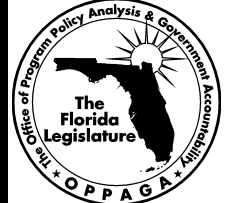




Office of Program Policy Analysis And Government Accountability



John W. Turcotte, Director

March 3, 1997

Follow-Up Report on Game and Fresh Water Fish Commission Funding Issues

Abstract

The Commission has implemented some of our recommendations and presented others to the Legislature for its consideration. However, despite actions taken to reduce expenditures and increase revenues, the Commission is anticipating a \$3 million deficit for fiscal year 1997-98.

Purpose

In accordance with s. 11.45(7)(f), F.S., this follow-up report informs the Legislature of actions taken by the Game and Fresh Water Fish Commission in response to Report No. 94-40, which we issued March 8, 1995. This report presents our assessment of the extent to which the Department has addressed our findings and recommendations.

Background

The Commission is a constitutional organization responsible for managing, conserving, and protecting Florida's wild animal life and freshwater aquatic life. To perform these responsibilities, the Commission spent approximately \$63.7 million on programs, plus an additional \$8.7 million on land acquisition, in fiscal year 1996-97.

Our prior report addressed issues concerning the Commission's projected funding shortfalls in the State Game Trust Fund. We analyzed the causes of the shortfalls in the Trust Fund, actions taken to avert this

situation and identified options to reduce Commission costs and/or increase revenues.

Prior Findings

Our prior report found that expenditures from the Trust Fund had consistently exceeded revenues by approximately \$1.4 million annually for the previous three fiscal years. As a result, the fund balance had been declining. This is significant because the Trust Fund is the primary funding source for Commission programs. The Trust Fund supplies approximately half of the funding for Commission activities, not including land acquisition. The major revenue source for the Trust Fund is the sale of fishing and hunting licenses and permits, which generates approximately half of the Trust Fund's revenues.

In November 1993, the Commission projected a Trust Fund deficit for fiscal year 1994-95 and estimated it needed approximately \$5.4 million in additional revenues to prevent a funding crisis. According to the Commission's Legislative Budget Summary for fiscal year 1994-95, the projected deficit resulted from the cumulative impacts of lower-than-projected revenues and greater dependence on Trust Fund monies due to reductions in general revenue. Another factor affecting the projected Trust Fund deficit was that the Commission had identified the need to maintain a minimum cash balance of \$1.5 million to ensure that payroll and other obligations could be met.

Actions taken by the Commission and the Governor's Office at the time of our report averted a deficit for fiscal year 1994-95. However, these actions were temporary in nature and projected expenditures from the

Trust Fund were still expected to exceed projected revenues, thereby reducing the cash balance of the Trust Fund. Permanent reductions in expenditures, increases in revenues, or permanent funding shifts would be needed to avert a Trust Fund deficit.

Current Status

The Commission has taken action on some of our recommendations to improve its funding situation. However, despite these actions, the Commission is still anticipating a \$3 million deficit for fiscal year 1997-98. In response to this the Commission has provided a list of possible program cuts to the Legislature for consideration. Action by the Commission and the Legislature are still needed to permanently resolve this deficit problem.

Actions Taken

As we recommended, the Legislature has taken several steps to reduce the Commission's costs. These include authorizing the Commission to charge a daily use fee at Wildlife Management Areas (WMAs) to non-hunting members of the public, generating estimated annual revenues of \$40,000; and eliminating restrictions on expenditures of management area stamp revenues, resulting in greater spending flexibility over approximately \$472,000 annually.

Actions Not Taken

To address the continuing Commission funding deficit the Legislature should consider the following options recommended in our prior report:

- Examine the costs and potential benefits of research projects requiring high state matching funds. The Commission has identified six research activities that could be reduced or deleted for a savings of \$1,106,306.

- Pursue the merger of the Commission and the marine resources functions conducted by the Department of Environmental Protection.
- Consider closing 14 WMAs that are on leased lands. The Commission proposed that land owner payments be reduced by \$400,000 for fiscal year 1996-97. The Commission has proposed privatizing these 14 WMAs for a savings of \$900,000 for fiscal year 1997-98. The Legislature has not implemented either of these proposals.
- Establish a minimum hunting and fishing license fee for senior citizens. Currently 30 states require a senior citizen freshwater fishing license and 21 states require a senior citizen hunting license.

Recent Proposals

At the November 1996 meeting of the Florida Boating Advisory Council, the Council asked the Department of Environmental Protection to seek legislation that would require non-motorized boats, which are currently exempt, to pay annual vessel registration fees.¹ The additional revenues would be used to add more officers to the Florida Marine Patrol. Currently, the Commission does not receive any funds from vessel registration fees for law enforcement activities, although it provides services to boaters who use the state's freshwater rivers and lakes. If the Legislature amends vessel registration requirements and additional revenues are generated, it may wish to consider allocating a portion of these new revenues to the Commission.

¹ The Florida Boating Advisory Council is a 16-member council comprised of government agency representatives, private citizens, and boating industry representatives who are appointed by the Governor and make recommendations related to boating issues to the Department of Environmental Protection and the Department of Community Affairs.

This project was conducted in accordance with applicable evaluation standards. Copies of this report may be obtained by telephone (904/488-1023 or 800/531-2477), by FAX (904/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302).

Web site: <http://www.state.fl.us/oppaga/>

Project Supervised by: Julie Ferris (487-4256)

Project Conducted by: Bill Howard (487-3777)