

ASSEMBLY COMMITTEE ON WATER, PARKS AND WILDLIFE

INFORMATIONAL OVERSIGHT HEARING:

DEPARTMENT OF FISH AND GAME Protecting and Managing California's Wildlife and Biodiversity

Tuesday, February 9, 2010
State Capitol, Room 437
9:00 ~ Noon and 2:00 ~ 4:00

Background

Mission

The Department of Fish and Game (DFG), a department of the State Natural Resources Agency, is responsible under the state constitution and statutory law for managing and conserving the state's diverse fish and wildlife and their habitats. The specific mission of DFG is to manage California's fish, wildlife and plant resources, and the habitats upon which they depend, for their ecological values and for their use and enjoyment by the public. Along with DFG, the California Fish and Game Commission, composed of five members appointed by the Governor and confirmed by the Senate, is responsible for formulating general policies for the conduct of the Department that the DFG Director is responsible for administering.

In addition to its traditional role of managing fish and game activities, DFG is the state's lead agency charged with conserving and restoring California's wildlife and ecosystems. These are broad responsibilities that have expanded and become increasingly more complex over time. California is both the most populous and the most biologically diverse state in the nation. As a result of population growth and associated development pressures, California's environment has experienced unparalleled stressors and resource conservation challenges. With these growing pressures on wildlife, and growing public awareness of the importance of biodiversity and natural resource conservation, the Department's scope of responsibilities has evolved over the past 30 to 40 years from one primarily focused on managing fishing and hunting programs, to serving as the public trust steward for all wildlife, habitat and ecosystems in the state.

Responsibilities

The state's Wildlife Action Plan notes that more than 20 new conservation programs have been enacted since 1968 that DFG has responsibility for administering. Today DFG's responsibilities include but are not limited to all of the following:

- Traditional fish and game management (hunting and sport fishing licensing, tags, limits, seasons) and providing the public with fishing and hunting recreational opportunities.
- Conserving California's native fish and wildlife and their habitats.
- Land management - DFG is responsible for managing over 1 million acres of public lands, and for oversight of mitigation lands and conservation easements.
- California Endangered Species Act (CESA) – listings, recovery plans, permits.
- Natural Communities Conservation Planning (NCCP)

- Water Resources Management, including the CALFED Ecosystem Restoration Program, instream flow recommendations, and obtaining water rights for DFG-managed wetlands and wildlife management areas
- California Environmental Quality Act (CEQA) consultation
- Timber Harvest Plan (THP) review
- Federal Energy Regulatory Commission (FERC) application review
- Permitting – Streambed alteration agreements, instream suction dredging, CESA incidental take permits.
- Biological monitoring
- Hatcheries operation and management
- Marine Fisheries management
 - Marine Life Management Act (Fishery Management Plans)
 - Marine Life Protection Act (Marine Protected Areas)
 - Other marine fisheries laws (commercial licensing, trap and gear requirements, fish stock and EFI assessments)
- Renewable energy siting consultation and permitting issues
- Biodiversity conservation planning and monitoring, including climate change adaptation.
- Invasive species monitoring, prevention and control
- Off-Shore Oil Spill Prevention and Response program (OSPR)
- Vegetation and biogeographic mapping and other database systems management
- Implementation of the State Wildlife Action plan
- Enforcement of California's fish and game laws

Current Challenges facing Fish and Wildlife Management

While California's biodiversity is one of the highest in the nation, that biodiversity is increasingly at risk from multiple stressors. Some of the most critical issues include: loss and fragmentation of habitat (as just one example, over 95% of California's historical wetlands have been lost), dramatic declines in many of California's native fish species, anticipated effects of climate change on species and ecosystems, and challenges in meeting California's ambitious renewable energy goals to combat climate change, while simultaneously protecting wildlife and critical habitat areas.

Fisheries

Fish declines in the Delta have been well publicized. Following reports in 2004 of precipitous declines in Delta fish species, a multi-agency state and federal Pelagic Organism Decline (POD) management team was formed to study the causes of the decline. In November of 2007, the DFG fall survey of native Delta fish found that 5 of the 6 species surveyed had declined to record lows. California's commercial and recreational salmon seasons have been shut down for the past 2 years – and likely face severe restrictions again this year due to the low number of returning fish from California's Chinook salmon Central Valley Fall run. The Central Valley Fall run has been the backbone of the salmon fishery for California, Oregon and much of the west coast.

A report commissioned by California Trout and coauthored by Dr. Peter Moyle of the University of California at Davis in 2008, entitled SOS: California's Native Fish Crisis, documents the following:

- 65% of California's salmon, steelhead and trout species are at risk of extinction in this century if present trends continue, and 65% of those in trouble are endemic to California (species found only here).
- Coho salmon in California's northern streams are on the verge of extinction and could be lost in a few years if significant actions are not taken to save the species.
- Most rainbow trout and steelhead populations are also in danger of extinction.

The report points out that these species support, or historically supported, commercial and recreational fisheries, so they have economic as well as cultural value. They also are strong indicators of the health of California's streams, as large self-sustaining populations of native salmon and trout are found mainly where watersheds are reasonably intact ecologically and streams are in good condition.

With regard to the role of DFG, the SOS report emphasizes the need for a comprehensive restructuring and revitalization of DFG, including increased funding, to enhance its capacity as the state public trustee legally vested with managing, protecting and conserving the state's fish and wildlife. The report asserts that DFG must have adequate statutory authority, as well as political independence, and the financial capacity to meet its myriad legal and administrative public trust responsibilities for conserving California's fish and wildlife.

Need for Collaboration and partnerships

The SOS report, and numerous other reports, also note the need for ongoing support and engagement of the federal resource agencies, including NOAA Fisheries and the United States Fish and Wildlife Service, as well as the active involvement of private, academic and local community partners. The preface to the department's State Wildlife Action Plan similarly notes that California's diversity and complexity necessarily demands a collaborative approach to conservation. Protecting the state's biodiversity is not something one department alone can accomplish, but requires the collaborative efforts of many partners and ultimately all Californians. Nevertheless, as DFG is the primary legal public trustee for the state's fish and wildlife, it is natural that the state look to the Department to provide the leadership necessary for a statewide comprehensive strategy to protect and restore California's wildlife and biodiversity.

State Wildlife Action Plan

In 2000 Congress passed a law requiring all states that accept federal State Wildlife Grant Program funding to complete a comprehensive state wildlife conservation strategy by the end of 2005. State wildlife conservation strategies are intended to provide a blueprint to guide state fish and game department management of non-game wildlife. All states are charged with public trust responsibilities to protect their fish, wildlife and plants for the benefit of the public. In order to avoid more wildlife being placed on the endangered species list, Congress required these plans to give state fish and game departments the direction and tools necessary to protect their declining fish and wildlife. California's Wildlife Action Plan (W.A.P.), a 600 page report, was developed in 2005 and is due to be updated in 2010. The plan identifies species and habitats in greatest conservation need, major stressors affecting native wildlife and habitats, and actions needed to restore and conserve wildlife in order to reduce the numbers of species that need to be listed as threatened or endangered. The W.A.P. documents the following:

- California has the largest number of endemic species of any state in the nation.

- Major statewide stressors affecting every region or multiple regions of the state include but are not limited to:
 - Urban growth and land development
 - Water management conflicts
 - Invasive species
 - Climate change
 - Altered fire regimes
 - Pollution
 - Urban and agricultural runoff

Key findings of the W.A.P. with regard to DFG's role and capacity include:

- California needs to strengthen its wildlife resource assessment and conservation planning capabilities, and to dedicate greater and more reliable funding for wildlife conservation.
- At present DFG can assess only a fraction of the state's species and habitats. To effectively monitor species' populations and ecological trends, DFG needs an expanded, comprehensive, statewide program that coordinates wildlife assessment activities.
- Over the last 30 years, resource assessment activities of DFG have been significantly reduced, though in recent years DFG has devoted staff resources to enhancing several database management projects, including the California Natural Diversity database, Vegetative Classification Mapping, Resource Assessment Program (RAP), and other similar biogeographic database systems. In spite of these efforts, large gaps in resource assessment capabilities and information remain.
- Budget reductions have reduced DFG's field research capabilities. Limited funding is available for field studies to gather basic biological information.
- DFG lacks the staff to comment on many local land use development projects, and local projects are often approved without review by a DFG or local agency biologist.
- Approval of local development on a project-by-project basis results in fragmentation of habitat, and in blocking of wildlife corridors.
- The NCCP program, a regional multi-species approach to comprehensive conservation planning and development, is a tool that can provide for conservation of species and their habitats on a broader ecosystem scale, while also allowing for development to proceed in areas less critical for wildlife. However, DFG does not have sufficient staff to provide the scientific assistance and planning required for many NCCP plans, and more incentives are needed for local governments to engage in NCCP planning efforts.

Climate Change Adaptation

The 2009 California Climate Adaptation Strategy, coordinated by the State Natural Resources Agency, summarizes best available science on climate change impacts to the state, assesses vulnerability, and outlines possible solutions to reduce climate change impacts. The report includes a section on biodiversity and habitat drafted by DFG in partnership with the Department of Parks & Recreation. The report notes California is one of 25 "biodiversity hotspots" in the world, and has the most unique plant and animal species, and the greatest number of endangered species, of any state in the nation. As much as 20% of all native amphibians, reptiles, birds and mammals in California are classified under state or federal endangered species acts. The report also notes California is one of only 5 regions in the world with a Mediterranean climate, habitats of which are considered to be more threatened by climate change than even the tropical rain forests.

The biodiversity and habitat section of the report summarizes the anticipated impacts and risks to California's biodiversity from climate change and recommends various strategies for adapting to the anticipated changes. At the heart of these strategies is the recommendation to create and maintain a network of connected and sustainable ecological reserve areas across the state that builds on existing conservation areas and investments, provides refuge areas, and aids the movement of species within reserve areas as they adjust to changing conditions associated with climate change. The report recommends that the system of priority sustainable habitat reserves provide for protection of habitat in all nine ecological bioregions identified in California's Wildlife Action Plan. The report also recommends that climate change be incorporated into all existing conservation programs and policies. Addressing the needs of climate change adaptation will clearly add to the complexity of DFG's workload and responsibilities. The strategic report also notes the importance of collaborative partnerships in addressing this challenge.

Findings of Other Reports

Over the years, several reports by such entities as the Little Hoover Commission, the Legislative Analyst's Office, the State Auditor and others have documented chronic problems with administering California's fish and wildlife programs, including:

- Unfunded mandates
- Insufficient scientific monitoring and assessment
- Improper fund allocation and inadequate fiscal auditing systems
- Unclear priorities for managing fisheries and unimplemented recovery plans
- Lack of consultation on environmental assessments
- Limited resources for enforcement

While progress has been made in some of these areas, significant challenges remain.

The Ocean Protection Council recently commissioned a study of the state's implementation of the Marine Life Management Act, entitled "MLMA Lessons Learned." The report found that for the most part implementation of the law has been slow and minimal, with only 3 fishery management plans prepared in 12 years for the more than 100 California managed fisheries. Among its many recommendations and findings, the report notes that DFG lacks the overall capacity and resources to implement the law, including the necessary scientific capacity, and that the Act has been inadequately funded.

Another recent report entitled The Treanor Report examines the relationship of the Fish and Game Commission and the DFG, and compares the state's current structure with other state models. The report suggests a number of structural changes in the roles and authorities of the Commission and Department, and also suggests that the names of the Department and Commission be changed to better reflect the broader scope of the Department's mission.

Funding Shortfalls

The fiscal difficulties of DFG have been repeatedly acknowledged by the Legislature, but to date have not been solved. Several existing Fish and Game Code sections describe the problem (see §§ 710, 710.5, 710.7, 711). General Fund support for DFG dropped from \$84 million in 2000, to \$37 million in 2005. By 2008/09 General Fund support for DFG had increased to \$82 million, but decreased to \$37.3 million in 2009/10, due in part to a one-time \$30 million fund transfer.

The Governor's proposed General Fund budget for 2010 for DFG is \$68.9 million. The Governor's budget also proposes a \$5 million reduction for fishing, hunting and management of public lands in 2010/11, and an increase of \$2 million from the Fish and Game Preservation Fund for 6.7 new warden positions.

Wildlife and Marine conservation programs are the primary beneficiaries of limited general fund dollars, and so are often impacted by budget reductions. Fishing and hunting programs and related conservation efforts have some dedicated funding sources from licenses, fees, stamps, and federal excise taxes, but the public trust duties of DFG and conservation programs that broadly benefit species, habitats and ecosystems, lack similar dedicated funding sources.

The state W.A.P. notes that in many cases new workloads have been mandated for DFG without providing sufficient new funding, and that resource assessment, conservation planning, and many other tasks necessary to conserve at risk wildlife species are underfunded. DFG manages over 1 million acres of habitat lands, acquisition for which has been funded through major bond acts and other appropriations, but funding for management and maintenance is often lacking.

Other states have faced similar problems in funding their fish and wildlife programs and have implemented a variety of funding strategies, including but not limited to the following:

- Dedicating a small percentage of general sales tax revenue to wildlife conservation
- Real property transfer tax
- Documentary stamp tax
- Dedicating a portion of state lottery revenues
- Requiring purchase of a Wildlife Habitat Stamp for state wildlife areas
- Environmental license plate revenues
- Tax check-offs for non-game wildlife
- Sales tax on outdoor equipment sales
- Revenues from vehicle speeding fines
- General obligation bonds

Proposed Ballot Initiative

A proposed ballot initiative, which is currently being circulated for signatures in California, proposes an \$18 annual vehicle license surcharge to fund state parks and wildlife conservation programs. In exchange for the \$18 payment, all registered California vehicles would receive free day use access to California state parks. The Legislative Analyst and Director of Finance estimate the initiative if passed would generate revenues of about \$500 million per year. Eighty five percent (85%) of the revenues would be allocated to fund the state park system, 7% to the Department of Fish and Game for wildlife refuges and ecological reserves, 4% to the Ocean Protection Council for marine wildlife conservation and protection of coastal waters, 2% to state conservancies, and 2% to the Wildlife Conservation Board. The amount raised for DFG would be approximately \$35 million per year.