



MEMORANDUM

TO: Chair Representative Ortiz, House
Finance Fish & Game Subcommittee

DATE: 3/14/2019

FROM: Doug Vincent-Lang, Commissioner
The Department of Fish and Game

RE: 3/12/19 Committee
Questions

On Tuesday, March 12, 2019 the Acting Director of Administrative Services, Samantha Gatton and Commissioner Vincent-Lang continued the Department of Fish and Game's budget overview. The following questions were raised in preparation for the March 14th hearing. To aid in the department's response, several documents are enclosed which are referenced throughout. The department will be prepared to discuss further during committee.

Q: What did the Department of Fish and Game use non-Fish and Game Fund match for?

A: The vast majority of hunter access projects funded in the past few years have been matched with funds from outside the department. A few examples of entities contributing to the non-federal match are the Department of Natural Resources, Divisions of Parks and Outdoor Recreation and Mining, Land and Water, the Juneau Community Foundation, Great Land Trust, the MatSu Trails & Parks Foundation. For a full list of projects in progress please see attachment C.

Q: Precisely how much Pittman-Robertson (P-R) Funds were reverted last year?

A: Five different grants closed, causing the \$2.9M reversion. Please see attachment A to view these grants individually.

Q: Does the Department of Fish and Game have enough match for the estimated \$24 million of P-R Funds available for the FY20 budget?

A: No, the department does not have sufficient match in the FY20 Governor Amended Budget in order to obligate enough federal dollars to establish a safety margin. The department will need an additional \$1.7M in Fish and Game Fund authority to prevent reversion. The administration has made it very clear that revenues should equal expenditures and we support that budget. The department will work with the resources that we are given, even if the result is reversion.

Q: Does the department have enough funding to obligate, and not revert P-R Funds, for the upcoming fiscal year?

A: No, the department does not have enough Fish and Game Fund authority to obligate the amount of grants required to enable the establishment of a safety margin for future years. The reversion occurs when prior year grants close and there is insufficient safety margin through which to recover those unspent funds. A shortfall in Fish and Game

Funds this year means the department cannot establish a safety margin and will revert funds in future years.

Q: Precisely how much is the department's safety margin this year?

A: If the Division of Wildlife Conservation (DWC) has sufficient Fish and Game Funds to submit a \$24M federal operating grant, the safety margin will be \$2.3M. Please see attachment B for further details.

Q: How much does the department expect in the following year safety margin?

A: It is not possible to give an accurate assessment at this time. The department requires the obligations through September 30, 2019 in order to do so.

Q: Can the department provide a four-year look-ahead anticipating the use of Fish and Game Fund, to anticipate the liquidity of that fund?

Attachment E provides details on the DWC portion of Fish and Game Fund, including revenue and expenditures through FY18 and projections through FY24. This document also depicts the additional Fish and Game Fund match that is needed to establish a safety margin. If an increase in Fish and Game Fund authority were granted, the department would spend down portion of the Fund's carryforward balance. Ideally, the department would like to have roughly twenty five percent (or \$3M) of current revenue as an ongoing balance. A one time draw of \$1.7M will leave that twenty five percent balance.

Q: What fund source is the department using to match P-R Funds for all projects presently submitted?

A: The vast majority of the state match for P-R Funds comes from the Fish and Game Fund. Most of the non-Fish and Game Fund match in recent years has been for hunter access projects. Attachment C includes the hunter access projects currently funded and lists the source of match.

Q: What is the current Fish and Game Fund balance and how much will be used for PR Fund match?

The current balance is \$6.7M. See Attachment E for additional details.

Q: Are any existing grants unexpended or set to expire in the near future?

A: Please see attachment A. This document details the existing grants expected to close out in the next year.

Q: Can the department provide a list of projects waiting for P-R Funds?

A: Attachment D provides a list of potential future projects.

Encl.

Attachment A – PR Grant Status Update

Attachment B – FY19 Obligations & Safety Margin Calc.

Attachment C – Access Projects in Process

Attachment D – Potential Access Projects

Attachment E – DWC F&G Fund Projections