

WDFW Budget Update

MHAG, May 17, 2019

Much of this information was included in Director Susewind's May 13 budget update email.

Recall that WDFW faced a \$31 million structural deficit, due to many factors. The agency's request was to fill that hole, as well as provide funding for a number of enhancements to increase the level of conservation and public service in many areas. Multiple fund sources were proposed to be used, including a license fee increase and general fund dollars.

WDFW worked very hard before and during the legislative session. WDFW had a good game plan, and entered the legislative session with a significant amount of active and vocal partner support. Unfortunately, some politics interfered with our fee bill, and not having that additional revenue puts the agency in a tough spot. See additional information by following the link at the bottom of this page.

WDFW's agency-request legislation did not pass, therefore:

- No hunting and fishing license fee increase
- No \$20 discount off hunter education graduates' first hunting license
- No elimination of the 3-year WA license requirement for accompanying hunters in the hunter education deferral program.
- No extension of the Columbia River Salmon and Steelhead Endorsement, so after June 30, WDFW will not have the authority to require anglers to obtain an endorsement to fish for salmon and steelhead in the Columbia River. WDFW is assessing how the loss of revenue from the endorsement will affect salmon and steelhead fisheries in the Columbia basin once the endorsement expires.

Budget Bright Spots:

- The legislature provided \$24 million of General Fund monies for WDFW. However, this is one-time funding, most of which is targeted for year one of the biennium. The budget provides more funding for WDFW in some areas but it did not fully fund all of the agency's traditional public service.
- Payments in lieu of Taxes (PILT) are paid to counties to compensate for the fact that the agency does not pay property taxes on agency-owned land. In separate legislation, the legislature approved WDFW's 2019-21 funding request of \$3,993,000 to cover PILT payments for the 13 counties currently opting in to the program. This is the first time PILT has been fully funded since the Legislature froze payments in 2012.
- WDFW's capital budget is strong, with \$53M in new work, and \$58M in re-appropriations, to pay for things like hatchery upgrades, replacing elk fence, and other facility improvements.
- The Washington Wildlife and Recreation Program was funded in Recreational Conservation Office's (RCO) budget for \$85M, with approximately \$15M coming to WDFW to acquire land in the Cowiche watershed, South Sound prairies, and the Nemah watershed. There is also funding to improve water access sites and restore habitat on a number of our wildlife areas.

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So now what?

- While WDFW had identified specific functions that were at risk if the \$31 million hole was not filled, for the most part the legislature did not tell WDFW which programs and activities to fund and not fund with the \$24M. Most of that money is booked for year one of the biennium.
- The agency is evaluating its operations and services and will be making adjustments between now and the 2019-2021 biennium budget effective date of July 1, 2019. Part of this work entails working with legislative budget writers, the Office of Financial Management, and the Governor's Office to understand the intent of the one-time infusion of general fund dollars, and what that might mean for a WDFW Supplemental Budget request and the 2020 legislative session.
- Exacerbating the state budget situation is a Pittman-Robertson funds will be down \$2.4M for the next fiscal year (July 1, 2019 – June 30, 2020). Dingell-Johnson funds are also down, although not as drastically. In addition, the legislature approved an "efficiency" cut of \$500k per biennium.
- Given these challenges, WDFW is working hard to maintain services where possible for the first part of the biennium. Director Susewind is working diligently with the Executive Management Team, as well as the Fish and Wildlife Commission to obtain input on the difficult decisions ahead.
- More information is expected near the end of May.

For more information on the current budget, as well as background information leading up to the legislative session, please see: <https://wdfw.wa.gov/about/administration/budget/update#2019-budget> (website clicks: About WDFW (upper right of homepage) / Administration / Budget and finance / Budget update).

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