

MAINE STATE LEGISLATURE

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STATE OF MAINE

ONE HUNDRED AND SEVENTH LEGISLATURE

COMMITTEE ON PERFORMANCE AUDIT

February 27, 1976

Legislative Council
State House
Augusta, Maine 04333

Gentlemen:

Herein is the report of the Joint Standing Committee
on Performance Audit on its study of S.P. 587.

Respectfully submitted,

A handwritten signature in cursive script, reading "Richard N. Berry", written over a horizontal line.

Sen. Richard N. Berry
Senate Chairman

A handwritten signature in cursive script, reading "Georgette B. Berube", written over a horizontal line.

Rep. Georgette Berube
House Chairman

enclosure
HTG/sym

Report of the Performance Audit Committee
on its study, of
the Department of Inland Fisheries and Game,
Pursuant to S.P. 587

February 27, 1976

Senate

Richard N. Berry, Chairman
Theodore S. Curtis, Jr.
Alton E. Cianchette

House

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TABLE OF CONTENTS

	<u>Page</u>
The Study Order	1
Background	1
Environmental Laws.....	2
Search for Lost Persons	3
General Fund Financing	3
Maine Sources of Revenue Compared and Contrasted with Other States	5
Surplus Account	7
Public Hearing	8
Financing Issue--Background	10
Funds Available to the Department	10
Expenditure and Programs of the Department	12
Other Financing Problems	14
Considerations and Recommendations	14
Footnotes	17
 Appendices:	
Appendix 1 -- S.P. 587	19
Appendix 2 -- Table 1 -- Comparison License Fees	22
Appendix 3 -- Table 2 -- Inland Fisheries and Wildlife Cash Balance	24
Appendix 4 -- Table 3 -- Surplus Account Activity, 1956 - 1975	26
Appendix 5 -- Table 4 -- Surplus Account Balance by Month, 1973 - 1975	30

	<u>Page</u>
Appendix 6 -- Table 5 -- Department of Inland Fisheries and Wildlife, FY 1974 - 1975 Budget	32
Appendix 7 -- Table 6 -- Department of Inland Fisheries and Game Organization Chart	34
Appendix 8 -- Table 7 -- Allocation of Costs to Fish- and-Game and Other Activities	36
Appendix 9 -- Table 8 -- Illustrative Average Annual Inflation Rates, 1973-1975	38
Appendix 10-- Draft Legislation to Implement Recom- mendations of the Subcommittee	40

The Study Order. The Performance Audit Committee, of the Maine State Legislature, in response to Legislative Order S.P. 587 appointed a sub-committee to carry out the study authorized. The order required the Committee to consider and report on the funding and sources of revenue of the Maine Department of Inland Fisheries and Wildlife, the operations of the Department and to determine whether or not the present system of dedicated funding is sufficient to meet the requirements of the statutes and regulations that the department enforces.

Background. The study order was prompted in part by the realization that insufficient information was available to the 107th Legislature regarding the Department's request for additional funds totaling approximately \$1,200,000, to be raised by increasing license fees. Approved by the Legislature were increases that would provide an estimated \$600,000 to the Department, beginning with the 1976 fiscal year.

During the debate on the legislation, one issue raised was the pressure on the Department Budget, resulting from inflation. In addition, it was stated that increasing amounts of personnel time have had to be devoted to investigations for and enforcement of environmental protection statutes. Questions were also raised concerning the Department's main-

tenance of an unencumbered balance fund averaging in excess of one million dollars annually over the last several years. Expenditures by the Department for search and rescue operations were questioned. Sources of funding were discussed as well as the general impact of increasing license fees and how Maine's fees compare with those of other States. These issues along with those outlined in the study order were the major points that the subcommittee decided to investigate initially. Meetings were held with Commissioner Marsh and the Chiefs of each division within the Department. Particular emphasis was placed on the accounting division to analyze the budget to determine sources of funds and allocation according to function.

Environmental Laws. At the meetings with Department personnel, the Committee was interested in determining to what extent Inland Fisheries and Wildlife personnel are functioning and performing services that might be described as non-fish and wildlife activities. One area that is requiring increasing amounts of wardens' and biologists' time, is the enforcement and implementation of Maine's environmental laws. These statutes are particularly concerned with the maintenance of water quality in ponds, lakes and streams. These waters provide spawning areas for fish as well as habitat for wildlife. Inland Fisheries and wildlife personnel are those in State government best able to determine the impact on water quality of dredging, filling and construction on or along the shoreline of Maine waters. Although there is great general public ben-

fit resulting from the enforcement and implementation of Maine's environmental laws, the Committee concluded that maintenance of water quality also greatly benefits sportsmen. The benefits cannot be easily disassociated.

Search for Lost Persons. Another area of concern where there is a close association of public-sportsmen benefit is that of searching for lost persons. Because persons hunting and fishing in the woods and wildlands of Maine generally will be those, if any, who become lost. The Department maintains the facilities and expertise to search for lost and drowned persons. Since they have the personnel and facilities to organize and carry out such searches, the Department is called upon to conduct searches for "non-fishing and hunting" lost persons. In past years, the Department has been reimbursed for some of the extraordinary expenses incurred. Seldom has this appropriation been sufficient to cover expenditures. Particularly this year the usual \$10,000 appropriation will be insufficient to meet the high cost of the search for a lost child. Maine law provides, however, that these expenses "shall be charged to the general fund". (1) This has not been the practice.

General Fund Financing. When the issue of funding the Inland Fisheries and Wildlife Department from general revenues, with license fees paid into the general fund rather than dedicated specifically to the Department as a special account, is discussed, a question is raised. "Will the arrangement cause a loss of Federal Matching Funds?" The answer is no, as long as the total revenue allocated to the Department is no less

than the total revenue raised from license fees. These revenues which may include a balance remaining at the end of the fiscal must not be diverted to other uses. In states where license fees are paid into the general fund and department expenses are paid from general revenues, a statutory limitation that the Inland Fisheries and Wildlife license revenues shall not be diverted is necessary to avoid the loss of Federal Funds. Maine has such Statutes. (2)

The Maine Department of Inland Fisheries and Wildlife receives approximately \$800,00 in Federal Funds annually. The Federal Funds are allocated by the Federal government as follows: (a) one half according to the ratio of the number of hunting and fishing licenses sold in the State bears to the total number sold nationally (b) plus one half according to the ratio of State population to the national population, from Federal taxes on pistols and revolvers, but not less than one percent of the national total. The moneys are allocated if the State has a comprehensive fish and wildlife resource management plan. (3)

"A diversion of license fees occurs when a State Fish and Game Department, through legislative action or otherwise loses control of the expenditure of any portion of its hunting license or sport license revenues, or expends such revenues for any purpose other than the administration of the State Fish and Game Department. A diversion of Federal Aid funds occur when-

ever they are applied by a State to activities or purposes which are not a part of an approved project or when real property acquired or constructed with Federal Aid funds under these Acts passes from control of the State Fish and Game Department or is used for unapproved purposes in a manner or to an extent which interferes with the accomplishment of project purposes as they were approved by the Secretary, or as they may be amended with the approval of the Secretary." (4)

Maine Sources of Revenue Compared and Contrasted with other States. Requests for information on methods of funding in other States and Canada were made, specifically as to sources of revenue, level of license fees and general fund support, if any, as compared to dedicated revenues. The results of comparisons of Maine's license fees with those of other states and Canada is shown in Table 1. It can be readily seen that Maine's license fees, particularly those for non-residents are higher than most states surveyed. The resident fees are generally comparable but not lower than those of other states. Contrasting other states' funding methods was more difficult because Inland Fisheries and Wildlife departments are not always separate entities but frequently are included as a division of another department such as Natural Resources or Conservation. New Hampshire funding sources are similar to Maine's with the exception of the addition of a percentage of un-refunded marine gasoline taxes and a considerably higher appropriation for search and rescue operations. A new act was passed permitting the sale of wildlife emblems, stamps, and decals to provide funds for wildlife protection. If ad-

equately promoted, this could be source of funds to support research and management projects as well as game farms and preserves. Minnesota's Department of Natural Resources includes the Division of Fish and Wildlife. The funds allocated to the Department for enforcement of traditional fish and game activities were 60% of the total enforcement budget. These revenues were derived from dedicated fish and game funds. The remaining 40% from general revenues. General revenues also contributed administrative costs of some supervisory personnel. There is a recognition in Minnesota of a State responsibility to the maintenance of fish and wildlife. Connecticut is funded totally from general revenues with all fish and game license fees and federal funds paid into the general fund. Mississippi is funded from the general fund but expenditures may not exceed revenues from all sources i.e., license fees, fines, federal funds, etc.. General funds were appropriated in 1971 for a museum of natural science which is maintained by the Mississippi Game and Fish Commission and in 1973-75 for hunter safety programs. 5-50% of specific programs that can be categorized as non-fish and game are funded by Department revenues. Mississippi, therefore is experiencing some of the same pressures as Maine for services. Idaho's Fish and Game Department expressed similar problems. Colorado received a 1% of total budget for a program for non-game wildlife conservation of an estimated 3% of total budget spent on the program. For similar programs, Oregon receives

no general funds. Montana operates almost totally from Fish and Game license fees, and prefers this method. Pennsylvania has similar demands made for non-fish and game related services but remains funded by dedicated revenues. Fear of partisan politics and loss of control by sportsmen has kept the department subject to dedicated revenue limitations. Most states remain funded by dedicated revenues or general funds limited to the amount of funds generated by license fees although each state recognized that duties and services performed by fish and game personnel are less clearly defined than in former years. However, few states have taken steps to determine the extent of the deviation or the costs allowable. Maine has not differed in this respect in the past.

Surplus Account. During the debate on the bill to increase license fees in the 107th Regular Session, much comment was made on the Department's maintenance of a large cash balance. This in fact has been the case as is shown in Table 2. A review and historical account of the use made of the surplus fund is shown in Table 3. Each expenditure from this account must be approved by the Governor and Council. In Table 4 is shown the surplus balance by months for July, 1973 to October, 1975. The October figure represents the lowest amount since 1969. October is a traditionally low balance month because hunting fees have not yet been paid to the Department for the current season. The department defends the maintenance of this balance as necessary to cover unbudgeted salary

increases ordered by the Legislature. In addition, funds are necessary to cover contingencies when license fees decrease because of adverse weather or forest closures because of fire threat as well as the necessity of maintaining working capital for current expenditures or extraordinary purchases. Table 4 demonstrates that expenditures from this account during fiscal 1975 reduced the balance to just under \$1 million. The Department states that the balance in their account is expected to be reduced to \$550,000 by the close of fiscal 1975.

The interest earned on the surplus account constitutes an in lieu of rent payment to the general fund by the Department.⁽⁵⁾ In fiscal year 1974 this amounted to \$131,964. This amount will vary according to the balance in the fund from month to month and the rate of return on investments. The rent paid for the Department's offices is \$85,000. A further discussion of the surplus is contained in a later section under financing issues and in the discussion of the impact of inflation on department expenses.

Public Hearing. On January 6, 1976, the Committee held a public hearing to determine public attitudes toward the financial problems of the department and possible solutions. The consensus of opinion was that the Department of Inland Fisheries and Wildlife should continue to be funded by dedicated revenues. Most felt that additional funds should be appropriated from general revenues to support increased

costs especially the expense of enforcement and implementation of environmental laws. Considerable discussion on the financing of the snowmobile program and the division of these revenues occupied much of the hearing time. One person felt the recent increase in license fees of \$2.50 should have been divided more equally among recipients of the fees. The entire increase was allocated to the Department of Inland Fisheries and Wildlife. The increased fee will be \$12.50 in 1976-77 and will be allocated \$6 to towns, \$1 to Parks and Recreation (which also receives approximately \$200,000 from gas tax receipts) and \$5.50 to the Department. The Department administers the license program, conducts safety programs, and enforces the laws and regulations pertaining to snowmobile operation. The Department estimates it will "break even" on the program when the increase revenues are allocated. There was a suggestion that boat registration fees should be increased from the present \$5 for a three year registration. The general attitude expressed was that sportsmen are willing to pay their share of costs through license fees but feel that license fees should not have to support the costs of all associated programs carried out by Department personnel.

Financing Issue -- Background

Generally stated, the financing issue is: What costs of the Department should license fees (especially hunting and fishing licenses) cover? In particular, to what extent should license fees pay for functions other than traditional "fish and game" functions and for events beyond department control, such as inflation?

Funds Available to the Department--Table 5 shows receipts and expenditures of the Department for fiscal 1974-75. With respect to funds available (i.e., receipts):

--Of \$7.7 million available, only \$10,000 is appropriated from the State General Fund; this is to partially compensate the Department for search for lost persons expenditures.

--The largest source of funds (57% of the total) \$4.4 millions, are primarily license fees; of this amount, \$ 4.2 million is from hunting and fishing licenses.

--The next largest sources are the unexpended balance brought forward from the previous year (\$2.0 million) and Federal grants-in-aid (\$0.8 million).

Stability and predictability of the major funds can be described as follows:

--Sale of hunting and fishing licenses tends to be somewhat unstable and unpredictable, when measured by the number of licenses sold. For the 10 calendar years end-

ing with 1974, an average of 430,000 hunting and fishing licenses were sold each year. The highest sales were in 1970, when 469,000 licenses were sold. The lowest sales year was 1974, when 395,000 were sold. This does not necessarily indicate a downward trend, however, because the second highest year of license sales was in 1973, with 449,000 sold.

Causes of the sales variations are not predictable, but are believed to include the state of the economy, sportsmen's perception of fish and game supply, changes in hunting and fishing regulations, and prices of licenses. A very rough measure of the financial impact of the variations can be made. Assuming the 10 year average of 430,000 licenses and an average license fee of \$10, license income would be \$4.3 million, the average amount. Assuming again the \$10 average fee, with the 395,000 sales of 1974, the license income for 1974 would be \$3,950,000, \$350 thousand below average.

--Federal grants are relatively stable and predictable, coming primarily in the form of formula grants-in-aid.

--The unexpended balance brought forward is a residual figure, representing the net of receipts and expenditures of the previous year. It will, therefore, reflect the experience of the previous year including license sales, gains or losses, changes in programs and management, unusual expenditures (such as capital purchase, which are non-recurring, and pay raises which are recurring), and cost increases caused by inflation.

This balance has tended to fluctuate widely, both in terms of the total "cash balance" (essentially, cash in the bank) and the "unencumbered cash balance" (that part of the total "cash balance" which has not been committed through a purchase order or contract). For a 6 year period ending June 30, 1975, the unencumbered cash balance has varied from \$759,000 in 1970 to \$1.7 million in 1974. The average year end balance during this period was \$1.2 million. The balance rose each of the 6 years, except for 1975 when it dropped to \$1.4 million (at which time the total cash balance was \$1.9 million, as shown in Table 5).

Expenditures and programs of the Department--Table 6 shows the organization of the Department and its programs. In its study, the Committee worked with the Department to attempt to divide its budget into expenditures made for "fish and game (F & G)" purposes and "non-fish and game (non-F & G)" purposes. Two problems were encountered.

First was the problem of defining "fish and game". A working definition was agreed on: "fish and game" included those activities of the Department in managing fish and game and enforcing hunting and fishing laws and regulations. All other activities were considered "non-fish and game".

Second was the problem of data. The Department lacks data sufficient to permit an accurate allocation of cost to F & G and non-F & G functions.

The Committee was satisfied, however, that the available data was sufficient and the definitions workable enough to permit a reasonable evaluation and allocation of costs. Table 7 shows the result of this effort:

--Part one is a reconciliation of budget and allocation figures, showing the removal of non-recurring items from allocable costs.

--Part two shows by organization and program the allocation of costs to fish and game (column b) and non-fish and game activities (column c).

Part three shows the calculation used to determine that about 21% of the Department's costs are for non-fish and game activities.

The Committee does not feel that the 21% is an accurate figure, for the reasons stated above. For example, in allocating the Warden service, almost all of the allocation was based on the impressions of individuals rather than on data-- and the warden component is over 70% of non-F & G total. At the same time, the Committee feels that the allocation is the best that could be done given the data base and, further, provide at least some insight into the problem. More accurate data for a one year period ending July, 1976 will be available then and should help clarify this problem.

Other financing problems--The Committee discussed several financial problems other than the definition, identification, and funding of non-F & G activities. The financial impact of each is negative--they will increase department costs. Among these problems are:

1. A federal environmental ruling that will require the Department to clean up at least some fish hatchery waste--could cost up to \$1 million over a 1-3 year period.
2. A Fair Labor Standards rule affecting pay for warden overtime -- could cost \$200,000 annually, to maintain present endorsement capability.
3. Inflation -- Table 8, based on information provided by the Department, illustrates the impact of inflation on goods commonly purchased. The rates range from 9-60%. A very gross measure of the impact of inflation can be made: A average 5% inflation rate on all Department purchases (except computer services) in FY 1974-1975 would cost over \$100,000.
4. A State employee pay increase--for example, a 5% across the board increase would cost the Department \$150,000 to \$175,000.

Considerations and Recommendations--

In making its recommendations, the Committee kept in mind several considerations:

1. It is very difficult conceptually to draw the line between fish and game and non-fish and game activities. For example, is a biologist's investigation of a Great

Pond application an activity helping fishermen, or the users of the pond, or the general public?

2. For some activities, even if a conceptual distinction could be agreed upon, there is no data to support a relatively precise cost allocation.

3. Some administrative solutions will be difficult to implement. For example, predicting the non-F & G workload is difficult. The number of environmental applications that must be reviewed by the Department will vary widely in the future. Setting up a system to reimburse the Department, should that be pursued, will be difficult, involving designing a system that covers costs, is administrable, and maintains the proper incentive for using public.

4. All State agencies have been hit by inflation.

5. The current State budget situation is bad--and like inflation, it hits all State departments.

6. It is in the State's interest to keep in mind what other States are doing, from the perspective of both equity and keeping Maine competitive with other States.

7. In considering the costs incurred by the State for hunters and fishermen, some consideration must be made

of their contribution to the State economy by purchase of food and lodging, and directly to the State through taxes on purchases.

The Committee makes the following recommendations (drafts of legislation to implement them appear in Appendix 10, below):

1. A General Fund appropriation should be made for each biennium equal to not more than 10% of the Department of Fish and Wildlife budget (excluding Federal and Contractual Funds). The Department should keep the Legislature informed of its expenditures by program, in particular its expenditure for program of a "non-fish and game nature".
2. Further study should be done of the snowmobile and watercraft registration programs and other fishery and wildlife related programs.
3. Further study should be done of Department biological research.

FOOTNOTES

1. 12 MRSA § 1903, 1954
2. 12 MRSA § 2104, § 2105, 1954; 12 MRSA § 3061, 1973.
3. P.L. 91-503
4. 50 C.F.R. 80.5
5. 5 MRSA § 135, 1969

APPENDICES AND TABLES

APPENDIX 1

S.P. 587

D. OF R.

STATE OF MAINE

In Senate June 18, 1975

~~Ordered,~~

WHEREAS, the Department of Inland Fisheries and Game has been subject to criticism regarding use of funds for various questionable projects such as the "Vilkitis Study;" and

WHEREAS, enactment of environmental laws have placed a great burden upon the personnel and resources of the Department of Inland Fisheries and Game, which is funded by dedicated revenues; and

WHEREAS, the Legislature is concerned that permit fees are occasionally used to fund various projects which might have properly been funded from other revenue sources; now, therefore, be it

ORDERED, the House concurring, that the Legislative Council be authorized, through the Joint Standing Committee on Performance Audit, to study the operations and funding methods of the Department of Inland Fisheries and Game and to determine whether or not the present system of dedicated funding is sufficient to meet the requirements placed upon that department by statutes and regulations; and be it further

ORDERED, that the Council report the results of its findings, together with any proposed recommendations and necessary implementing legislation, to the next special or regular session of the Legislature;

~~XXXXX~~

and be it further

ORDERED, upon passage in concurrence, that suitable copies of this Order be transmitted forthwith to said agenices as notice of this directive.

SP 587

and Rules Suspended
IN SENATE CHAMBER *Read*
TABLED BY ~~SEN. SPECTER~~ SEN. SPECTER
OF PENNSYLVANIA

JUN 18 1975

PENDING *Passage*
HARRY N. STARBUCK, Secretary

Name: (Corson)

County: Somerset

Handwritten signature

APPENDIX 2

Table 1 -- Comparison
of License Fees

TABLE 1

Comparison of License Fees

STATE	HUNTING												FISHING											
	R	NR	R	NR	R	NR	R	NR	R	NR	R	NR	R	NR	R	NR	R	NR	R	NR	R	NR		
MAINE		30.50	7.50	60.50 Alien 100				7.50	60.50				7.50	25	7.50	12.50 15.50		12.50			1.50	15.50 4.0		
MINNESOTA	4	25	12.50	50		3	100	7.50	10.25	5	25.25		4	6.50		10	6			ex.	ex.	ex.		
MONTANA	2	25	5				25	50	+3	5	35		5	20	10		20	150						
MICHIGAN	5	25	7.50	40									18	5	10 day	1 day	5	10			.50			
OREGON			7 tag 4	75 tag 35			tag 5	tag 75			tag 4	tag 35		5	25	10				ex.	ex.			
MISSISSIPPI		15	+3 tag 6	+3 tag 6		10							5	25		12		6		ex.	ex.			
MISSOURI	7.50	25	7.50	30				7.50	15				5.50	5.50	7.50	5	5		10		ex.	ex.		
CONNECTICUT	4.35	13.35												4.35	8.35		3.85		6.35	17	ex.			
IDAHO	5	50	4 tag	35 tag			45 tag	100 tag			4	15		6	20	7		10		ex.				
COLORADO	5	25	13	90			16 13	135 100			10	50		7.50	25	10								
NEW HAMP.			6.25	45										6.25	15	4.50	7.50		10			25		
NEW BRUNSWICK	4.50 2.00	50 15					25				3	15		salmon 10		35								
ALBERTA	4	20 50-	7	60 30 Can.	← alien		60	125 125			5	40		3	10									

ex. = exempt

APPENDIX 3

Table 2 -- Inland Fisheries and
Wildlife Cash Balance

Inland Fisheries & Wildlife Cash Balance

	Year Ending	Cash Balance	Less Encumbrances	Unencumbered Cash Balance
1	June 30, 1975	1858381.17	458861.62	1399519.55
2				
3	June 30, 1974	1989745.13	329140.26	1660604.87
4				
5	June 30, 1973	1737429.44	234902.99	1502526.45
6				
7	June 30, 1972	1349487.86	241793.16	1107694.70
8				
9	June 30, 1971	1230574.53	283083.69	947490.84
10				
11	June 30, 1970	1021017.73	261947.23	759070.50
12				
13	June 30, 1969	807236.14	204499.20	602736.94
14				
15	June 30, 1968	825646.08	418173.42	407472.66
16				
17	June 30, 1967	773164.33	391015.47	382148.86
18				
19	June 30, 1966	981406.00	119929.61	861476.39
20				
21	June 30, 1965	966739.43	85168.74	881570.69
22				
23	June 30, 1964	863430.01	265248.78	598181.23
24				
25	June 30, 1963	929977.14	124101.29	805875.85
26				
27	June 30, 1962	921460.02	130613.19	790846.83
28				
29	June 30, 1961	1083661.52	202757.95	880903.57
30				
31	June 30, 1960	904457.58	101535.11	802922.47
32				
33	June 30, 1959	868440.09	323875.46	544564.63
34				
35	June 30, 1958	969921.46	371021.98	598899.48
36				
37	June 30, 1957	930207.85	218298.78	711909.07
38				
39	June 30, 1956	773037.02	271674.56	501362.46
40				

APPENDIX 4

Table 3 -- Surplus Account
Activity, 1956-1975

TABLE 3

Surplus Account Activity

1956 - 1975

Fiscal 1975

Council Order #349

\$289,428, new warden radios

Council Order #298

\$611,276, Legislative pay increases

Council Order #102

\$ 80,000, Completion of micro water filters and
ultra violet equipment at Enfield Fish Hatchery.

Council Order #1694

\$ 30,000, Bailed out Capital A.S.R.S.C.

Calendar 1972

Council Order 1633

\$380,043, To cover employees wage increases.

Council Order 1632

\$ 32,476, Additional funds necessary to acquire
wildlife habitat.

Council Order 1631

\$ 25,000, Funds necessary to initiate Snowmobile
Safety Program.

Council Order 1630

\$ 54,855, Funds necessary to initiate Hunter Safety
Program.

Council Order 1629

\$ 31,334, Funds to provide for the increased cost
of replacement motor vehicles.

Council Order 1628

\$ 23,865, Additional funds necessary to complete
water filtration and ultra violet light
for the Grand Lake Stream Hatchery

Calendar 1972 cont'd

Council Order 1160

\$204,000, Increases in employees wages, effective October 4, 1971.

Council Order 1097

\$ 26,850, To complete purchase of various land parcels for wildlife habitat.

Calendar 1971

Council Order 890

\$54,926, Additional cost of additional retirement benefits for wardens, as passed by the 105th Legislature.

Council Order 889

\$ 21,000. Purchase of land and buildings for future expansion and parking facilities at 8 Federal Street.

Council Order 888

\$ 62,500, Funds for A.S.R.S.C. to purchase Meddybemps Dam on the Denny's River.

Council Order 694

\$ 83,000, Construction lower fishway at Dover Foxcroft.

Council Order 693

\$145,985, Install water filtration and ultra-violet lighting system for Grand Lake Stream Hatchery.

Council Order 635

\$128,925, Funds for construction of Upper Dover-Foxcroft and Guilford fishways.

Council Order 532

\$ 69,500, Purchase warden mobile radio units.

Calendar 1969

Council Order 677

\$ 22,000, Land and buildings for Strong Regional Headquarters.

Calendar 1968

Council Order 1096

\$276,970, Construction of fishway at Veazie, Maine.

Council Order 819

\$ 86,000, To pay for salary increases, passed by the 103rd Legislature.

Calendar 1967

Council Order 346

\$167,576, To construct fishway Old Town, Maine.

Council Order 269

\$119,735, To construct fishway at Milford, Maine

Calendar 1964

Council Order 876

\$279,553, For construction of the Woodland Dam
Fishway.

Calendar 1956

Council Order 1000

\$200,000, Construction of Embden Fish Hatchery.

APPENDIX 5

Table 4 -- Surplus Account
Balance by Month, 1973 - 1975

TABLE 4

SURPLUS ACCOUNT BALANCE
by Month, 1973-1975

Acct. No. 4223.1 UNEXPENDED BALANCE FISH AND GAME

July	1973	\$1,788,314.71
August	1973	1,700,514.32
September	1973	1,636,668.58
October	1973	1,535,099.07
November	1973	1,910,012.35
December	1973	2,452,030.34
January	1974	2,862,854.23
February	1974	2,350,909.06
March	1974	2,196,696.13
April	1974	2,013,412.27
May	1974	1,850,643.23
June	1974	1,989,745.13
July	1974	2,177,244.82
August	1974	2,140,748.58
September	1974	1,997,419.12
October	1974	1,779,474.76
November	1974	
December	1974	2,732,730.05
January	1975	2,638,418.73
February	1975	2,581,140.00
March	1975	2,328,696.28
April	1975	1,934,062.95
May	1975	1,876,331.95
June	1975	1,858,381.17
July	1975	2,373,355.77
August	1975	3,090,789.46
September	1975	1,671,272.00
October	1975	907,121.74

APPENDIX 6

Table 5 -- Department of Inland
Fisheries and Wildlife, FY 1974-1975 Budget

TABLE 5

DEPARTMENT OF INLAND FISHERIES AND WILDLIFE
FY 1974-1975 BUDGET

(Reporting Agency)	General Fund	Special Revenue Funds		Other Funds	TOTAL
		Non-Federal	Federal		
RECEIPTS					
Total Legislative Appropriation/Allocation		\$ 10,000			\$ 10,000
Departmental Operations		4,437,088			4,437,088
Transfers		306,400			306,400
Federal Grants		796,541			796,541
County & Municipal					
Private Contributions		16,237			16,237
Sales		99,817			99,817
Services & Fees		37,399			37,399
Other		3,426			3,426
Unexpended Balance Brought Forward		1,989,745			1,989,745
Adjustment of Balance Brought Forward		1,154			1,154
TOTAL FUNDS AVAILABLE		7,697,807			7,697,807

Monies received and deposited to the credit of the State					
--	--	--	--	--	--

EXPENDITURES					
Total Personal Services		3,499,661			3,499,661
Wages & Salaries		3,099,484			3,099,484
Retirement		400,177			400,177
Total All Other		1,581,743			1,581,743
Contractual Services					1,118,736
Rents					67,286
Computer Services					21,165
Commodities					423,658
Grants, Subsidies, Pensions					39,349
Transfers to Other Funds					
Other					
Total Capital Expenditures		735,309			735,309
Buildings & Improvements		261,073			261,073
Equipment		415,728			415,728
Purchases of Land		58,507			58,507
TOTAL EXPENDITURE		5,816,713			5,816,713

SUMMARY

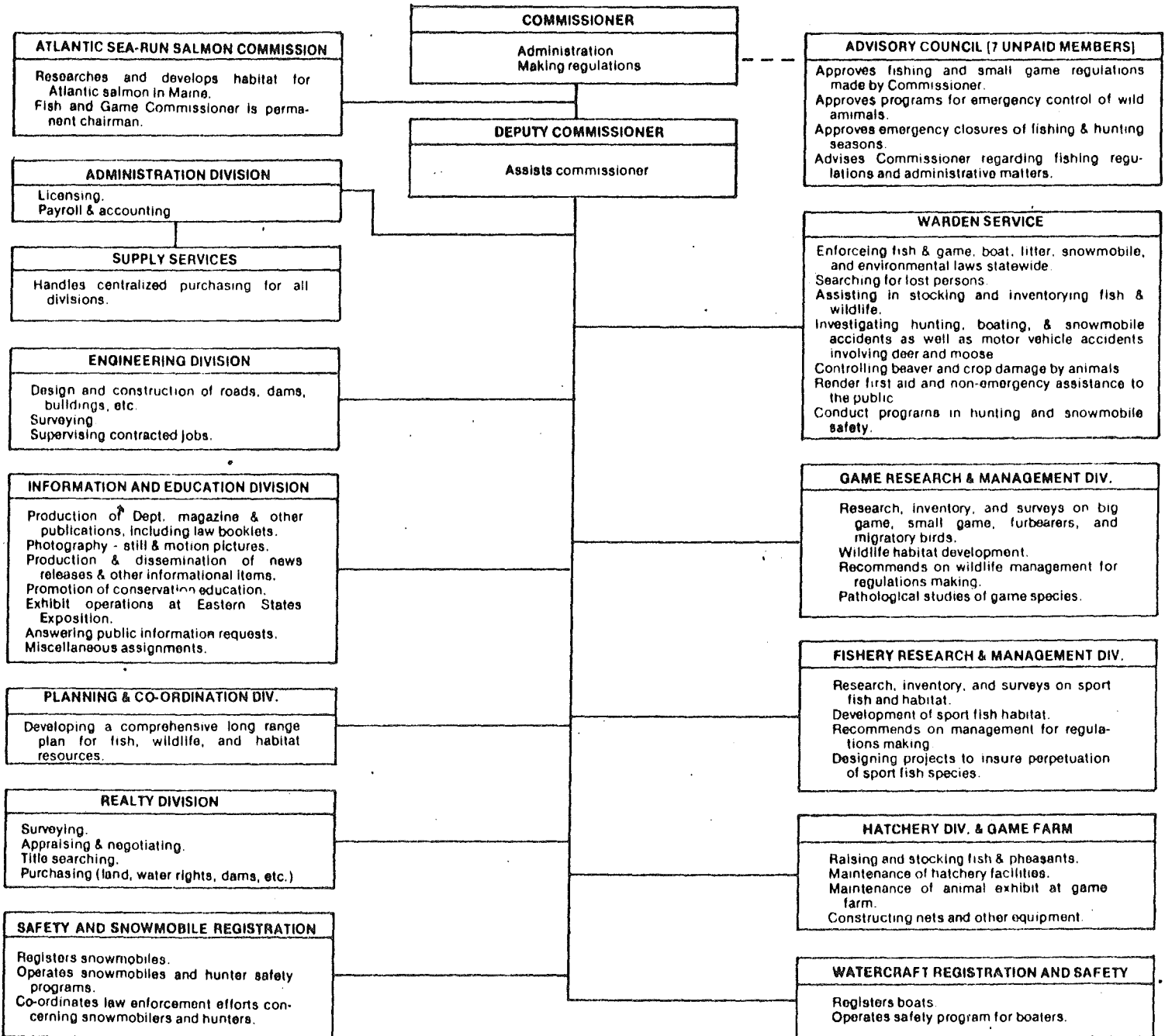
Total Funds Available		7,697,807			7,697,807
Total Expenditure		5,816,713			5,816,713
NET		1,881,094			1,881,094
Unexpended Balance Forward		1,881,094			1,881,094
Unexpended Balance Lapsed					

APPENDIX 7

Table 6 -- Department of Inland
Fisheries and Game Organization
Chart

TABLE 6

DEPT. OF INLAND FISHERIES AND GAME ORGANIZATION CHART



APPENDIX 8

Table 7--Allocation of Costs
to Fish-and-Game and Other
Activities

TABLE 7

Department of Inland Fisheries & Game
Allocation of Costs to Fish-and-Game and Other Activities

	Total <u>(a)</u>	Fish and Game <u>(b)</u>	Non-Fish and Game <u>(c)</u>
	----- Dollars in thousands -----		
<u>PART ONE--RECONCILIATION</u>			
FY 1974-1975 Expenditures (from Table 1).....	\$5,817		
Adjustments (Non-Recurring items):			
Construction.....	- 264		
Warden Services Retirement (rate change).....	+ 160		
Repeal of bobcat bounty.....	- 9		
Equals allocable total.....	<u>\$5,703</u>	<u> </u>	<u> </u>
<u>PART TWO--ALLOCATION BY ACTIVITY</u>			
Commissioner (Includes Administration)....		(Includes the following specific items plus amounts allocated to programs below):	
Hunter Safety.....	\$ 86	\$ 86	\$ 27
Snowmobile Safety.....	27		
Land Acquisition.....	62	62	
Information and Education:			
Information General.....	25		25
Fish & Wildlife Magazine.....	56		56
Wildlife Management.....	757	757	
Environmental Investigation.....	68		68
Swan Island Preserve.....	31		31
Fisheries Management.....	444	444	
Environmental Investigation.....	65		65
Hatchery Division.....	625	625	
Game Farm.....	113	113	
Planning.....	134	134	
Environmental Investigation.....	54		54
Warden Service.....	1,867	1,867	
Environmental.....	126		126
Snowmobile.....	316		316
Watercraft.....	379		379
Nuisance Animal.....	252		252
Litter.....	63		63
Drownings.....	126		126
Lost Persons.....	27		27
Allocable Total (all above).....	<u>\$5,703</u>	<u>\$4,088</u>	<u>\$1,615</u>
Less: Receipts from Non-Fish and Game activities (fines, fees, licenses, State appropriations, sales, etc.)			- 409
Adjusted total.....	<u>\$5,703</u>	<u>\$4,088</u>	<u>\$1,206</u>

PART THREE--PERCENT NON-FISH AND GAME

$$\frac{\$1,206}{\$5,703} = \text{about } 21\%$$

Source: Department of Inland Fisheries and Game

Notes: The Committee feels that this is a reasonable allocation of costs, given the serious lack of data. Because of this, the Committee is not certain that it is accurate in its detail, and recommends Department efforts to develop the data base. Detail may not add to totals due to rounding.

APPENDIX 9

Table 8--Illustrative Average
Annual Inflation Rates, 1973-1975

TABLE 8

Department of Inland Fisheries & Game

Illustrative Average Annual Inflation Rates, 1973-1975

Average Annual Cost
Increase, 1973-1975

Automotive:

4 Wheel Drive Vehicle.....	09.3%
Sedan - Full Size.....	25. %
Pick-up - 2 Wheel Drive.....	12.3%
Station Wagon - Full Size.....	10.7%
Outboard Motor, 10 HP.....	16.3%
Gasoline (bulk delivery).....	62.6%
Fuel Oil (Contract).....	63.9%

Feed:

Pheasant Feed (1974 Total Usage = 200 Tons):

Starter and Grower.....	31.9%
Grower.....	37.9%

Fish Feed (1974 Total Usage = 115.5 Tons):

Strike Brand (Trout).....	31.4%
Ewos Brand (All Fish Starter).....	29.4%
Silver Cup (Salmon).....	33.9%

Warden Service Supplies:

Uniform Winter Pants.....	24.3%
Uniform Summer Pants.....	37.7%
Uniform Winter Shirts.....	05.5%
Long Sleeve Summer Shirts.....	16.9%
Winter Uniform Jacket.....	17.0%
Leather Boots	10.7%
Rubber Pacs.....	22.7%
Life Preserver Jacket.....	18.2%

Source: Department of Inland Fisheries & Game

APPENDIX 10

Draft Legislation to Implement
Recommendations of the Subcommittee

AN ACT To Provide Funds to the Department of Fisheries and Wildlife S.P. 587

Sec. / 12MRSA §1903 as amended by RS 1954 c. 37, §26 is amended as follows:

§1903. Lost persons

Whenever it shall come to the attention of the commissioner or his deputy commissioner, that any person or persons known to have gone upon a hunting or fishing trip, or a trip for any other purpose, in the woodlands of the State and have not returned within a reasonable time after his or their departure, the commissioner is authorized to summon any person found within the State to assist in finding the lost person or persons, and each person so summoned shall be paid at a rate set by the said commissioner, with the approval of the Governor and Council, and be provided with subsistence during such service.

~~The expenses of the commissioner in attempting to find lost persons shall be charged to the General Fund.~~

The commissioner shall have authority to terminate the search by members of his department.

Sec. 2. 12MRSA §1908 is enacted to read:

§ 1908. General fund appropriation.

For each year of the biennium there shall be appropriated from the General Fund an amount which shall equal the mathematical product of the "stated percentage" and the "adjusted budget" of the Department of Fisheries and Wildlife. For purposes of this Section the following definitions shall apply:

- a. State percentage. Stated percentage shall be a percent, not to exceed ten (10) percent, determined by the Legislature as the appropriate percent of the "adjusted budget" of the Department to be paid out of the General Fund. In determining such percent, account shall be taken

of projection of Department surpluses and revenues projected to be available; necessary expenditures; needs for working capital and funds for contingencies; The amount of the adjusted budget projected; and material contained in the Special Report of the Commissioner. Such determination shall be made at each regular session of the Legislature, prior to and for use in the next succeeding fiscal year.

The Commissioner shall submit a Special Report to the Inland Fisheries and Wildlife Committee of the Legislature within fifteen days after convening of each regular Legislative Session. The report shall contain, for the preceding, current, and next succeeding fiscal years, information and data showing the percentage and costs of personnel time spent on particular duties assigned to each bureau and division; the use of fisheries and wildlife facilities by persons other than licenses of the Department; and a comparison of revenues with costs for each program of the Department.

b. Adjusted budget. The "adjusted budget" shall be the total amount projected for expenditure by the Department for the next succeeding fiscal year minus an amount equal to the sum, projected for such fiscal year, of expenditures (a) for Federal grants and non-Federal capital expenditures, and (b) made from other State funds.

FISCAL NOTE

The appropriation from general Revenues required by this Act will vary according to the needs of the Department.

STATEMENT OF FACT

This bill results from a study undertaken by the Joint Standing Committee on Performance Audit, pursuant to S.P. 587. The Committee studied the operation of the Department of Inland Fisheries and Wildlife to determine the extent that Department personnel devotes its time and resources to implementing environmental laws and regulations. In recent years an increasing burden has been placed on the Department for the duties that the Committee decided should be funded from general revenues and not totally supported by fishing and hunting licenses.

STATE OF MAINE

In House _____

Ordered,

WHEREAS, the Department of Inland Fisheries and Wildlife administers the regulation of snowmobiles and watercraft; and

WHEREAS, these programs comprise a significant responsibility for that Department; and

WHEREAS, no assessment has been made of the level and method of levying fees, their subsequent distribution and use and the organizational placement of the two programs; and

WHEREAS, some activities of State Government are regulated, implemented and enforced by separate independent entities such as commissions; and

WHEREAS, this form of governing is not necessarily the most efficient and economical; and

WHEREAS, general revenues are expended for these programs;

ORDERED, that the Legislative Council, through the Committee on Performance Audit review Snowmobile and Watercraft registration programs to find the most efficient method to carry out the function of the Department, and to determine whether a different procedure or Department is better equipped to carry out the responsibilities is indicated; and review programs that might be more efficiently and economically carried on within the Department of Inland Fisheries and Wildlife, such as the Salmon Commission, the level of funding necessary to carry out the programs and the most equitable source of funding them; and

ORDERED, that the Council report the results of its findings, together with any proposed recommendations and necessary implementing legislation, to the next regular session of the Legislature, and be it further

ORDERED, upon passage in concurrence, that suitable copies of this Order be transmitted forthwith to said agencies as notice of this directive.