a future course of action.

Proposed Solution: *The TSSC recommends that the MNDNR take advantage of this opportunity to partner with a conservation organization to design and implement this more limited study. The results should allow further management decisions to be based upon scientific evidence.*

Revision of the Timber Harvesting Guidelines

Current Situation: Forested watersheds can provide the favorable water storage and gradual runoff, water quality, and in-stream habitat essential for healthy trout populations. Riparian forest management, including timber harvesting practices, influences these forest benefits. Without these benefits, many of Minnesota’s northern trout streams could no longer support trout. The Minnesota Forest Resources Council (MFRC) is beginning the process of revising its site-level timber harvesting and forest management guidelines (1999), this time considering changes to BMPs for timber harvesting in riparian areas, including along trout streams and lakes. In 2005, revisions urged by MNDNR Fisheries personnel, the Minnesota Chapter of the American Fisheries Society, and conservation groups were shelved in favor of more study by riparian science technical committee. In August 2007, that team of scientists completed its review and suggested changes in order to better protect riparian forest functions.

Proposed Solution: *The TSSC requests that throughout the revision process the professional judgments of the Fisheries Section and Ecological and Water Resources Division of the MNDNR*

be forcefully conveyed directly to the MFRC and the public, without alteration by other DNR Divisions.

Sulfide Mining

Current Situation: The TSSC remains concerned over sulfide mineral mining operations proposed for Northeast Minnesota because of the potential effects which exploitation of this new type of ore body may have, especially the associated acid mine drainage (AMD) that has occurred elsewhere in the U.S. and Canada. Mines are proposed for the Lake Superior basin, as well as locations that drain into the fragile inland lake trout lakes located in and around the BWCAW. Given the high concentration of trout waters in the area, we remain very concerned about possible effects of AMD, increased sulfate levels in water (which in turn may increase methylation of mercury and mercury contamination in fish), toxic heavy metals, and other pollutants on the valuable aquatic resources here. We previously urged the MNDNR to apply the greatest possible oversight and expertise in reviewing the Polymet EIS and project permits. During its review of the draft EIS for Polymet, the EPA highlighted significant deficiencies with this project, and recommended that the MNDNR and the Army Corps of Engineers address numerous deficiencies and problems through a supplemental draft EIS, or a revised EIS. The MNDNR is currently preparing a revised/supplemental draft EIS.

Proposed Solution: *The TSSC urges the MNDNR to vigorously safeguard the public waters of the state during the environmental review and permitting processes, and resolve all doubts in favor of resource protection. Given that the PolyMet mine will set a precedent for other similar mining operations, we urge the MNDNR to safeguard the public waters of the state by requiring greater assurances that mining company (and not taxpayers') dollars will be available to mitigate and clean up future environmental damage.*

Importance of Continuing Accelerated Acquisition of AMA Easements

Current Situation: Increased acquisition by the State of conservation/fishing access easements along trout streams is critical to preserving and improving the health of coldwater streams, and securing permanent angling access to them. The typical AMA easement permanently secures the following benefits: (1) protection of riparian area, shoreline and in-stream habitat; (2) public fishing access; and (3) management access for future restoration and enhancement work when needed.

Despite much effort by many citizens and MNDNR personnel, Minnesota does not have regulations which mandate adequate timber harvesting buffers along forested trout streams, nor enforceable vegetative "buffer strip" regulations in agricultural areas. AMA easements contain permanent prohibitions against tree removal, tilling and building within a specified distance from the stream. While many, even most, eased stream corridors do not require active management actions in the near term, the State and its conservation partners also gain perpetual access to undertake restoration or habitat enhancement work in the future.

AMA easements also provide the immediate benefit of perpetual public fishing access to coldwater streams. Angling access has been rapidly decreasing as riparian lands, which once allowed "permissive" access, have been sold or divided. Oftentimes a single access point on a stream may be of little practical value for accessing many miles of water located away from bridges or other accesses. The scope of the public's historical right of access to navigable waters is unsettled, and does not permit walking on the bank to access distance stretches. AMA easements permanently solve these problems, securing good public access to otherwise practically inaccessible waters.

Problem Statement: In 2007, citizens developed a thoughtful 25 year plan for AMA acquisitions, which called for accelerating the purchase of trout stream easements between 2008 – 2017 to counter increasing habitat loss and rising land costs. The passage of the "Legacy Amendment" in November 2008 demonstrated that citizens want to fund just such accelerated

protection efforts, supplementing (not supplanting) existing acquisition efforts. However, efforts by some LSOHC members to strip out AMA acquisition projects from funding proposals, and attempts by some legislators to prevent the funding of all MNDNR acquisitions, including AMA easements, demonstrates a misplaced hostility toward these easements. This is likely due to an over-generalized “anti-acquisition” sentiment by a segment of the public, as well as by concerns over some poor land management by the MNDNR. While some criticisms of the MNDNR’s land acquisition and management efforts are justified, they are largely inapplicable to the AMA easement program. In any event the “remedies” proposed are overly broad or do not address the problems, and instead hurt the resource, anglers, and local economies.

Proposed Solution: *The Subcommittee makes the following recommendations: (1) the MNDNR should accelerate the development and implementation of an easement monitoring and enforcement program, and include stakeholders in this effort; (2) the MNDNR should work with stakeholders to further prioritize areas and watersheds for acquiring trout stream easements; (3) the Legislature should refrain from blanket bans on additional state acquisitions of AMA easements, including any “no net gain” policies respecting these easements; (4) the Legislature should increase appropriations for accelerating the acquisitions of AMA easements, including through appropriations from the new dedicated funds; and (5) the MNDNR, the Legislature and Governor should work together to ensure adequate funding for personnel to identify and facilitate acquisition of priority easements.*

NEW ISSUES

FY 2010 Game and Fish Fund Report on Expenditures

The Trout and Salmon Stamp Subcommittee has reviewed the following accounts and expenditures of the FY 2010 Trout and Salmon Management Account (234):

Habitat Improvement	\$ 108,440
Fish Culture and Stocking	551,997
Easement Acquisition and Identification\$	0
Lake Superior Special Management Projects	101,583
Canceled to account	<u>68,000</u>
Total Expenditures	\$ 830,000

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

The FY 2010 Game and Fish Report was acceptable to the Trout and Salmon Stamp Subcommittee.

Policy Issues

Conversion of the North Shore State Trail to Inappropriate ATV Use

Current Situation: For several years, the TSSC has expressed its concerns with, and stated its strong opposition to, attempts to convert of the North Shore State Trail to ATV use. The Fisheries Section has consistently shared our concerns and objections. We recognize that use by ATVs of this and other trails (legally and illegally) in the upper and middle portions of trout streams flowing into Lake Superior threaten to significantly degrade these sensitive coldwater systems. Many hundreds of thousands of trout stamp dollars and fishing license fees have been invested in these fisheries. It is reasonable for the TSSC and anglers to expect that our substantial

investments be protected by all divisions of the MNDNR. However, it now appears that one division of the MNDNR may have disregarded the well-founded concerns of anglers and fisheries managers and assisted in ongoing conversion efforts without engaging users and managers of the resources being impacted.

The omnibus environment budget bill (which was vetoed) contained an appropriation intended to enable Lake County to convert a portion of the North Shore State Trail to summertime ATV use, without environmental review or the adoption of mitigation measures and guidelines identified in the March 2006 feasibility study prepared by the MNDNR. This snowmobile trail route was laid out for winter use only and runs through very sensitive trout stream headwaters and wetlands. Lake County testified in legislative hearings that it has not done environmental review, it does not intend to do any, and it does not plan to re-route any portions around extremely steep slopes as called for in the feasibility study. That study highlighted the need for adherence to development guidelines (including through re-routing), environmental review, and modification of the master trail plan before ATV use. Yet all these measures to protect popular fisheries and Lake Superior water quality would be circumvented. Despite Lake County's revelation that would not re-route the trail or conduct environmental review, the MNDNR Parks and Trails Division nonetheless testified in support of this conversion.

The TSSC remains opposed to the conversion of any portions of the NSST to ATV use due to the adverse impacts to the sensitive coldwater systems located here. However, if any portion is to be converted, it should be funded through the usual MNDNR grant-in-aid program and undergo environmental review. It should be designed and build based upon broad stakeholder input, compliance with MNDNR trail design guidelines, adoption of all mitigation measures identified in the feasibility study and take into account recent studies and management plans, including fisheries studies and management plans.

Proposed Solution: *The TSSC urges: (1) that the MNDNR, including the Parks and Trails Division, oppose any further conversion of the NSST and identify alternative trail locations in Northeast Minnesota to provide safe and environmentally responsible ATV use by this recreational user group; (2) that TSSC members and other coldwater anglers be consulted and their concerns addressed if any plans for such conversion move forward; (3) that the Parks and Trails Division keep the Fisheries Section and angling stakeholder groups apprised of all ATV trail conversion and trail building activities (including planning) which it becomes aware of in the Lake Superior basin; and (4) that the MNDNR increase enforcement here to discourage and stop irresponsible and destructive riding.*

Control of Artificially High Beaver Populations, especially in the Knife River Watershed

Current Situation: Beavers were scarce on the streams of the North Shore of Lake Superior prior to settlement and during the era of the fur trade. The forest was then largely coniferous. Human activities since settlement, especially logging, have now produced substantially altered forest stands and habitats which are much more suitable for beaver, and have created artificially high beaver populations.

Numerous aspects of stream function are disrupted or negatively impacted by beaver impoundments, including increasing water temperature, decreasing base flow, disrupting sediment transport, reducing stream stability, limiting or blocking fish movement and access to critical habitats, and alteration of invertebrate communities that influence food availability for trout. While there are some stream conditions under which beaver impoundments may provide some fishery benefit, these conditions do not exist in northeastern Minnesota. The majority of flow in trout streams in northeastern Minnesota originates not from cold groundwater, but from wetlands, shallow seepage, and storm water runoff that do not provide buffering capacity for stream temperature increases. Consequently, trout streams in this area are very susceptible to temperature impacts caused by beaver dams. In fact, it is not uncommon to see temperature increases of 10 to 15 degrees from beaver dams during the summer months. The more dams that

are present on a stream, the greater the temperature impact. In the case of dams on the headwater reaches, the impacts extend downstream along the entire stream length.

As a result of changes in forest composition and unnaturally high beaver densities the trout streams in northeast Minnesota are now often on the margin of having suitable temperatures for trout. The Knife River system is a good example.

For several years conservation organizations, fisheries personnel, and soil conservation agencies have been working collaboratively with forest managers to gradually restore the forests in the Knife River watershed to conifers and other long-lived trees species. More recently, the Knife River was formally identified as an impaired water and a plan is being developed to address turbidly problems. A watershed assessment has identified the unnaturally high beaver densities in the watershed as both a cause of erosion and sedimentation problems, as well as an impediment to restoration of riparian forest stands. In short, the artificially high number of beavers and beaver impoundments must be reduced throughout the watershed in order to restore the forest and reduce erosion, turbidity, and sedimentation for the benefit of all aquatic life. The Knife River watershed has supported a coldwater fishery for hundreds, and likely thousands, of years. The artificially high beaver numbers generated by human activities is now threatening the health of the watershed (and Lake Superior) and the very survival of any coldwater fishery. To protect and increase the effectiveness of the substantial investments which anglers continue to make to sustain and improve the fishery, and which they and others are making to restore the watershed to long term health, beaver numbers must be reduced throughout the watershed.

Problem Statement: Beginning in 2007, and with the financial assistance of the LSSA, the MNDNR began to fly over the entire Knife River watershed to identify dam locations, and to trap beavers intensively throughout the watershed. However, due to pressure from one uninformed special interest group, the MNDNR has limited the 2010 flight and beaver control measures to just the main stem of the Knife River and several major tributaries used for spawning by anadromous fish. This decision was made without input from stakeholders who continue to be adversely impacted by unnaturally high beaver populations. This political decision allows already artificially high beaver populations to expand further and re-colonize extensive areas of the Knife River watershed. This decision will effectively prevent restoration of the forests in the Knife River watershed to conifers and other long-lived trees species and block measures to effectively reduce erosion, turbidity, and sedimentation. In addition to preventing restoration of the watershed (and health of Lake Superior), this arbitrary decision jeopardizes the substantial investments of fishing license, trout stamp, and private dollars which anglers and fisheries managers continue to make to sustain and improve the fishery.

Proposed Solution: *The TSSC recommends that the MNDNR direct all divisions to make restoration of watershed (and fisheries) health the management priority in the Knife River watershed and adopt intensive beaver management measures throughout the watershed. We also urge that the MNDNR educate its staff, in all divisions, and the public about the artificially high beaver populations and their adverse impacts on the watershed and its fisheries.*

MEASURABLE OUTCOMES

- **Short Term Goal:** The state must begin or expand (and accelerate where it has already begun) a comprehensive monitoring of our cold waters to detect and quantify warming that affects plant, animal and fish habitats and the temperatures of streams and rivers.
- **Short Term Goal:** The MNDNR should assess the vulnerability of each coldwater stream and lake to projected warming of the climate in the next century and rank the ability of each to support coldwater fisheries in 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 2010 Game and Fish Fund Report and the appropriations, budgets and expenditures for the Wildlife Operations and Maintenance in the Division of Fish and Wildlife and the Division of Land and Minerals.

PREVIOUSLY REPORTED ISSUES

Ongoing Issues

Fishing Overspending and Wildlife Underspending

Current Situation: Fishing expenditures from the Game and Fish Fund (G&FF) continue to exceed fishing revenue into the G&FF, while wildlife expenditures from the G&FF continue to be less than wildlife revenue into the G&FF.

Problem: The spending imbalance continues to be a concern of the Wildlife Operations Subcommittee because we believe that wildlife/fishing expenditures should be proportional to the revenues for these activities. We do not believe that either the DNR or the Legislature are making this issue an urgent enough priority.

Proposed Solution: *We support the current efforts underway to eliminate the spending imbalance.*

Fishing and Hunting License Fee Increase

Current Situation: When the dedicated accounts are removed, the forecasted amount of appropriations out of the Game and Fish Fund currently exceeds the forecasted amount of revenues coming into the Fund, thus creating an imbalance.

Problem: With the imbalance of appropriations/revenues within the Game and Fish Fund, the current forecast has a projected negative fund balance within a few years. By statute, the Fund cannot operate with a negative balance.

Proposed Solution: *We support the current efforts underway to modify hunting and fishing license fees that will make the Game and Fish Fund solvent for the next several years.*

FY 2010 Game and Fish Fund Report

The Wildlife Operations Subcommittee reviewed FY 2010 expenditures from the Game and Fish Fund for the Wildlife Operation Section and the Lands and Minerals Division and found them to be compliant with the language in Minnesota Statutes, section 97A.055.

NEW ISSUES

Land Acquisition for WMAs

Current Situation: Our current Legislative direction appears to be moving towards a no net-gain position towards public ownership of land.

Problem Statement: While some areas on the State have a large public ownership, many areas, specifically the agricultural areas do not. Less than 3% of the land in our agricultural areas is in WMAs.

WMAs in agricultural areas provide many substantial benefits other than the hunting opportunities. WMA's improve the quality of life for our citizens by providing an area to enjoy nature be it bird watching, hiking or hunting. Also, many WMAs help to mitigate the impact of intensive farming by providing basins and vegetative areas for preventing sediment and chemical run-off into the watersheds. Finally, WMA lands in agricultural areas are typically marginally productive cropland.

Proposed Solution: *The Legislature needs to be made keenly aware of the small amount of public ownership in agricultural areas and the benefits that they provide to the public. The Wildlife Operations Subcommittee strongly supports the continuation of WMA acquisition in the agricultural areas. We also see that the statutory requirements for WMA's may have to be expanded to include other benefits for society.*

Venison Donation Program

Current Situation: Minnesota has implemented a venison donation programs that is not cost effective. This program is being funded by a surcharge on non-resident hunting licenses, fees from antlerless permits and donations.

Problem Statement: Only 450 deer were donated to this program in FY 2010. While this is a worthy program, it is not cost effective. \$252 thousand was collected for this program meaning the cost to the sportsman was \$560 per deer donated. This is another example of the Legislature mandating non-cost effective programs on the DNR that are paid for by the sportsmen and sportswomen of Minnesota.

Proposed Solution: *Eliminate the use of Game and Fish Fund for the venison donation program.*

Game and Fish Fund Program Outcomes

Current Situation: Currently, the Game and Fish Fund report documents many of the outcomes from the expenditures made from the fund.

Problem Statement: The reporting in the Game and Fish Fund does not directly tie the impact of the money spent for WMAs and other programs to the DNR's strategic objectives, such as duck and pheasant harvest numbers. The Game and Fish Fund report emphasizes the acreage acquired for WMA's, but is very silent in terms what measureable benefits are derived from the users of WMAs.

Proposed Solutions:

1. *Enhance the Game and Fish Fund reporting to better show the relationship and outcomes of Game and Fish Funding to the Strategic Objectives of the DNR.*
2. *Improvement in the management in WMAs that directly relate to achieving the Strategic Objectives of the DNR. As mentioned in the DNR's 2012-2013 Budget Fact Sheet, "Improving the effectiveness of public land and water habitat management through assessment and innovative improvements to current and management techniques" is a major program element. Also in this document is a recommended key measure and outcome of improving the quality or wildlife habitat of public land.*

BIG GAME SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Scott Nagel (Little Falls, MN)
Carrie Mellesmoen (Inver Grove Heights, MN)*
Jack Peck (Rochester, MN)
Doug Strecker (Hackensack, MN)
Darwin Vicker (Austin, MN)

*Did not attend meeting

INTRODUCTION

The Big Game Subcommittee would like to thank Mr. Lou Cornicelli and Mr. Grant Wilson with the Minnesota Department of Natural Resources (DNR) for their assistance with this year's report.

PREVIOUSLY REPORTED ISSUES

Satisfactorily Addressed Issues

Moose management and research

The committee appreciates the fact that the moose health research project was fully funded by LCCMR. The committee eagerly awaits publication of DNR's moose management and research plan and remains committed to working with DNR regarding Minnesota moose.

Ongoing Issues

Ban big game shooting preserves/Chronic Wasting Disease

Current Situation: The big game oversight committee continues to feel strongly that these facilities pose a threat to wild cervid health and impose significant annual costs to the cervid health account. The discovery of chronic wasting disease this year and FY10 expenditures incurred for CWD testing in southeastern Minnesota strongly implies a link with the Pine Island positive elk farm. We are concerned funds used to look for CWD near captive facilities will exhaust the fund prematurely.

Proposed Solution: We are appreciative of the environmental trust fund dollars that were allocated in FY11 and FY12; however, sufficient and long-term funding sources for wildlife health management must come from areas other than deer hunters.

Review of deer feeding/cervid health account

Current Situation: The committee remains concerned that cervid health expenditures may deplete this account. In the event that deer feeding is required under DNR policy, sufficient funds may not exist going forward.

Proposed Solution: *A review of the account should be undertaken with the intent of either abolishing the deer feeding component or segregating it into two accounts in order to maintain a deer feeding-related balance.*

NEW ISSUES IN FY 2010

Fiscal Issues

Cervid fund balance

Current Situation: Since FY02, DNR has spend \$6.9 million dollars on cervid health surveillance. With the discovery of CWD in southeast Minnesota, significant funds will be expended in the future. Approximately \$300,000 is added annually from deer license sales; however, those funds are allocated for both cervid health and emergency feeding.

Problem Statement: At the end of FY11, the cervid fund balance will be down to approximately \$150,000.

Proposed Solution: *Additional funds should be generated to make the fund more solvent in the event of emergency deer feeding and/or additional wildlife health events.*

FY10 Game and Fish Fund Report

The Big Game Subcommittee has reviewed FY10 expenditures from the deer management account, deer/bear account, and the deer feeding/cervid health account and found them in compliance with the statute.

PHEASANT STAMP SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Gary Duncomb (Eden Valley, MN)
John Maile (Paynesville, MN)
Scott Roemhildt (Janesville, MN)

Note: Scott recently withdrew due to a job change that created a conflict of interest

Roel Ronken (Minneapolis MN)

INTRODUCTION

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

PREVIOUS REPORTED ISSUES

Satisfactorily Addressed Issues

Not applicable this year.

Ongoing Issues

Food Plot Guidance

Current Situation: Food plots are used extensively as an easy, feel good approach that leads participants to believe they are impacting pheasant populations. This is reinforced by sightings of pheasants near these areas during hunting season. The PSOC commends the DNR for their efforts to continue to study the benefits and cost effectiveness of food plots.

Problem Statement: Food plots tend to trump the limiting factor to pheasant populations in Minnesota – nesting and brood rearing cover. Too much emphasis is being placed on a single short-term survival strategy at the expense of longer term land management practices.

Proposed Solution: The PSOC recommends that DNR review the data collected pertaining to the effectiveness of food plots and create policy directed to spend PHIP funds that will maximize the effectiveness of food plots. In addition we recommend private land food plots are carefully selected, well placed, and demonstrate a significant public benefit. PHIP funded food plots should be consistent with the pheasant habitat model that includes winter cover, grasslands, and food within a 9-square-mile block.

Proposed Solution: The PSOC recommends significantly reducing the use of PHIP dollars for food plots on private lands and reallocating these funds for private land management, increased FBAP, and/or Roadside Habitat funding.

Farm Bill Promotion

Current Situation: Minnesota has, in recent history, experienced 40 year highs in the pheasant population. However, the PSOC recognizes the current pressures being placed on those grasslands as a result of commodity prices, politics and competing interests.

Problem Statement: Grassland complexes which exist, especially through our Federal Farm Bill Conservations Programs, are set to decline drastically over the next several years. The PSOC believes the general public doesn't fully understand the negative consequences of this trend. In

addition, many successful grassland conservation programs aren't being given additional acreage allotments.

Proposed Solution: The PSOC realizes the benefit of efforts in Washington, DC, to promote the Farm Bill. 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 promotion and evaluation 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 at current or expanded levels..

Proposed Solution: The PSOC believes incorporating a wildlife friendly rotational grazing plan into the "Farm Bill supported grasslands" as a contract management option or as a standalone Grazing/CRP program will help maintain grassland complexes thus supporting the rural community and protecting pheasant habitat. The PSOC believes that spending PHIP funds on rotational grazing in WMA units or on State owned properties is a good policy and should be continued.

NEW ISSUES

FY 2010 Game and Fish Report

The Fiscal Year (FY) 2010 Pheasant Habitat Stamp Improvement Program (PHIP) report to the PSOC was reviewed in March 2010. The PSOC has reviewed the FY 2010 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 24, 2011.

MEASURABLE OUTCOMES

- **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. This will require 6 million acres of grassland in the Minnesota pheasant range as outlined in the Long Range Pheasant Plan. We believe that we need proactive approaches to offset the considerable loss of grassland habitat occurring in the state through expiring CPR contracts.
 - o **Short Term Goal** – A higher priority by the state on fee title acquisition and permanent easements to offset habitat losses.
 - o **Short Term Goal** – We recommend that the DNR work to maintain and better manage existing acres aimed to produce maximum potential.
 - o **Short Term Goal** – Fully maintain or increase FBAP staff to maximize landowner education and participation in our Federal Farm Bill Conservation Programs. Create additional key national partners like NRCS or FSA which will result in additive benefits.
- **Long Term Goal** – Develop a state fee title program or conservation easement program that establishes grass based production for biofuels, hay or grazing in to key locations as a tool to connect already established grassland complexes.
 - o **Short term goal** – Identify already established grasslands where row crop or expiring CRP is subdividing potential large grassland complexes.
 - o **Short term goal** – Locate areas within the state where grassland based agricultural is already popular and implement a pilot project in those locations.
 - o **Short term goal** – Use TNC, PF, DU or other nonprofits to help design and

- o obtain LSOHC dollars to fund the program.
- o **Short Term Goal** - Examine a wildlife friendly rotational grazing plan into the “Farm Bill supported grasslands” that will help maintain grassland complexes.
- o **Short Term Goal** – Consider managed haying and grazing of some WMA units as an alternative to burning and a means to generate revenue and maintain rural community support.
- **Long Term Goal** – Strive to reduce acres of negative food plots, but also indentify and maintain the food plots that help pheasants survive through stressful winters..
 - o **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 enhances and protects our current roadsides.
 - o **Short Term Goal** – Strengthen the roadsides statute as suggested by the Roadsides for Wildlife committee to better manage roadside grasses.
 - o **Short Term Goal** – 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. In recent years, we have seen high pheasant populations due to increased habitat. However, we are losing tens of thousands of the grassland acres that we all worked hard to acquire. We need to stop further losses and ensure that 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 report.

WATERFOWL STAMP SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: Brad Nylin (Plymouth, MN)
Tom Kowal (St. Cloud, MN)
Win Mitchell (Northfield, MN)

INTRODUCTION

The Chair of the Waterfowl Stamp Subcommittee (WSS) would like to recognize the ongoing efforts of Mr. Ray Norrgard, Wetland Wildlife Consultant, with the Department of Natural Resources for his contribution and technical assistance to the Subcommittee in preparation of this report.

The Chair would like to thank Mr. Tom Kowal and Mr. Win Mitchell for their ongoing efforts and contributions to the committee.

PREVIOUSLY REPORTED ISSUES

Satisfactorily Addressed Issues

It was recommended that the Department of Natural Resources conduct a waterfowl hunter survey. The DNR response said that they will be doing one in cooperation with the Minnesota Fish and Wildlife Cooperative Research Unit following the 2010 hunting season. The WSS feels this is very timely and important information to be used going forward.

Ongoing Issues

The WSS recommended that everyone who buys a waterfowl stamp should get the physical stamp. We have addressed this for the past three years, to no avail. If you want the physical stamp, you must pay \$2.00 in addition to the cost of the stamp. The WSS looked into the total cost to produce the stamp vs. the price that is charged. The cost at the time was \$.76. The DNR said they concur and that the fee should reflect the cost of issuing the stamp. Last year the Governor vetoed the bill that contained the provision that addressed this. The WSS would like this to be addressed again as soon as possible.

NEW ISSUES IN FY 2010

FY 2010 Game and Fish Fund Report

The Duck Stamp Subcommittee has reviewed FY 2010 expenditures from the Habitat Improvement Account (233) and agree that all expenditures are compliant with the governing Minnesota Statutes, section 97A.075, subd. 2. However, the subcommittee disagrees with using waterfowl stamp funds to pay for upland food plots since the food plots are used for a variety of wildlife species.

Declining revenue in Waterfowl Stamp Account

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

Problem Statement: The number of waterfowl hunters has declined by more than 20 percent since 1998. In 2009, the total number of waterfowl hunters below 90,000. The price of the waterfowl stamp is currently \$7.50. The last increase was in 2004. In 2009, approximately \$674,625 was generated from the sale of 89,950.

Proposed Solution: *WSS had asked for a stamp fee increase last year, but considering the license fee increase that is being asked this legislative session, we believe that the increase to the duck stamp is not needed at this time, and fully support the license fee increase as is, but would like it considered in the future.*

Waterfowl Season Opener

Current Situation Overview: The WSS believes that we should open the waterfowl season a week earlier to have better success with early migrants .

Problem Statement: The Legislature states that the waterfowl season can only open on the Saturday nearest October 1.

Proposed Solution: *The WSS would like to see the Legislature allow the DNR to open the waterfowl season one week earlier to allow for better access to early migrants and we feel that this would help with hunter retention and hunter recruitment by having more waterfowl in the state and perhaps better weather to help getting more people out duck hunting.*

MEASURABLE OBJECTIVES

- **Short Term Goals –**
 - Annually enhance 36 shallow lakes by installing/replacing water control structures and adding fish barriers.
 - Designate two shallow lakes per year for wildlife management purposes.
 - Annually 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.
 - Annually prevent loss of existing natural habitats and land currently enrolled in federal farm programs.

- **Long Term Goals –**
 - Enhance 1,800 shallow lakes for waterfowl migration habitat. –
 - Restore and protect an additional 2 million acres of wetlands and grassland complexes beyond what existed in 2006.
 - Maintain a breeding duck population of 1 million birds and achieve a recruitment rate of 0.6.
 - Retain an average of 140,000 waterfowl hunters.

CONCLUDING REMARKS

The future of waterfowl hunting continues to be at a 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 with the passage of Dedicated Funding for the outdoors and the Lessard-Sams Outdoor Heritage Council that will 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 continue to be serious threats to habitat conservation and will need to be addressed accordingly. That is why the Waterfowl Stamp Subcommittee is supporting the license fee increase for fishing and hunting activities as this will help to ensure that we are generating more money for conservation activities in Minnesota.

The Waterfowl Stamp Subcommittee believes that we should move the waterfowl hunting opener to one week earlier. The WSS believes that by doing so, it will attract more waterfowl hunters as there should be more birds in the area, and better weather for hunting. The combination of these two factors should improve hunter's attitude as they should see more ducks and should get more people afield with the thought of more ducks and warmer weather.

WILD TURKEY MANAGEMENT SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

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

- Special Youth Turkey Hunts and reduced license charge
- The long-term goal of 50,000 wild turkey hunter opportunities was reached a new goal of 75,000 Wild Turkey hunter opportunities was established
- For the spring season of 2011, licenses were available over the counter for the last two time periods with no caps. Additionally youth, 17 and under, may purchase a license over the counter for any time period.

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, including observations of turkeys moving North.
- The DNR continues to implement the Long Range Wild Turkey Management Plan.
- Under the guidance of Jay Johnson, Hunter Recruitment/Retention Supervisor, the DNR, in partnership with National Wild Turkey Federation volunteer mentors and hunt coordinators, has increased the youth turkey hunt opportunities through Mentored Hunts in spring of 2010 to over 382 permits. With mentors, 346 youth went afield and harvested 133 birds in 2010.
- Physically Challenged hunts continue to increase as demand increases.
- The successful Trap and Transplant Program has been suspended. The wild turkey populations will be monitored to determine if additional work will need to be done in the future. A wild turkey population assessment was conducted in the fall of 2010; results are expected by early summer 2012.

Ongoing Issues

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

Turkey Habitat Increase

Current Situation: Continued effort needed 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. We would like to see additional emphasis placed on increasing the commitment to forest management and restoration work throughout the turkey range.

Proposed Solutions: *Cooperate with DNR and NWTf Wild Turkey Biologists to develop a wild turkey habitat management and restoration plan and implementation strategy. This plan should focus especially on the riparian corridors in the above named areas as well as the blufflands of southeastern Minnesota as identified in the North American Wild Turkey Management Plan. Provide and identify training for SWCD and others in wild turkey habitat management. Local SWCDs and partners could then provide workshops and field days for interested private landowners located along river/stream corridors, riparian areas, and historically wooded areas to complement grassland and wetland management providing additional turkey habitat. Funding for training, workshops, fieldwork, and staff should be pursued through the Clean Water, Land and Legacy amendment. Farm Bill Assistance grants should include opportunities to promote wild turkey habitat management. We strongly encourage interagency (DNR, BWSR, USFWS, USDA FSA, USDA NRCS, SWCD, NWTf, and others) cooperation in wild turkey habitat management.*

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 areas of the State where wild turkeys have been recently introduced.

Problem: A major success story of wild turkey population increases through habitat and management improvements needs to be shared with the public.

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. Develop new wild turkey management information that school teachers could use in the classroom. Produce media releases for mass distribution. Also, the wild turkey success story should be told in the DNR Conservation Volunteer magazine and other media outlets.*

Current Situation: With increasing wild turkey populations in urban areas there is an increasing need to inform and educate the general public, land owners, and hunters about the management of wild turkeys in urbanized areas.

Problem: Wild turkeys have caused some concerns in the seven county metro areas. Landowners have encouraged wild turkeys by localized feeding resulting in large numbers of wild turkeys in an urbanized area. In some areas this has resulted in property damage.

Proposed Solutions: *Increase the awareness of wild turkey management in an urbanized areas including, special landowner workshop and other educational activities. Also, the DNR should explore wild turkey population management opportunities, such as, multiple tags and special hunts.*

Turkey Habitat Acquisition

Current Situation: 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 identify and acquire prime parcels and improve existing public land open to hunting for wild turkeys.*

Public Lands Inaccessible for Public Recreation

Current Situation: The State owns forest land in prime wild turkey habitat areas of Minnesota that are landlocked by private lands making them unavailable for public hunting and recreation.

Problem: Prime public wild turkey hunting areas are inaccessible to hunters and others.

Proposed Solution: *Develop a program to purchase “walk in” access easements to the landlocked public parcels to provide wild turkey hunters and others access to the landlocked public Forestry lands.*

NEW ISSUES

FY 2010 Game and Fish Fund Report

The Wild Turkey Management Subcommittee has reviewed FY 2010 expenditures from the Turkey Stamp Fund and found them to be compliant with the language of Minnesota Statutes section 97A.05, subd. 4b (9).

Policy Issues

MEASUREABLE OBJECTIVES

- **Long Term Goal - Spring Season:** 75,000 Wild Turkey Hunter Opportunities for Spring Hunting (increased from 50,000)
 - **Short Term Goal:** Expand size of permit areas by merging existing permit areas into larger units.
 - **Short Term Goal:** Allow over-the-counter permits for the last four permit seasons for archery and the last two permit seasons for gun.
 - **Short Term Goal:** Consider multiple tags for a hunter during the spring season, especially in the seven county metro area and other areas with high populations of wild turkeys.
- **Long Term Goal - Fall Season:** 10,000 Wild Turkey Hunter Opportunities for Fall Hunting
 - **Short Term Goal:** Allow over-the-counter permits for a 30-day hunt open to all hunters (explore “turkey dogging” as an option for hunters).
- **Long Term Goal:** Increase wild turkey habitat on WMAs and other public lands with existing wild turkey populations.
 - **Short Term Goal:** Purchase lands that have wild turkey habitat (mature forest stands)
 - **Short Team Goal:** Use wild turkey management account fund to improve and create hardwood stands on existing WMAs and other public lands open to hunting if in the appropriate ecoregion and in the wild turkey range.
 - **Short Term Goal:** Purchase easements to access public lands open to public hunting surrounded by private land.
- **Long Term Goal:** Sufficient funding for financial and technical assistance for turkey management and habitat on private lands.

- **Short Term Goal:** The DNR should provide or identify training for staff and other partners to facilitate private landowner wild turkey habitat management workshops. Workshops should also illustrate Federal, State, local, and non-government organizations financial assistance programs available to private landowners to implement wild turkey habitat management projects.
- **Short Term Goal:** Maintain SWCD and other agencies technicians to assist private landowners with habitat management goals. Technical assistance staff should be funded with the Clean Water, Land and Legacy amendment funds. The Lessard Outdoor Heritage Council should be informed of the need for additional technical assistance at the local level. Also, the DNR BWSR Farm Bill Assistance Grant should be leveraged 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:** Increase the awareness of elected officials and other stakeholders of the technical assistance delivery deficiency that is occurring. Many landowners interested in pursuing land management options to restore and protect wildlife habitat have limited access to technical assistance to help develop a conservation management plan for their property. An additional dedicated SWCD staff person to provide technical assistance to private landowners would accelerate conservation and wildlife management plan development.

CONCLUDING REMARKS

The wild turkey management account is an important resource to sustain the sport of wild turkey hunting in Minnesota. Much more can be done to increase the recreational opportunities into the future by leveraging additional funds from the Clean Water, Land and Legacy amendment.

Two factors that will be critical in the future are improving the wild turkey habitat and providing ample areas for Minnesota's sportsmen and women to hunt and recreate. Public lands, both state and federal, and private lands need to be managed with interagency cooperation to maximize our efforts 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 (public, private and non-profit), need to continue to work with private land owners, improve access and habitat on existing WMAs and public lands open to hunting, and identify prime wild turkey habitat that should be purchased or protected with conservation easement.

ECOLOGICAL RESOURCES SUBCOMMITTEE REPORT

SUBCOMMITTEE MEMBERS

CHAIR: John Hunt (Big Lake, MN)
Kevin Bigalke (Lakeville, MN)
Steve Chaplin (Roseville, MN)
Mark Peterson (Birchwood, MN)

INTRODUCTION

The subcommittee wishes to thank Division of Ecological and Water Resources Director 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 FY10 expenditures report.

PREVIOUSLY REPORTED ISSUES

Satisfactorily Addressed Issues

A. Endangered Species

Resolution: Our current understanding is that the rules to designate species meeting statutory definitions of endangered, threatened, or species of concern have been drafted and are under review by the Department. We anticipate that DNR will complete its internal review of the draft rules as previously communicated. We thank DNR for working to complete this effort in a timely manner.

B. Fire Management and Training

Resolution: One of the biggest hurdles private business and nonprofits must overcome to assist DNR with prescribed burning as a prairie habitat management activity deals with liability issues associated conducting prescribed burns services. While DNR is not prepared to initiate legislation that would limit contractor liability related to these types of services, they indicated in their response to our FY09 report that they would assist in documenting prescribed burn training and qualifications through a user-fee supported program if called upon by the legislature.

C. Identifying Sensitive Lakeshores

Resolution: DNR has established objective, science-based criteria to identify sensitive lakeshores and assembled the protocol in a manual that describes the criteria, process and methodology. Working with Cass County, DNR implemented a pilot project to apply these criteria and assess 17 study lakes. Using funding from a federal State Wildlife Grant, similar assessments will now be conducted in Crow Wing County. In addition, a proposal currently before LCCMR would expand these efforts to Itasca County. DNR has moved to implement the new criteria with multiple local units of government and we expect that additional counties will be added in the future.

D. Biofuels

Resolution: While concerns regarding potential environmental issues associated with the biofuel industry remain muted compared to 2+ years ago, we believe that the impacts of large scale, grassland habitat conversion and groundwater appropriation will again prove to be critical limiting factors for future biofuels development in Minnesota. DNR has indicated in previous responses that it will exert its statutory authority in permitting and environmental review if and when these projects are brought forward for development. DNR should continue to watch this issue in the future.

E. Protection of High Significance, Biologically Diverse Habitats

Resolution: In its response to our FY09 report, DNR indicated that it has completed analysis of the protected status of each Native Plant Community by Ecological Section in six of the eight ecological sections located outside of the prairie region. These data have subsequently been used to aid in setting goals required by DNR's FSC Forest Certification. We thank DNR for these efforts and encourage the agency to complete work in the two remaining ecological sections as resources are available.

F. Prairie Landscape Protection and Restoration

Resolution: DNR was an integral participant in the multi-stakeholder process that led to the development of the Minnesota Prairie Conservation Plan 2010. We commend DNR for its efforts in this area and encourage the agency to adopt the plan where and when appropriate.

G. Conservation Grazing

Resolution: In its response to our FY09 report, DNR acknowledged the value of utilizing both prescribed fire and large herbivore grazing to restore and maintain prairie landscapes. DNR is expanding conservation grazing as appropriate on both native prairie bank easements and on DNR administered lands. We encourage DNR to continue to evaluate and use this tool as management objectives and funding sources allow.

Ongoing Issues

A. Change in Management of School Trust Lands

Current Situation: Minnesota's School Trust lands are currently managed by DNR as part of their greater natural resources management responsibilities. There has been discussion at the Legislature regarding ways to increase the financial return to the School Trust, including creating a new state agency to more aggressively manage School Trust lands.

Problem: Creation of a new, state-level agency will complicate natural resource management on both School Trust lands and surrounding parcels owned by federal, state, and local units of government. In addition, more intensive land management could threaten the old-growth forests and other communities of biological significance that are found on some School Trust lands. Finally, the development of an alternate fee-based system to charge for recreational use of School Trust lands has the potential to reduce revenues to the Game and Fish Fund.

Proposed Solution: *DNR should compile and provide information to key members and committees of the Legislature regarding their recommendations to increase financial returns to the Trust Fund, while maintaining management of the designated lands consistent with long-term ecological integrity.*

B. Updating Minnesota's Shoreland Rules

Current Situation: As stated in previous reports, Minnesota's remaining undeveloped shorelands are under increasing development pressures and many developed shorelands are being re-developed for more intensive use.

Problem: Updated shoreland rules were developed as part of a comprehensive, multi-stakeholder process, but were not finalized before DNR's statutory authority to complete its work expired. In addition, the types of funding for DNR to support local units of government in implementing new standards that was available the last time shoreland rules were updated is not currently available.

Proposed Solution: *We encourage DNR to seek renewal of its statutory authority and to develop recommendations regarding a block grant program that could be made available to local units of government for implementation of the new rules.*

C. Terrestrial Invasive Species Management

Current Situation: The Division's role is to help other divisions within DNR inventory and manage terrestrial invasive species on state-managed lands.

Problem: The expanding presence of terrestrial invasive species on state-owned lands is creating negative ecological and economic impacts. As stated in the March 2010 Natural Resource Land Evaluation Report prepared by the Office of the Legislative Auditor, the Division estimates that there is a backlog of \$8.7 million of one-time management activities on just SNAs and Native Prairie Bank easements (not counting WMAs, State Forests, and other state-managed lands). Invasive species and noxious weed control activities are part of this backlog. Currently, the limited amount of funding provided to DNR for terrestrial invasive species management is provided 100% from the state's General Fund. Reductions in appropriations from the General Fund are once again being made, further hampering DNR's ability to successfully manage this problem. A stable funding source is needed to support long-term programs that address terrestrial invasive species on state-owned lands.

Proposed Solution: *In their response to our FY09 report, DNR reminded the subcommittee that establishing and implementing a comprehensive terrestrial invasive species management program will require funding that can be projected beyond one fiscal year to the next. We therefore encourage DNR to build upon the March 2010 OLA report and determine what level of funding is needed to both minimize the potential for introduction of new species and better manage and minimize the spread of current species. With a funding estimate in place, the appropriate source(s) of potential funding can be developed.*

D. Aquatic Invasive Species (AIS) Management

Current Situation: More than thirty-five 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. In addition, despite the \$2 surcharge on non-resident fishing licenses for AIS management, there is a structural deficit in the funding for AIS management. This deficit must be solved while finding ways to increase enforcement of current AIS-related laws, respond to newly discovered infestations, and more effectively manage established infestations.

Proposed Solution: *The 2011 Legislative session has seen the introduction of legislation that would increase DNR's efforts to fund and manage AIS related programs. Regardless of the outcome, new, dedicated sources of funding are needed to effectively assess and address the growing problem of AIS (both those species now in Minnesota and those on their way). We*

encourage DNR to continue to allocate increased resources to improving their ability to manage the state's AIS problem.

E. Lead as an Environmental Pollutant

Current situation: Over the past decade, there has been increasing recognition that elemental lead in the environment can pose a significant hazard to nongame avian species. DNR has led efforts to reduce the use of lead shot and fishing tackle in Minnesota but additional progress is needed.

Problem: While DNR continues to educate hunters and anglers about the potential negative impacts of the use of lead-based ammunition and fishing tackle, momentum to further reduce the use of lead in hunting ammunition and fishing tackle appears to have stalled.

Proposed Solution: *DNR should continue to target its educational campaigns toward a broad spectrum of hunters, anglers, and the general public to increase awareness about the known impacts of lead in the environment, about the availability of suitable alternatives, and about methods other states have used to reduce the usage of lead in hunting and fishing gear.*

NEW ISSUES

FY 2010 Game and Fish Fund Report

The format for the FY10 Game and Fish Fund report for the Division of Ecological Resources was acceptable.

Fiscal Issues

The Ecological Resources Subcommittee has reviewed the Division's FY10 Game and Fish Fund expenditures and has found the expenditures to be compliant with legislative intent (M.S. 97A.057, subd. 2) and that to the extent we can determine, the dollars have been appropriately spent on activities that support game and fish related activities.

The Subcommittee notes that the Division's total FY10 expenditures (combined Game and Fish Operations and Heritage Enhancement funds) represent only 3.4% of the total expenditures made from the Game and Fish Fund during the fiscal year and that Game and Fish funds provided approximately 12% of the total FY10 non-bonding expenditures for the Division.

Policy Issues

We have identified one new policy issue for this year's report.

A. Protection of High Significance, Biologically Diverse Aquatic Habitats

Current Situation: The conservation of high quality, biologically diverse aquatic resources in Minnesota currently is hampered by being unable to identify the most important areas of habitat at spatial scales that are appropriate for conservation action.

Problem: Most aquatic conservation planning in the past has identified many sites that are inappropriate for practical conservation work because they were too large (major watersheds or long reaches of either streams/rivers or shoreline) or because it was uncertain that they were actually significant due to being chosen based solely on indirect attributes such as water quality or watershed land cover.

Proposed Solution: *An assessment of important aquatic sites at scales appropriate for conservation action is needed. Information from rare aquatic species surveys, biotic water-quality indices, fish assemblage sampling, and other sources of aquatic species distribution data need to be assembled and synthesized to identify and prioritize sites of outstanding and high aquatic conservation significance. This data should only include actual field collections or observation; not predicted distributions based on physical habitat attributes. The sites identified also need to be defined at scales (size) where typical conservation tools such as landowner agreements, conservation easements, and fee acquisition is practical.*

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 FY10 Game and Fish Fund expenditures in the Division of Ecological Resources appropriate and justified within the context of the Game and Fish Fund.

We look forward to continuing to work with staff in the new Division of Ecological and Water Resources.