**Report to the House Game and Fisheries Committee**
**by the**
**Pennsylvania Fish and Boat Commission**

**February 14, 2008**
**Dr. Douglas J. Austen, Executive Director**

Good morning chairman Staback and Rohrer and members of the committee. On behalf of the Commissioners and staff of the Fish and Boat Commission I thank you for this opportunity to present this report. I also want to thank you for your willingness to support the Commission, our mission, and the hundreds of thousands of citizens of the Commonwealth, who enjoy and value its tremendous aquatic resources. Before I begin I would like to recognize the contributions of Commissioner Fred Osifat who passed away earlier this year. His family and friends can be comforted in knowing his tireless dedication and passion for fishing and the resources will benefit Pennsylvanians for years to come.

We also have some guests with us this morning and I would like to introduce the staff and partners of the Fish and Boat Commission who are here with me today.

To help organize my comments this morning I will break them into four sections. First I'd like to review some of the recent accomplishments of the Commission. Secondly, I will discuss our fiscal status and projected financial conditions. For the third section of my report I will describe some ongoing efforts, some of which will require legislative support and action. Finally, I will mention a few thoughts about the future.

Accomplishments

If there is one certainty in my presentation, it is that the successes of the Fish and Boat Commission are the result of many dedicated Pennsylvanians. These include our committed Commissioners, professional staff, strong and mutually beneficial partnerships, an engaged and supportive public, a legislature and a Governor who share a common vision of a better Pennsylvania,. With this support and dedication the agency has seen remarkable accomplishments.

Now in its 142nd year, the Fish and Boat Commission remains dedicated to protecting, conserving, and enhancing Pennsylvania's aquatic resources and providing fishing and boating opportunities for all of us and for future generations. While steeped in tradition, the Commission acknowledges that the issues and concerns of 2008 are not the same as in our founding year, 1866, or even as recently as a decade ago. Societal needs and interests such as disengagement with the outdoors, new and more complicated challenges with water quantity and quality, invasive & exotic species, diseases such as VHS, and other issues, require us to be attentive and proactive to ensure we meet the needs of the angling and boating public and the resources of Commonwealth. Therefore, to be successful in addressing the complicated resource issues that we all face, we need to employ new tools, and keep current in science and new management approaches. And indeed we have

For example, the past several years have brought us two opening days of trout season that addresses both the climatic differences in the state as well as the challenges with our kids of busy spring weekends of soccer and baseball. Through listening to our public we stock larger trout. We now have an electronic licensing system and we are implementing state-of-the-art effluent filtration in our hatcheries. We have also seen the emergence of an active fishing access program, a boat access grant program with nearly 50 projects either completed or in progress, a reconfigured musky program, greatly expanded emphasis on habitat, and innovative marketing strategies. We look to expand our understanding of the resources through a new emphasis on rivers with the Three Rivers Ecological Research Center in Pittsburgh and new staff forthcoming on the Susquehanna and Delaware Rivers. We have a new agency organization that will move us forward with creative ideas and a management structure designed to facilitate getting things done. We are continually looking to ensure efficiencies, conserve, enhance and protect resources, and address the needs of the angling and boating publics of the Commonwealth. I guess from one perspective it would be good to take a breath, rest for a couple of months or a year, and then see what lies ahead. But that's not going to happen. We can't rest because we have work to do and serious challenges yet to be addressed.

Fiscal Status

Before I detail these challenges, I would like to take a few minutes to discuss our finances. How are we doing in terms of fiscal health? The issue is basically centered around the question of "When will we lose the advantage of the 2005 license increase?" As you are all aware, the revenues resulting from that increase are constantly being eroded over time by rising energy costs, inflation, increasing personnel expenses due to health care and contract-mandated salary increases, and new fiscal stressors. We all recognize that a future license fee increase is inevitable so I think it best to be direct and talk about our current condition and what the future portends. The way I often describe our financial situation is in the context of a large 7 to10 year cycle. In a sense it reflects the core of the relationship between the legislature and the Commission. The underlying economic principle is that throughout this cycle we have a relatively fixed income based upon an established fishing license or boat registration fee structure multiplied by a certain size of user group. I say "relatively fixed income" because there are two factors acting to erode our revenue stream. First, for approximately the past two decades the number of people purchasing licenses has generally declined, partly due to demographics and partly due to societal changes. We have worked to counter this trend through innovative marketing and exciting new programming, and this is reflected in marginal increases in license sales during the past two years of 2.4 in 2006 and about 1.5% last year, both of which counter national trends. The second major factor eroding our revenue is a result of our current fee increase quandary. As the years go by after each fee increase, costs escalate, inflation eats into our funds and, as history has shown, we eventually require another fee increase. After each increase is enacted, license sales decrease dramatically, such as in 2005 when we observed a 9.5% decline due, I would suggest, to the severity of the fee increase. These substantial, periodic fee increases are not well-received by the public. Then, this negative, 8-year cycle is repeated.

Why do we find ourselves in this situation? The answer seems to be a mixture of history, tradition, our legislative process, control, the need for better communication, and possibly other issues. Whatever the cause, the result is detrimental to the agency and its mission. It is also unpopular with the public, erodes participation, and is ultimately bad for the resource. We need

to find a new way of establishing appropriate fees for licenses and boat registrations and I ask for your creative energy, willingness to find a new solution, and legislative skills at developing a resolution.

So where are we right now in this cycle? In 2005 we received our most recent fee increase. We estimate that by the 2012-2013 fiscal year, our fund balances will be at critically low levels. Clearly, this suggests that we would be looking for a license fee increase in the year or two prior to that shortfall. Thus, without some pre-emptive resolution, we will need to start calling upon you as we approach 2010. While still seemingly far into the future, this time will soon arrive. This leaves us a couple options: either pursue the same route over again with negative consequences for the anglers, boaters and resources of the Commonwealth or find a different way of addressing the situation. In the words of Albert Einstein, "We can't solve problems by using the same kind of thinking we used when we created them." There are a variety of options. These may include a fee structure tied to inflation, legislative action to create a smaller but more frequent automatic fee increase, or the pursuit of alternative funding sources. I look forward to working with you on these and any other options, with the intent of implementing fee structures or other sources of revenue that are appropriate, timely, and acceptable to the public.

Related to our fiscal situation is the recent passage of HB 1109, now known at Act 2 of 2008. The more widely familiar term is the PALS (Pennsylvania Automated Licensing Service) pass-through bill. I would like to thank you for passage of the bill and recognize your assistance to address what otherwise would have been a serious financial burden on the Commission of over $1 million per year. We certainly want to minimize the costs to the anglers, but believe that the 70-cents per transaction for PALS, one of the lowest in the country, will result in a long-term benefit to the angler, the license issuing agent, and the agency. This system will greatly enhance our abilities to communicate and understand our customers' needs.

To conclude the section of this report addressing the budget, and to transition into programs and legislation, I would like to mention two major issues that will be brought before you later this spring and into the summer. The first of these was unveiled by Governor Rendell in his budget address last Tuesday. This, of course, is the Governor's "Rebuild Pennsylvania" capital funds initiative that includes, among many other important components, the repair of Commonwealth-owned and PFBC-managed unsafe dams. The Fish and Boat Commission manages nearly 70 dams for the Commonwealth, but unfortunately, 17 of these are deemed unsafe due to their inability to handle extreme high water events, that is to pass at least 50% of the probable maximum flood. These structures are distributed throughout the Commonwealth, as seen on the list in your folder. Certainly, I am exceedingly thankful that we were even considered in the Governor's budget initiative. We are most appreciative that public safety and the recreational importance of repairing these dams have been recognized. However, I would also like to note that the projected repair costs vastly exceed the proposed funds as presented in the infrastructure proposal. We look at this as a challenge to, first, keep the funds in the budget and, second, to find the remainder of the funds. For those of you who have one of these dams in your legislative district, we look forward to working with you to seek other funds to leverage the limited dollars available to invest in these facilities. Your support is critical for retaining the full measure of these funds throughout the legislative process of budget negotiations. Without these funds it is

obvious that more of these dams will be breached, resulting in a huge loss of recreational opportunities and negative economic impacts on the local community.

A second major legislative initiative is the continuing challenge of getting kids involved in fishing and boating, and making connections to natural resources through the expansion of youth programs. Last year House Bill 1436 was introduced with a total of 39 co-sponsors. This is a bold bill that challenges tradition and recognizes that the priorities of today's youth are simply not what any of us experienced as kids. Through this bill we recognize that today's problems can be solved using new approaches, new programs, and new tools. We can do it in a way that is free from barriers and will provide, through a sunset provision, a realistic and stringent test of effectiveness. This legislation also brings in significant federal dollars to match our state funds, both of which will be restricted to new and expanding youth education programs. I have absolutely no doubt that we can make this work and we can make a difference. And that is what this legislation it is all about- making a difference in the lives of kids who are the future of our Commonwealth.

I would like to provide you a couple brief examples of how a test of this program is already making a difference. As I relate these stories, please consider how similar programs could benefit the constituents of your legislative district. For example, consider your community's schools, your parks, the sportsman's clubs, police athletic leagues, boys and girls clubs, and other organizations that act as gathering places for young people.

The first story is about Irvine Elementary School in Erie which received funding from the Commission's Sportfishing and Aquatic Resource Education Grant program. Last year, the school's after-school program allowed some 50 students to learn basic fishing skills, water safety, and principles of resource management. This year, grant funding has allowed the program expand to some 230 students. During nearly the entire school year, students delve in with hands-on guided practice, lectures, guided reading, research, internet learning and field trips.

The second story is about the West Chester Fish, Game & Wildlife Association helping 30 high school students learn fishing skills and aquatic conservation. The program is conducted during the entire school year and provides students with the opportunity to learn about Pennsylvania's resources and how to protect and conserve them for future generations. Program participants include experienced anglers and those to whom fishing is a completely new experience.

Ladies and gentlemen, HB 1436 is a response to a clear need rather than some bureaucratic effort to separate money from kids. The $5 cost is well within the means of the vast majority of those 12-15 year olds who would be required to purchase a license. Certainly, other activities or such regular purchases such as movie tickets, video rentals, or fast-food meals often exceed this nominal cost. Further, programs resulting from this bill will be rigorously examined to ensure they are having the desired outcome of getting more kids on the water and making them better stewards of our aquatic resources. I look forward to working with you on this initiative that will greatly benefit future generations of Pennsylvanians.

Ongoing Efforts

Next, I'd like to briefly address the challenge of access. Recently, the Little Juniata case was finally resolved by the withdrawal of the appeal of Judge Kurtz's ruling that the "Little J" is, in fact and by law, navigable. But this isn't the end of the larger issue of access. The challenge before us that will continue long after we are gone, is what will we do about it? If we don't have access we don't have opportunity. If we don't have opportunity the next generation will continue to be increasingly disengaged from the outdoors.

In support of this improved access, legislative support is needed for a strengthened Recreational Use of Land and Water Act (RULWA). Fear of landowner liability is an issue that we know leads to more posted property. I strongly urge General Assembly action to consider an amendment that more broadly protects landowners. This should include expanding the definition of protected land to include amenities and structures that directly promote fishing and boating, such as boating access and launch ramps, fishing piers, boat docks, ramps, paths, paved or unpaved trails, and areas providing access to, or parking for, land and waters.

Closely related to this, we need to continue to encourage all Pennsylvanians to be better stewards of the resource and better neighbors to those people who allow fishing and boating on their property. Let me read you a brief excerpt from a letter that I just received ....

(read here part of the letter informing PFBC of new posting and request to terminate stocking)

Third, we need to develop a new funding stream for fishing and boating access. Whether this is a line-item in the general appropriation, a component of our budget, a new stamp, or part of a license fee increase, we need to take action to address this serious, impending issue. We know that fishing in Pennsylvania generates more than $120 million in state and local taxes, and in total economic activity accounts for greater than $1.65 billion (fishing) and $1.7 billion (boating). We should all recognize that a reinvestment by the state into maintaining this economic engine is a necessary and a prudent use of funds.

Future

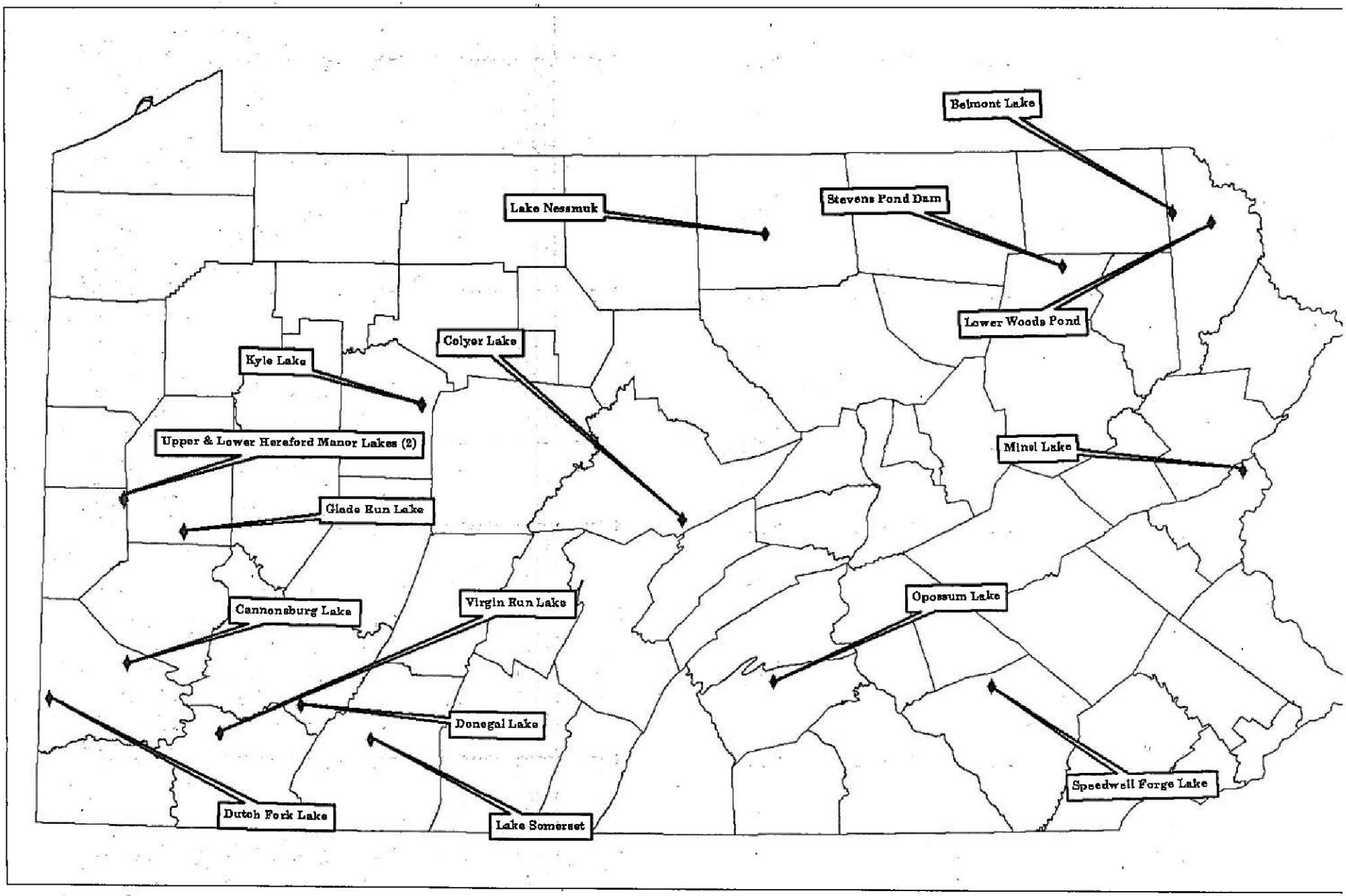
Let me close by clarifying a couple of thoughts about our current and future approaches for addressing the resource and recreational needs. First, in order for each of us to do our job we need to work with partners. This is no less true of all of you here in this great edifice as it is of us working in the agencies throughout the state. These partners could be, and often are, other state agencies such as the Game Commission working with us to implement PALS. It could be DCNR collaborating with us on fishing and boating access and habitat improvement in their state park lakes. It could be collaborating with DEP in the challenge of studying water quality in the Susquehanna River to better understand what is happening to smallmouth bass. It could be joint promotional efforts with DCED to foster increased awareness of, and participation in, angler and boat opportunities. At the federal level we work with numerous agencies such as the U.S. Fish and Wildlife Service, U.S. Forest Service, U.S. Department of Agriculture, the Army Corps of Engineers, U.S. Geological Survey, the Department of Defense, the National Oceanic and Atmospheric Administration-National Marine Fisheries Service, the Federal Highway

Administration, and many others. Of course, we work with local governments and many non-governmental conservation partners such as Western Pennsylvania Conservancy, The Nature Conservancy, Trout Unlimited, Bass Anglers, Musky groups, and more. The point of all this is that to continue to be successful we have to cooperate, partner, build alliances, and work to implement projects and programs that are mutually beneficial. None of us can fully accomplish the large goals that affect the landscape on our own, so by working together we can achieve an end that is greater than any of the individual parts. Moreover, I believe that this is what our constituents want from us; to see improved habitat, to be better informed about our work, and have more opportunities for fishing and boating. In today's world I view this collaboration as not only a nice endeavor, but more importantly a vital aspect for making significant progress. To do otherwise would be a disservice to the public, a disservice to the future of the Commonwealth, and a major disservice to the aquatic resources.

We cooperate in these efforts without sacrificing our identity. This work is conducted without eroding our independence as an agency and with the specific goal of benefitting the aquatic resources and fishing and boating opportunities for all Pennsylvanians and our guests. Moreover, while maintaining and defending our independence as an agency, I will continue to work with whatever partner can help us move forward to fulfill our mission to protect, conserve, and enhance the aquatic resources of the Commonwealth and provide fishing and boating opportunities. I ask for your support in this effort.

Lastly, as I look back on these past four years I can only recognize that I been afforded a unique opportunity to serve as the Executive Director of the Fish and Boat Commission. This has allowed me to work with remarkable professionals, highly-motivated conservation groups, dedicated citizens, and an abundance of diverse resources. Given the Commission's track record for success, I look forward to continuing that work for many years ahead and to a bright future for the anglers and boaters of Pennsylvania.

Thank you for this time to update you on the Commission. I appreciate your interest and am now very willing to answer any questions.


Belmont Lake
Lake Nessmuk
Stevens Pond Dam
Lower Woods Pond
Colyer Lake
Kyle Lake
Upper & Lower Hereford Manor Lakes (2)
Minsi Lake
Glade Run Lake
Cannonsburg Lake
Virgin Run Lake
Opossum Lake
Donegal Lake
Dutch Fork Lake
Lake Somerset
Speedwell Forge Lake

## Pennsylvania Fish and Boat Commission - Dam Infrastructure Needs
## State-Owned Dams Managed by the Commission

| Facility Name | County | Acreage | Estimated Cost |
|---|---|---|---|
| Colyer Lake | Centre | 166 | $7,175,700 |
| Dutch Fork Lake | Washington | 91 | 6,150,600 |
| Opossum Lake | Cumberland | 59 | 3,000,000 |
| Canonsburg Lake | Washington | 75 | 2,750,000 |
| Speedwell Forge Lake | Lancaster | 106 | 5,065,200 |
| Kyle Lake | Jefferson | 165 | 4,221,000 |
| Donegal Lake | Westmoreland | 90 | 4,221,000 |
| Virgin Run Lake | Fayette | 32 | 4,221,000 |
| Glade Run Lake | Butler | 145.5 | 4,221,000 |
| Stevens Lake | Wyoming | 62 | 1,809,000 |
| Belmont Lake | Wayne | 172 | 1,266,300 |
| Minsi Lake | Northampton | 122 | 3,183,840 |
| Somerset Lake | Somerset | 253 | 3,183,840 |
| Lower Woods Pond | Wayne | 91 | 1,266,300 |
| Nessmuk Lake | Tioga | 60 | 1,266,300 |
| Lower Herford Manor Lake | Beaver | 23 | 12,663,000 |
| Upper Herford Manor Lake | Beaver | 45 | 12,060,000 |
| *Total Estimated Costs* | | | *$77,724,080* |