

**California Fish and Wildlife Strategic Vision Project**  
**Sustainable Financing Working Group Issues Framework**  
*Revised October 17, 2011*

**Working Group Notes**

Showing value of the California Department of Fish and Game (DFG) to the public – this will be different for different people

Establishing funding goals depends on the scope of the department's work (programs, mandates, etc.) –what you want?

- Need an agreement on what the delivery should look like (define that end point and until then you cannot measure the progress)
- Costs depend on the idea of what delivery looks like and can vary greatly from one perspective to another
- Should the finance work group be reacting to what other work groups are recommending?
- Once programs are defined then you can figure out how it should be financed

***Goal: Better articulate/define DFG and California Fish and Game Commission (F&GC) programmatic outcomes, identify deliverables and define measures of success***

Problem statements:

- DFG operations and program management are not always efficient or as effective as possible.
- There is a disparity between desired and required outcomes and current funding levels - underfunded mandates
- Lack of trust between stakeholders and DFG (and within DFG)

Objectives:

- Analysis of existing mandates:
  - o First define what delivery of programs should look like
  - o Need a process for prioritizing existing mandates
  - o to look at the priorities and make recommendations on that (possibly through this process)
  - o could look at the underfunded mandate list provided and change the language to be more specific
- Defining what new mandates will look like when implemented and what they will cost to implement
- Feedback loop for new mandates:
  - o Greater transparency in articulating what mandates will cost
  - o When a mandate is created there should be some feedback to the legislature on what the financial impacts are and what it would take to implement the mandate
  - o vision: legislature is collaborative in nature allowing this feedback to take place during the mandating process

**Goal: Ensure adequate and sustainable funding to achieve the programmatic objectives (and mandates)**

Problems:

- Lack of revenue
- Existing fees do not always cover the full cost of programs
- There is a disparity between desired and required outcomes and current funding levels - underfunded mandates

Objectives:

- achieve diversity in the funding –
- achieve stable funding/baseline stream for long term;
- reserves (working capital) for incremental projects

**Goal: Increase/encourage fiscal flexibility where appropriate**

Problems:

- there is not enough flexible finding for programs (programs should not fully depend on dedicated funds)
- in many cases staff is supported by dedicated funding and they cannot work on other projects or efforts
  - o Groups lobby the legislature to secure DFG funding and budget allocations to particular projects/ initiatives.
  - o This creates an inability to change funding allocations as priorities shift.

Objective:

Funding should be made as flexible as possible to be adaptive where appropriate

Increase transparency

**Types of Funding / Levels of Funding**

- Fundamental baseline investments for the state to fulfill that mission – baseline monitoring and basic information of those resources needs to be stable (these are those elements that benefit the general public)
- Conservation planning efforts
- Special programs – the cost of providing that program based on the baseline monitoring and information– beneficiary pays / e.g. user fees – some programs have benefits for the broader general public

**Overarching recommended action: Creating a partners program**

| ISSUE  | PROBLEM(S)  | Goal<br>(Preceded by SF #)  | Objectives   | EXAMPLE(S) OF WAYS TO<br>ACHIEVE GOAL   | TIE(S) TO DFG<br>STRATEGIC<br>INITIATIVES | IMPLEMENT-<br>ATION SCALE<br>CRITERIA | TIME SCALE<br>CRITERIA | FINANCIAL<br>SCALE<br>CRITERIA |
|--|---|---|--|---|---|---------------------------------------|------------------------|--------------------------------|
| <u>Unbudgeted obligations</u>                            | <u>There is a disparity between desired and required outcomes and current funding levels - underfunded mandates</u> | 1. <u>Better articulate/define DFG and F&amp;GC programmatic outcomes, identify deliverables and define measures of success</u> | <u>Match DFG's activities with necessary funding</u> | <ul style="list-style-type: none"> <li>- <u>Review and prioritize un or under-funded mandates. How do you attempt to prioritize these?</u></li> <li>- <u>Define what new mandates will look like when implemented and what they will cost to implement</u></li> <li>- <u>Feedback loop with legislature-- when a mandate is created there should be some feedback to the legislature on what the financial impacts are and what it would take to implement the mandate</u></li> </ul> |   |                                       |                        |                                |
| Alternative Revenue Sources (as opposed to general fund) | Lack of revenue   | 2. Ensure adequate and sustainable funding to achieve the programmatic objectives (and mandates)                                |  |   |   |                                       |                        |                                |
|  | ""  | ""  | Explore alternative revenue streams                  | <ul style="list-style-type: none"> <li>- <u>Review other states' successes and failures of creating alternative revenue streams</u> <ul style="list-style-type: none"> <li>o <u>Broad sales tax</u></li> <li>o <u>Sales tax on outdoor gear</u></li> <li>o <u>Real estate transfer tax</u></li> <li>o <u>Environmental license plate</u></li> </ul> </li> </ul>   |   |                                       |                        |                                |

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|       |            |                            |  | <ul style="list-style-type: none"> <li>o <u>Vehicle license fee</u></li> <li>o <u>Retail water user fee</u></li> <li>o <u>Landing tax expansion</u></li> </ul> - California State Parks model (builds constituency, able to advocate)  |   |                                       |                        |                                |
|       | ""         | ""                         | Consider/analyze other states' methods of developing additional funding sources as possible options  | <ul style="list-style-type: none"> <li><del>—Broad sales tax</del></li> <li><del>—Sales tax on outdoor gear</del></li> <li><del>—Real estate transfer tax</del></li> <li><del>—Environmental license plate</del></li> <li><del>—Vehicle license fee</del></li> <li><del>—Retail water user fee</del></li> <li>- <del>Landing tax expansion</del></li> </ul>  |   |                                       |                        |                                |
|       |            |                            | Attempt to implement based on the analysis   |  |   |                                       |                        |                                |
|       | ""         | ""                         | (adopt) Establish more financial partnerships with federal government, non-governmental organizations (NGOs), private sector and other states. | <ul style="list-style-type: none"> <li>- Partner with private sector, non-profits, NGOs, to manage DFG lands (e.g. AB 42, Huffman)</li> <li>- Leverage existing programs or partnerships</li> <li>- Create California State Parks Foundation model of dedicated supporters</li> <li>- Ensure firewalls are in place to prevent image of undue influence</li> <li>- Identify additional federal matching</li> </ul> |   |                                       |                        |                                |

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|   |   |  |   | grant funding opportunities (e.g. Fisheries Restoration Grant Program)<br>- Maximize in-kind contributions<br>- Federal loan of personnel to DFG   |   |                                       |                        |                                |
| Finding ways to fund programs or projects that benefit a subset of the overall population:<br><br>One way to fund is Fees<br><br><del>Another way is to utilize volunteer administered programs</del> | Existing fees do not always cover the full cost of programs (do we have any metrics on this?) | 3. Ensure adequate and sustainable funding to achieve the programmatic objectives (and mandates) | Sustainable user based fee programs   | <ul style="list-style-type: none"> <li>- Analysis of opportunities to adjust user-based fee structures</li> <li>- Align existing fee revenues with DFG priorities</li> <li>- <u>Alternative revenue streams that could be substituted for commercial permits to promote sustainability (e.g. commercial fishing permits)</u></li> <li>- <u>Utilize volunteer administered programs</u></li> <li>- Assessment of fees that are collected and establish an open process for determining fees, process should include:</li> <li>- Assessment of cost for efficient programs</li> <li>- Define benefits of programs and who receives benefits (i.e. permit applicant, broader public)</li> </ul> |   |                                       |                        |                                |
| Flexibility in funding  | Groups lobby the legislature to secure DFG funding and budget allocations to                  | 4. Increase/encourage fiscal flexibility where appropriate<br>- Identifying                      | Establish fiscal flexibility to track changing priorities over time. Balance flexibility with | <ul style="list-style-type: none"> <li>- Create standardized policy for revenue collected for a specific use/delivery of service (e.g., level necessary to make a dedicated</li> </ul>   |   |                                       |                        |                                |

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|                           | particular projects/<br>initiatives. This<br>creates an inability to<br>change funding<br>allocations as<br>priorities shift. | where this is<br>appropriate and<br>where it is not.<br>- Increasing<br>accountability  | accountability.   | account cost effective)<br>- Improve transparency of budgets and<br>actions to reduce pressure for<br>dedicated accounts  |   |                                       |                        |                                |
| Improve<br>Efficiencies   | DFG operations and<br>program<br>management are not<br>always efficient or as<br>effective as possible.                       | 5. Better articulate/<br>define DFG and<br>F&GC programmatic<br>outcomes, identify<br>deliverables and<br>define measures of<br>success | Manage programs and<br>available resources<br>efficiently and effectively     | - Use technology to improve<br>efficiencies (tease out permit<br>effectiveness and monitoring)<br>- Create work plans and targets for<br>staff<br>- Use performance based management<br>and/or performance based budgeting          |   |                                       |                        |                                |
|                           |   |   | Integration between<br>headquarter and region to<br>improve operational costs | - Improve communication to ensure<br>regions and headquarters are working<br>towards the same goal and not<br>duplicating efforts   |   |                                       |                        |                                |
|                           |   |   | Improve integration<br>between DFG and other<br>state or federal agencies     | - Establish financial partnerships<br>- Build synergies on joint efforts to<br>achieve like goals   |   |                                       |                        |                                |
| Trust and<br>Transparency | Lack of trust between<br>stakeholders and DFG<br>(and within DFG)   | 6. Better<br>articulate/define<br>DFG and<br>Commission<br>programmatic<br>outcomes, identify<br>deliverables and<br>define measures of | Improve accountability and<br>transparency of programs<br>and budgets         | - New component drill – outputs and<br>outcomes<br>- Utilize information generated from<br>identifying opportunities to leverage<br>additional funding to improve<br>efficiencies and effectiveness<br>- Consider creating advisory |   |                                       |                        |                                |

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|       |            | success                    |            | committees for more DFG programs<br>(create these a possible process to<br>analyze existing/new mandates and<br>what program delivery should look<br>like) |   |                                       |                        |                                |

**Homework Volunteers**

Curtis Knight