

WDFW BUDGET AND POLICY ADVISORY GROUP MEETING SUMMARY

Thursday, May 7, 2020, 9:30am-3:30pm

Washington Department of Fish and Wildlife Online Meeting

BPAG Attendance

Andy Marks, Coastal Conservation Association
Bill Richardson, Rocky Mountain Elk Foundation
Brittany Gallagher, The Nature Conservancy
Butch Smith, Ilwaco Charter Association
Craig Partridge, Capitol Land Trust
David Cloe, Inland NW Wildlife Council
Deborah Jensen, Washington Audubon
Dick Wallace, Regional Fisheries Enhancement Groups
Gary Chandler, Assoc. of WA Business
George Harris, NW Marine Trade Association
Jason Callahan, WA Forest Protection Association
Jess Helsley, Wild Salmon Center
Jonathan Stumpf, Trout Unlimited
Mark Pidgeon, Hunters Heritage Council
Mitch Friedman, Conservation Northwest
Mike Petersen, The Lands Council
Rachel Voss, Mule Deer Foundation

Tom Davis, Washington Farm Bureau
Tom O'Keefe, American Whitewater

WDFW

Kelly Susewind
Nate Pamplin
Jeff Davis
Rob Geddis
Carrie McCausland
Lynn Helbrecht
Morgan Stinson
Tom McBride
Nelson Falkenburg
Kathy Backman

Ross Strategic

Tess Wendel

Welcome and Introductions

Nate Pamplin welcomed two new members to the Budget and Policy Advisory Group (BPAG), Deborah Jensen, representing Audubon Washington and Jonathan Stumpf, representing Trout Unlimited.

Q & A with Director Kelly Susewind

Kelly expressed appreciation to the members of the BPAG for their help in communicating Department needs during the 2020 legislative session. The Department received General Fund support to address the structural deficit of years past, and this was accomplished through collaborative work between the Department and stakeholders, including BPAG members.

Kelly remarked on several current Department areas of focus:

- He acknowledged the need to improve the North of Falcon process in the face of diminishing opportunities.
- The Fish and Wildlife Commission has approved cougar hunting season changes, with a more liberalized approach to managing cougar populations.
- Hydraulic Project Approval (HPA) civil authority rules were recently approved by the Commission.
- Kelly updated the BPAG on Coronavirus impacts to the Department.. Lands and opportunities reopened on May 5 and the Department has had positive reports of people using proper social distancing. The Department is working on the next phase of opening focused on the coast and saltwater opportunities.

BPAG Questions & Comments

Question: Is WDFW in a leadership position in addressing murder hornet control? Jeff Davis replied that WDFW has no involvement at this time. The Washington State Department of Agriculture has information on their webpage.

Question: How will the future of WDFW look from a business standpoint? How will resources be managed when operations return? Is there a plan to monetize non-consumptive users? Kelly Susewind responded that the Department does not anticipate changes to funding sources for the Department. He recognizes the need for the Department to help citizens recognize the value of natural resources and build broad based support including from non-consumptive users.

Question: Will funding for the Department rely more heavily on State General Fund or user fees? Kelly Susewind replied that State General Funds are needed to fully fund the Department; and that he isn't pursuing an increase in user fees. Ultimately, stable and broad based funding is the preferred approach to funding WDFW's conservation mission.

Comment: Puget Sound issues at North of Falcon could have been messaged better. It would be easier for the BPAG to support Department decisions with proactive and positive messages about Department work. Kelly Susewind acknowledged the need for overall improvement in telling the Department's story, in particular in managing opportunities for salmon given the broader recovery challenges.

Comment: There is a need to improve the Department's brand, beyond the basic messaging. WDFW could provide education in elementary schools to encourage future users. Kelly acknowledged the need and expressed the Department's intention to move in that direction.

Comment: There are models for non-consumptive funding in other states. Information will be forwarded to BPAG members for review.

Question: Is the Department following the progress of the letter to House of Representatives leadership regarding the inclusion of the Recovering America's Wildlife Act (RAWA) and other green leadership initiatives in the next stimulus package? Nate Pamplin noted that the Department is following the status of the letter and the inclusion of natural resource funding in future federal stimulus packages.

Comment: While there is appreciation for the Department and the complex work happening regarding North of Falcon and Puget Sound fishing, the messaging is not always effective. Kelly acknowledged that

more work is needed around this issue, and he will be happy to connect with BPAG members who wish to discuss it with him.

Question: Has the Department recognized any need to increase the visibility of the value of natural resources and opportunities? Kelly noted that there are introductory discussions among natural resource agencies. When opportunities were closed associated with the coronavirus and the Governor's Stay Home/Stay Healthy order, there was a spotlight on their value to Washingtonians.

Coronavirus Budget Impacts

Nate Pamplin recognized that all members of the BPAG have been impacted by the coronavirus, whether through cancellation of events or fundraisers and business impacts.

The Governor reviewed the final 2020 supplemental budget searching for opportunities to veto some provisions in an effort to decrease spending. For the Department, there was no veto of state general funds appropriated to address the structural deficit. Vetoes for Department work were mainly limited to new and one-time appropriation, with one ongoing item vetoed for aquatic invasive species management. No capital budget appropriations were vetoed. The Department is facing a budget challenge; however, we are on a more stable platform with the purchasing power provided in the 2020 supplemental budget. There may be an opportunity for the Department to receive reimbursements from the federal government for direct costs related to the coronavirus.

The Department has received a memo from the US Office of Finance and Budget providing guidance to federal agencies to be flexible with contracts funding work in state agencies. These contracts provide approximately 25% of WDFW's budget. Other funding entities appear to be following the guidance, having a positive effect on the Department's budget. Pittman-Robertson funds from excise taxes on firearms, archery equipment, and ammunition were projected to be \$5-6 million less in the next biennium, however, recent events have shown an increase in sales. Any rise in sales will not impact the Department's PR apportionment until the next biennium.

On the state budget side, the June revenue forecast is expected to show a significant budget shortfall. This shortfall will likely not be shared equally between all state agencies, due to constitutionally protected work. Natural resource agencies, higher education, general government will likely carry a larger portion of the burden. The Department will receive guidance from the Office of Financial Management soon, and it may be in the range of 10-15% reduction in general funds. The Department will plan for cuts based on the zero-based budget analysis conducted last biennium, and compare with the new strategic plan. Already, the Department is delaying hiring some positions and looking for savings from earlier this fiscal year. The depth of the cuts will be based on the target OFM sets for agencies.

Question: Is there an expected time for the legislature to return for a special session? Tom McBride responded that it could be as early as June, however, it is likely that it will not be until after the next revenue forecast is released.

Nate reminded the BPAG that the state wildlife account provides 25% of the WDFW budget with revenue from hunting and fishing license sales in the non-restricted portion of the account. The WDFW license year starts April 1, and spring is when the Department collects the majority of its license revenue. In April license sales were down approximately 80%, or about \$8M, when compared to sales from April 2019. Discover Pass revenue was also down 50% in April and is projected to be down 20% in May. Since lands

and opportunities opened on May 5, there has been an increase in license sales. The loss of license revenue will be shared with OFM as they consider state general fund cuts. At this time, the state's rainy-day fund has not been used to cover COVID related costs.

Strategic Plan

Jeff Davis updated the BPAG on the progress of the Department's strategic plan with assistance from Lynn Helbrecht and Carrie McCausland. The latest draft of the plan was developed with input from staff and stakeholders, including the BPAG. Currently, Jeff's team is incorporating comments from staff into the plan and an updated version will be shared with the BPAG and the Fish and Wildlife Commission in mid-May before the plan is shared with the public.

The strategic plan covers a 25-year timeline selected to align with a biological timeframe and focuses on change that will be influenced by WDFW. The plan does not list all of the agency's work, but on new work for hunting, fishing, broader conservation, and existing work WDFW needs to do more of, or better. The plan reinforces that the Department serves the public and identifies:

- The current challenge.
- The opportunity.
- Near term actions.
- Preliminary performance indicators.
- Longer term actions.
- Twenty-five-year desired outcome.

The five high-level strategies included in the plan for near-term, long-term, and 25-year outcomes are:

- Be proactive about addressing state conservation challenges.
- Build passionate constituencies through community engagement.
- Connect people to nature and conservation through expanding/enhancing outdoor experiences and stewardship.
- Deliver a science agenda to inform our most pressing fish and wildlife conservation questions.
- Move towards better internal operations.

2020-2023 Operating Budget Request

Morgan Stinson presented the BPAG with a list of proposed operating budget requests for 2021-2023. Each proposed request included a brief explanation of the problem statement, possible solutions, and desired outcome. After reviewing the proposals, the BPAG was offered the opportunity to take a survey to indicate whether they have concerns with a package, feel neutral about it, or feel favorable towards it.

High level categories for proposed budget requests include work involving:

- Aquatic invasive species.
- Columbia River Policy.
- Community volunteer restoration.
- Diversity Species Recovery.
- Enforcement.
- Expedite restoration projects.

- Facilities.
- Fish information systems.
- Fish passage barrier removal.
- Southern Resident Killer Whale (SRKW) hatchery production.
- Hydraulic Permit Approvals (HPA) landowner assistance.
- IT Field office network upgrades.
- Marine mammals.
- Monitoring fish.
- Statewide lake and fish rehabilitation.
- Stewarding WDFW lands.
- Supporting local governments.
- Wild fish for SRKW.
- Wildlife health.

Nate will schedule a BPAG check-in before the Fish and Wildlife Commission meeting on July 31 and August 1.

2021 Agency Request Legislation

Tom McBride reviewed proposals for agency request legislation for the 2021 legislative session.

- PILT Coalition bill that moves payments to Treasury; provides for a single calculation of impacts; allows counties to collect both PILT and fines/fee/forfeitures. This is a culmination of a multi-year effort.
- An operating budget decision package to implement current Columbia River policy on right sizing the commercial fleet. This will involve statutory and rule changes to address future fishery eligibility for participants.
- A bill to correct a technical problem with the State Wildlife Account splitting bill from 2020. It would also include repealing RCW 77.55.331 (HPA approval account – expired in 2017).
- A hunting and fishing recruitment and opportunity bill addressing youth access, license options, full-time college student license discount.
- Bill to provide state Indemnification to the Army Corp of Engineers for Federal Major Restoration Work. This issue ties to the Duckabush restoration project.

Tom reviewed proposals that can be pursued with other agencies or legislators. These would not be WDFW request bills:

- Work with Department of Health to provide non-veterinary WDFW staff authority to use controlled substances for humane euthanasia.
- Work with Attorney General’s Office on repealing Chapter 77.110 (statutes conflict with treaty rights).
- Work with the Department of Natural Resources on forest health and fire responses.

Next Steps

The BPAG will meet again in the second-half of July. A scheduling poll will be sent to members for date preference. The BPAG will have the opportunity to comment on Department budget and legislative proposals once more before they are presented to the Fish and Wildlife Commission at their July 31-August 1 meeting.