

Testimony of Secretary Darrell Bazzell before the Natural Resources Committee on Splitting Natural Resource Management - Onalaska, May 9, 2001

Thank you Mr. Chairman and members of the Committee. I greatly appreciate the opportunity to testify here today on this proposal to split natural resource management in Wisconsin. This is perhaps the most important vote that the state legislature will take on conservation in the next 20 to 30 years and I applaud your holding hearings on this topic. As you will recall, four hearings were held on this issue by Representative Gunderson during the last legislative session. The overwhelming preponderance of the testimony at those hearings was against splitting up natural resource management in Wisconsin.

Today I would like to talk about the great benefits of having a highly integrated natural resource agency such as we have in Wisconsin and also address some of the issues that the proponents of this proposal have raised.

In 1967 under the direction of Governor Warren Knowles, the Kellet Commission spent over a year and a half getting public input on whether the natural resource functions of the Conservation Department, the Department of Resource Development and the Public Service Commission should be joined together in one agency to manage Wisconsin's natural resource. They concluded that because of the past continual lack of effective coordination between those agencies which led to friction and litigation, that it was important to merge all these similarly based functions into one agency. They also recognized that as major new programs relating to the environment were emerging that it would be more efficient and effective to integrate all functions relating to the management of natural resources into one agency ----- They also understood very clearly the interaction of air pollution on our forests and fisheries ---- they also understood the importance of forest and forest management practices on water quality; the fundamental relationship of water quality and wetland management on fish and wildlife habitat and how having experts in these areas working together on a daily basis would lead to more successful natural resource management at a lower cost. These government leaders were truly visionary and more important they were right, then in 1967 and even more for the year 2001.

Let's look at the bottom line results ----- if you are interested in fish and wildlife; hunting and fishing in this state is extremely good whether you hunt for deer, turkey, grouse or virtually any game species. If you fish for muskie, trout, bass, salmon or virtually any fish species, fishing is great. If you are interested in the Conservation Law Enforcement program, Wisconsin has the best in the nation, interested in parks ---- we have been nominated for the best state park program in the country. If forestry is your interest, Wisconsin has one of the best state forestry and fire control programs in the country ----- 640, 000 + new acres of forests from 1983- 1996. Solid waste management, endangered resources, air quality management, water quality, recycling, information and education, research, ground water protection, wetlands protection, floodplain management, etc., etc ----- each of these programs has been recognized nationally as being some of the best and innovative conservation programs in the country. Wisconsin currently holds the Presidency of organization for state environmental agencies across the country and the Vice-presidency of the state fish and wildlife

agencies. Wisconsin is the only state in the country that has held both positions much less at the same time. Wisconsin is recognized as a national leader in natural resource management ----- one of the top two or three natural resource agencies in the country.

The proponents of the split have recently compared Wisconsin to Michigan and Minnesota ----- go ahead and ask the four leaders of the conservation and environmental agencies in those states of what they think of Wisconsin DNR's reputation for natural resource management. I am confident that they will tell you that they look up to Wisconsin's programs and recognize our leadership. Clearly Wisconsin's integrated natural resources programs are highly effective.

One of the issues that is raised by split proponents is that the agency is unmanageable. If you are talking about the ability to manage natural resources, it is far more manageable for one Secretary to have all the major programs involving natural resource management and staff in the same agency rather than when those responsibilities are in two or more agencies and you have different priorities, you have turf battles and you lose accountability of responsibility for results. Under that system when resource objectives are not met, it is always the other agencies fault -----It was to correct these very problems that led to the creation of an integrated DNR in 1967.

Proponents of splitting up natural resource management in Wisconsin point to the non-point program and the PECFA programs as two environmental programs that are managed by two agencies. Unfortunately, these programs are classic examples of continual agency controversy, turf battles and legislative concerns over uncoordinated management. In the nonpoint program Representatives Johnsrud and Ott, Senator Burke and many other legislators have had to step in many times over the last ten years to sort out policy and fiscal differences and settle turf battles between the DNR and the Department of Agriculture, Trade and Consumer Protection. The counties and the State Land and Water Conservation Board would definitely not hold the nonpoint program up as a model of efficiency and integrated management.

Let's look at the PECFA program. Has there been another program split between two agencies that has engendered more controversy and inter agency conflict in the last ten years than the PECFA program? Senator Welch can attest to having to hold monthly meetings of the Joint Committee on Administrative Rules for more than a year to try to sort out the inter-agency differences between the Department of Commerce and the DNR. We don't need any more of that costly friction and frustrating loss of effective program management. And if you split up natural resource management in Wisconsin it will likely occur in other natural resource programs. Opportunities will occur such as controversies between foresters and water quality managers, fish managers and animal waste regulators, wild life managers and wetland managers ----- -the list could go on for hours ----- The list would be long because these individual programs have hundreds and thousands of policy and operational connections. This isn't hypothetical, that is exactly what was happening before 1967. Whether the public or the Legislature sees it, most of these potential conflicts and issues are worked out internally in the Department on a daily basis and the public and the natural resources of the state are far better off for it. It is greater efficiency and far more effective than if we had two agencies managing the same natural resource agencies.

An issue has been raised by some proponents of splitting natural resource management in Wisconsin that fish and wildlife, parks and forestry do not get enough top management attention. I can assure you as I am sure that former Secretary Meyer will, that these programs receive major attention by the Secretary's Office. Whether it is deer management, mercury contaminated fish, the perch population in Lake Michigan, skills training for youth hunting, fishing and trapping, wetlands protection, constitutional amendments to bear arms and protect hunting, fishing and trapping, etc.----the top management of DNR is highly involved in fish and wildlife issues For Forestry whether it is managing the dramatic increase in Managed Forest Law applications, National Forest roadless area issues, proposed EPA regulations on forestry practices, the new Division of Forestry, the impacts of the endangered Karner Blue Butterfly on forest management, the master plans for the federal and state forests, the major budget diversions of the forestry account, the gaining of several new staff for the program, etc ----- DNR top management is highly involved in the forestry program. For Parks whether it has been the major activities involved in celebrating the Centennial Year of the park system, the aggressive support for new parks staff in the budget, the establishment of three new parks in the last four years, getting pay raises for LTE rangers, etc ----- DNR top management is highly involved in the parks program.

Lastly I would like to address the main issue that the proponents of splitting natural resource management in Wisconsin raise and that is their false allegation that fish and wildlife dollars are being spent by the Department for non-fish and wildlife purposes. This false statement is made despite repeated state and federal audits that find that fish and wildlife funds are not being diverted from fish and wildlife purposes. Most recently proponents allege that the Legislative Audit Bureau audit found that 40% to 60% of such funds are not being spent for fish and wildlife purposes. The Proponents intentionally mischaracterize an audit report category entitled: "Expenditures Benefiting Multiple Users". The funds in this category are spent for activities specifically for hunters and anglers but what the audit bureau found is that these activities have a secondary benefit for non-hunters and anglers. An example in this category is the maintenance of DNR fishing and hunting properties ----- Why do we do this activity? -Obviously this work is done for hunters and anglers but the fact is that anyone that walks on the property benefits and therefore this activity fell into the Audit Bureau's category for "Expenditures Benefiting Multiple Users". The audit report does not say that these expenditures weren't for fish and wildlife purposes or that it was an inappropriate use of hunting and fishing license dollars.

Other examples of activity in this Audit Bureau Category were:

- Wardens and Fish and Wildlife Managers attending conservation meetings
- Processing game farm licenses
- Wardens responding to hunting accidents
- Hunter education

- Land acquisition for fish and wildlife lands
- Debt service on lands acquired for fish and wildlife purposes
- Equipment maintenance for fish and wildlife managers
- The cost of the vacation time that is part of the compensation package for wardens and fish and wildlife managers

Are these activities done for hunters and anglers? Obviously they are and it is appropriate that they be paid for out of the fish and wildlife account.

Some individuals are intentionally misleading hunters and anglers by telling them that the Department is mispending their dollars. It is time that these individuals stop making such false statements. The Department would eagerly undergo an annual audit by this Committee to show that the dollars in the fish and wildlife account are properly spent.

The audit does find however that the Department was not doing a good job in telling hunters and anglers how we spend their dollars. At Secretary Meyer's request I chaired a committee of hunters and anglers and Representatives Gunderson and Senator Shibilski. The Committee came up with a detailed booklet and shorter pamphlet that detailed exactly how the DNR spends hunting and fishing license dollars. I have brought along for everyone's information the third annual copy of those financial reports.

There have also been concerns raised that funds from the Forestry Account and the Parks Account have been spent for non forestry and parks purposes. That is a true statement but it is not because of actions of the Department. In the last two biennial budgets \$39 million has been diverted from the Forestry Account through the biennial budget process. In the last state budget over \$2 million was removed from the state parks account.

These actions were opposed by the Department. As a former budget analyst, I am keenly aware of the biennial challenge the legislature faces to balance the General Fund. However, to continually blame the DNR for these fund transfers and use the transfers as rationale for splitting the agency is grossly unfair.

Proponents of the split have stated that the Conservation fund is paying too high a percentage of the Department's overhead. That is inaccurate. The fair share of the Department's overhead for the Conservation Fund would be 63%. In fact the percentage of Department overhead paid for by the Conservation Fund is 57%.

In the last session the Legislature capped the percentage of the Fish and Wildlife Account that could be spent on support services at 16%. In the 2001-2002 fiscal year we will be at 15.78%. In the 2002-2003 fiscal year we will be at 15.61%

My last fiscal concern for this proposal to split the agency is that it will either cost taxpayers and license buyers at least \$3 million or it will reduce services to them by at least \$3 million. If you create two new agencies you will now need two Secretaries, two Deputies, two Executive Assistants, two sets of regional management, two personnel bureaus, two legal bureaus, two finance bureaus, two data management bureaus, many new supervisory positions in the field since you will be breaking up many integrated work units, etc., etc., etc., The list of duplicative costs goes on and on. The proponents of the split state that they would insist that the split must happen without any cost -All that means is that front line services and conservation projects would be reduced by millions of dollars to pay for the new overhead costs. As an example you would lose the equivalent of two fish or wildlife positions to pay for the creation of the new Secretary position.

In conclusion, it is critically important that we not lose the excellent natural resource management programs we have in the State of Wisconsin. Nor should we squander the hard earned tax dollars and license fees of Wisconsin citizens. I am firmly convinced both of these undesirable results would occur if the Legislature splits natural resource management in Wisconsin. Thank you very much for the opportunity to testify before you here today.