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FISCAL IMPACT REPORT

ORIGINAL DATE 01/18/12
 LAST UPDATED 01/24/12 HB 5/aHHGAC

SPONSOR Stewart

SHORT TITLE Department of Game and Fish Appropriation Act SB _____

ANALYST van Moorsel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY12	FY13		
	\$10,344.6	Recurring	Federal Funds
	\$28,313.4	Recurring	Other State Funds

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Game and Fish (DGF)

SUMMARY

Synopsis of HHGAC Amendment

The House Health and Government Affairs Committee amendment to House Bill 5 increases the appropriations for the Department of Game and Fish to reflect the executive recommendation. As amended, the total appropriation from other state funds is \$28.3 million, and the total appropriation from federal funds is \$10.3 million.

Synopsis of Original Bill

House Bill 5 contains the FY 2012 Operating Budget appropriation for the Department of Game and Fish. It appropriates money for six budgeted funds under the jurisdiction of the State Game Commission and the Department. The amounts contained in this bill represent the Legislative Finance Committee recommendation and applies a 3 percent vacancy savings to allow the agency to reduce its vacancy rate, which has historically been approximately 20 percent. The appropriations reflect increases in other state funds and federal funds to restore the 1.75 percent retirement reduction pursuant to Section 2 of Chapter 178 of Laws 2011.

FISCAL IMPLICATIONS

The recommendation is \$1.2 million lower than the agency request. However, the request did not include a vacancy rate, compared with a historical vacancy rate of approximately 20 percent. Further, the recommendation is \$5 million above the department's actual FY11 expenditures. The recommendation includes a vacancy rate of 3 percent, resulting in reductions in the personal services and employee benefits category below the agency request of \$1.4 million, essentially the entire reduction from the agency request, partially offset by an increase to reflect the restoration of the 1.75 percent retirement contribution reduction. Overall, the FY13 program recommendations represent the following adjustments relative to the agency's FY13 base budget request:

- Sport Hunting and Fishing Program (P716), the amounts contained in the bill represent a decrease of \$884.1 thousand from the FY13 request with no change in FTE;
- Conservation Services Program (P717), the amounts contained in the bill represent a decrease of \$127.4 thousand from the FY13 request with no change in FTE;
- Wildlife Depredation and Nuisance Abatement Program (P718), the amounts contained in the bill represent a \$20.2 thousand reduction from the FY13 request with no reduction in FTE; and
- Administration Program (P719), the amounts contained in the bill represent a decrease of \$200.9 thousand from the FY13 request with the no reduction in FTE

The legislation includes no expansion recommendations and no General Fund appropriation.

SIGNIFICANT ISSUES

The Department of Game and Fish notes a concern with the fact that HB5 appropriates federal revenue at a level higher than the agency request, while reducing expenditures from fund balance and other state funds by over \$1.2 million. While federal funds are considered informational in the appropriations act, the agency is concerned that this revenue is not realistic given a lower expenditure level. The agency adds that the executive recommendation more closely reflects the agency request, and the Department of Game and Fish recommends amending the bill to the executive recommendation amounts.

PERFORMANCE IMPLICATIONS

The legislation includes performance measures requested by the Department for FY13. There is a correlation between the program appropriations and the ability of the agency to meet the performance target levels outlined in its performance measures listed below.

Sport Hunting and Fishing Program – The target levels for the performance measures in this program reflect the agency's FY12 request.

- Number of days of elk hunting opportunity provided to New Mexico resident hunters on an annual basis remains at 165,000, the same level as FY12.
- Percent of public hunting licenses drawn by New Mexico hunters increases to 84%, up

from 80 percent in FY12.

- Annual output of fish from the Department's hatchery system, in pounds remains at 455,000, the same level as FY12.

Conservation Services Program – The performance measure for Conservation Services included in this recommendation is as follows:

- Number of acres of wildlife habitat conserved, enhanced or positively affected statewide remains at 100,000, the same level as FY12.

Wildlife Depredation and Nuisance Abatement Program – The performance measure for this program is as follows:

- Percent of depredation complaints resolved within the mandated one-year time frame is 90%, 5% below the FY12 level, but 5% above the level requested by the agency for FY13.

ADMINISTRATIVE IMPLICATIONS

The bill does not make any changes to the permanent FTE count compared with FY12. The following sections summarize the fiscal impact of this recommendation to each of the Department's Programs:

Sport Hunting and Fishing Program – The appropriation proposed for this program is \$20,567.5. It supports 204.5 FTE with \$12,311.6 for personal services and employee benefits (200 category), \$1,418.4 for contractual services (300 category), \$6,340.2 in the other (400 category), and \$497.3 for other financing uses (500 category).

Conservation Services Program – The appropriation proposed for this program is \$7,659.1. It supports 40.5 FTE with \$2,466.1 for personal services and employee benefits (200 category), and \$1,855.4 for contractual services (300 category), \$3,337.6 in the other (400 category).

Wildlife Depredation and Nuisance Abatement Program – The appropriation proposed for this program is \$1,018.8. It supports 4.0 FTE with \$248.8 for personal services and employee benefits (200 category), \$130.7 for contractual services (300 category), and \$639.3 in the other (400 category).

Administration Program – The appropriation proposed for this program is \$7,986.2. It supports 60.0 FTE with \$4,146.3 for personal services and employee benefits (200 category), \$707.8 for contractual services (300 category), and \$3,132.1 in the other (400 category).

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

As part of the state's overall appropriation, this bill will be incorporated into the General Appropriation Act of 2012 (House Bill 2).

TECHNICAL ISSUES

None noted by the agency.

OTHER SUBSTANTIVE ISSUES

None noted by the agency.

ALTERNATIVES

Adoption of the Executive recommendation.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Unless a duplicate appropriations act provides for a FY 2012 Operating Budget for the Department of Game and Fish, the Department will not have a budget for fiscal year 2012 to meet its statutory mandates.

PvM/svb