

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB469 earmarks \$10 million in cash funds each year of the 2021-23 biennium in the Nebraska Game and Parks Commission (NGPC) Wildlife Conservation Program (Prog. 336) for wildlife damage reimbursement.

In FY21 the overall appropriation to Program 336 is \$32,195,448. Of this total, \$26,625,020 is Cash Fund authority. In the event the bill were to pass and without an overall increase in the appropriation (based on the language of the bill, there is no increase in authority), the agency would reallocate funding from other areas of Program 336 for wildlife damage reimbursement.

The Legislator’s Guide provides the following description of Program 336:

The Commission employs conservation officers located throughout the state to enforce hunting and fishing laws and to monitor compliance with boating laws and park regulations. The communication section develops and publishes various forms (hard copy and digital/web based) of information regarding hunting, fishing, trapping, boating, and park related activities, and publishes the Nebraskaland magazine. This section also develops press releases and radio and television spots with recent focus on social media outlets. Funds are provided in this program to operate four fish hatcheries and one rearing station to produce fish for stocking. Staff conduct research projects to enhance the production, harvest, and preservation of fish and game and the preservation of non-game and endangered species. Operation of public hunting areas is provided in this program as well as the administration of boater and hunter education activities.

As the funding source is identified as a Cash Fund, passage of bill could render the NGPC ineligible to participate and receive federal funding through the Wildlife and Sport Fish Restoration Programs due to a diversion of license revenues (defined at 50 CFR 80.20), as provided for by 50 CFR 80.10 and 80.21. The apportionment for FFY20 for the programs totals approximately \$14.5 million. Additionally, current statute (37-901 & 37-903) assents to the provisions of the Wildlife and Sportfish Restoration Programs requirements.

Lastly, no Cash Fund under the authority of the agency currently has authorization for which an expenditure for wildlife damage reimbursement is able to legally be made. This also negates the ability to determine long-term sustainability of the expenditures.

The NGPC has provided a fiscal note detailing potential issues with federal funding, amongst other concerns.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 469	AM:	AGENCY/POLT. SUB: Nebraska Game and Parks Commission	
REVIEWED BY: Claire Oglesby	DATE: 1/29/21	PHONE: (402) 471-4174	
COMMENTS: No basis to disagree with Nebraska Game and Parks Commission’s fiscal statement.			

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2021

LB⁽¹⁾ 469 appropriate \$10 million for wildlife damage

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Game and Parks Commission

Prepared by: ⁽³⁾ Patrick H. Cole Date Prepared: ⁽⁴⁾ 1/13/2021 Phone: ⁽⁵⁾ (402) 471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	\$10,000,000	_____	\$10,000,000	_____
FEDERAL FUNDS	_____	(14,500,000)	_____	(14,500,000)
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$10,000,000</u>	<u>(14,500,000)</u>	<u>\$10,000,000</u>	<u>(14,500,000)</u>

Explanation of Estimate:

The proposed legislation would provide for \$10 million in appropriation for each year FY22 and FY23 for wildlife damage reimbursement. The funds would be distributed to applicants for reimbursement of damage caused by wildlife. Funds would be distributed on a pro rata basis each calendar year on February 1 (2022 and 2023).

No source of the cash funds is specified. None of the current Game and Parks Commission cash funds provide for reimbursement of wildlife damage. IF the Game cash fund is the intended funding source, the use of those funds to pay for crop losses would constitute a diversion of license revenues and would render the Commission ineligible from further participation in the Wildlife and Sport Fish Restoration (WSFR) Programs with the U.S. Fish and Wildlife Service. The WSFR programs have provided over \$345 million in federal dollars for fish and wildlife work in Nebraska since 1939.

The current apportionment for both programs for Federal Fiscal Year 2020 is just over \$14.5 million. This and future federal apportionments would not be available. Additionally the proposed use of Game Fund monies would be in direct conflict with Revised State Statutes 37-901 and 37-902 in which the State of Nebraska assents to the provisions of the WSFR programs. The proposed level of expenditure would not be sustainable within the Game Fund balance if any assemblance of ongoing work is expected.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

In an effort to help identify the potential scope of a damage program several agricultural statistics were reviewed. Based on a 2001 National Agriculture Statistic Survey (NASS) there was a total of \$619 million in wildlife damage loss across the country to field crops, 75% of which was attributed to deer, turkeys, raccoons and geese. We used NASS data to estimate the total value of field crops in 2001 at \$61.4 billion. The damage value calculates to 1.0% of the total crop value for 2001. Since the game species listed above accounted for 75% of the damage, the estimate is reduced to 0.75%. This percentage can then be applied to the most recent values for crops in Nebraska. The estimated damage equals \$81,025,950.00. Since the estimate of \$619 million isn't broken out by crop types, nor are all field crops accounted for in NASS/USDA data and wildlife densities in Nebraska are lower than most states this percentage and resulting value is likely an overestimate, but provides a rough idea of the potential scope, and demonstrates the magnitude would likely exceed the authority level.

CROP	2019 VALUE	DAMAGE AT 0.75%
CORN, GRAIN	\$ 6,784,596,000.00	\$ 50,884,470.0000
SOYBEANS	\$ 2,378,376,000.00	\$ 17,837,820.0000
HAY & HAYLAGE	\$ 632,346,000.00	\$ 4,742,595.0000
HAY	\$ 614,900,000.00	\$ 4,611,750.0000
WHEAT	\$ 210,102,000.00	\$ 1,575,765.0000
POTATOES	\$ 109,383,000.00	\$ 820,372.5000
SORGHUM, GRAIN	\$ 39,607,000.00	\$ 297,052.5000
MILLET, PROSO	\$ 15,411,000.00	\$ 115,582.5000
SUNFLOWER	\$ 8,067,000.00	\$ 60,502.5000
PEAS, DRY EDIBLE	\$ 7,270,000.00	\$ 54,525.0000
OATS	\$ 3,402,000.00	\$ 25,515.0000
TOTAL	\$ 10,803,460,000.00	\$ 81,025,950.00

Since this legislation is not limited to agricultural crops, deer vehicle collisions would need to be included at an estimated 2,700 hits/year (according to the NDOT) at an average expense of \$2,700 (source: National Insurance report) equals \$7,290,000.00.

Damage to fences and stored crops from game animals are not addressed as there is currently no data to extrapolate. Other damage could include losses to livestock due to predation by mountain lions. The Commission has averaged 3.7 confirmed mountain lion depredations in the last 3 years (a total of 11 animals). The depredation has occurred on goats and chickens. On average the losses have been \$684/year. Other estimates of game animal damage to livestock is unknown and not estimated.

Other damage that the Commission was not able to estimate include wildlife damage in urban or suburban settings, examples would include ornamental trees, vegetable gardens, pet loss and structural damage.

The legislation provides for no additional authority for administering the program and intends for the funds to be distributed on a pro rata basis to applicants. It is unclear whether there is any intent for the applications to be reviewed and verified or to simply be reimbursed as requested in a proportional amount of total claims and dollars available.