

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the right side of the slide, creating a modern, layered effect.

Alternative Funding for Fish and Wildlife Activities

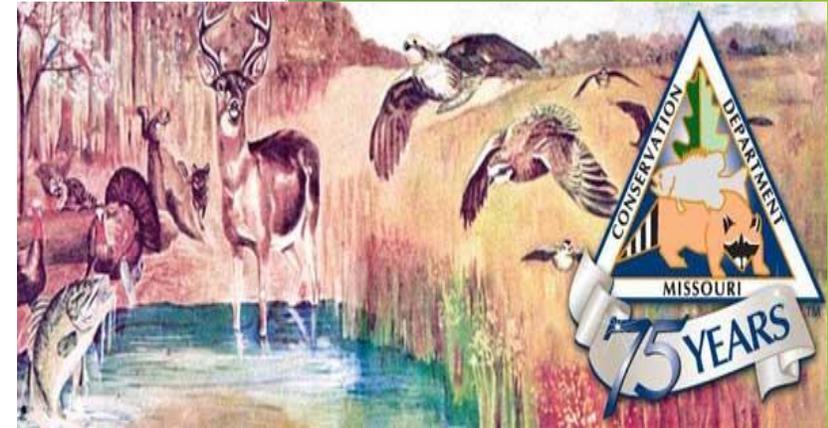
General Sales Tax

Missouri

- ▶ Missouri - $1/8^{\text{th}}$ of 1% = over \$100 million annually

“The conservation sales tax more than pays for itself. The 1/8 of 1 percent sales tax returns almost five times the dollars in state and local taxes alone. In addition, it helps generate billions of dollars in revenue to support Missouri jobs and businesses.” (Missouri Conservationist Magazine FEBRUARY 2015 ISSUE)

Other State utilizing a general sales tax for fish and wildlife purposes: Arkansas



General Sales Tax

Missouri

How did they do it?

- ▶ Constitutional amendment passed by voters in 1976.
- ▶ Developed a plan called *Design for Conservation*, demonstrating funding need and plan to expand programs.
- ▶ Independent citizen's committee and the non-profit Conservation Federation helped pass the ballot measure.

General Sales Tax

Would this work in California?

- ▶ Historical precedent of funding conservation programs with General Fund in California.
- ▶ Voters/legislators may question the nexus between general sales tax and fish & wildlife.
- ▶ CDFW already gets \$85M/year from the General Fund.
- ▶ Competing statewide priorities for General Fund: education, health care, corrections.
- ▶ Recent competing measures: Prop. 30 income tax (extended in 2016), SB 1 gas tax (2017).

Real Estate Transfer Tax

Florida

“Documentary stamp tax” on transfers of interest in property to fund state wildlife agencies’ land protection efforts. The Acquisition and Restoration Council makes recommendations about acquisition, management and disposal of state-owned lands (10 members: 6 private citizens, 4 state agency representatives).



Real Estate Transfer Tax

Florida

How did they do it?

- ▶ Transfer tax used for wildlife and land conservation since 1968.
- ▶ Legislature did not appropriate funds for wildlife in times of budget shortfalls.
- ▶ Citizen petition drive put constitutional amendment on the ballot in 2014 to dedicate 33% of transfer tax funds to (approved with 75% of the vote).
- ▶ In 2015, wildlife and land conservation programs received 5% of the expected funds; litigation is ongoing.
- ▶ Lesson learned: going around the Legislature for a ballot initiative could cause a backlash.

Real Estate Transfer Tax

Would this work in California?

- ▶ Could yield large amount of revenue due to high value of real estate in California.
- ▶ Real estate industry could present well-organized opposition.
- ▶ In Florida a portion of the existing transfer tax revenues go to fish and wildlife. The real estate industry opposed a proposal in Georgia to increase transfer taxes - the measure passed the Georgia assembly but failed on the ballot.
- ▶ Revenues could be volatile, potentially crashing when property values fall or sales slow.

Lottery Funds

Arizona

In 1990 voters passed Arizona Heritage Fund. Earmarked \$20 million per year of state lottery revenues for acquisition, development and protection of recreational, natural, wildlife and cultural resources. The funds are split between Arizona Game and Fish Department and Arizona Parks Department.



Other States utilizing lottery funding for fish and wildlife purposes: Colorado and Maine.

Lottery Funds

Arizona

How did they do it?

- ▶ Early meetings on funding need between the Nature Conservancy, AZ Parks and Game and Fish Departments
- ▶ Funding plan fully developed before any campaign activity
- ▶ Campaign coordinated by the AZ Heritage Fund Alliance (85 recreation/conservation groups, and cities, towns, individuals)
- ▶ Initiative was on the ballot in an election year - gubernatorial candidates supported it

Lottery Funds

Would this work in California?

- ▶ Lottery funds are earmarked for education in California; voters/legislators may want any additional lottery funds to go to schools.
- ▶ Opposition from anti-gambling groups.
- ▶ Voters/legislators may question the nexus.

Dedicated Sales Tax on Outdoor Gear Texas

- ▶ “User Pays, User Benefits” Concept
- ▶ Texas State Legislature first passed outdoor equipment sales tax in 1993. In 2015 the legislature passed House Bill 158, which dedicated 94 percent of the state sales tax attributed to sporting goods to Texas Parks and Wildlife Department with the provision that each session the legislature may still appropriate all or only part of this amount for he department to spend.
https://tpwd.texas.gov/newsmedia/releases/news_roundup/texas_parks_and_wildlife_funding/park_funding.phtml
- ▶ Other State utilizing a general sales tax for fish and wildlife purposes:
Virginia



Dedicated Sales Tax on Outdoor Gear Texas

How did they do it?

- ▶ Demonstrated need for additional funding.
- ▶ Had strong support from the sporting goods industry - investment in conservation could increase sales.
- ▶ Texas Parks and Wildlife Department formed the Texas Outdoor Recreation Association to educate industry about funding issues.
- ▶ Opposition from legislators overcome by user pays, user benefits concept.

Dedicated Sales Tax on Outdoor Gear

Would this work in California?

- ▶ Environmental-conscious population would see clear nexus between outdoor gear and conservation programs.
- ▶ Does not provide for increased revenue - carves out revenue that would otherwise go to the General Fund.
- ▶ CDFW already gets \$85M/year from the General Fund.
- ▶ Competing statewide priorities for General Fund: education, health care, corrections.

Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1)

- ▶ \$7 billion bond act approved by voters in 2014
- ▶ \$372.5 million allocated to DFW:
 - \$285 million for watershed restoration projects outside the delta
 - \$87.5 million for water quality and ecosystem restoration projects in the delta
- ▶ These are one-time project funds with standard administration, planning and monitoring components per the bond act

California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (SB 5)

- ▶ \$4 billion bond act to go to voters June 2018
- ▶ \$135 million allocated to DFW:
 - \$50 million for deferred maintenance
 - \$25 million for projects to restore rivers and streams, with \$5 million set aside for the Klamath-Trinity watershed
 - \$30 million for restoration of Southern California steelhead habitat consistent with state and federal recovery plans
 - \$30 million for fish and wildlife habitat restoration; may be authorized through the Fisheries Restoration Grant Program
- ▶ These are one-time project funds with standard administration, planning and monitoring components per the bond act

Control, Regulate and Tax Adult Use of Marijuana Act (Proposition 64)

- ▶ Approved by Voters November 2016; tax revenue collection begins January 1, 2018
- ▶ Department of Finance to estimate revenues for allocations; expected to occur in May 2018
- ▶ Provides funding to CDFW from tax revenue beginning 2018-19 for:
 - Cleanup, remediation, restoration of environmental damage
 - Operation of wildlife areas in a manner that discourages illegal cultivation
 - Multiagency watershed enforcement
- ▶ Resources Agency determines allocation of revenues between CDFW and Parks
- ▶ “No supplant” language: Prop. 64 prohibits tax revenue from replacing other funds for these purposes; General Fund appropriations may not be reduced below 2014 level.

Cap and Trade

- ▶ \$25 million appropriated in 2014 for greenhouse gas reduction projects.
- ▶ 12 projects funded; anticipate completion in 2020.
- ▶ AB 109 (2017) appropriates an additional \$15 million for projects.
- ▶ Similar to bonds, these are one-time project funds.