

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: May 31, 2011
POSITION: Neutral, note concerns

BILL NUMBER: SB 317
AUTHOR: M. Rubio
RELATED BILLS: SB 1704 (Costa)

BILL SUMMARY: Kings River Fisheries Management Program

Fish and Game Code allows for the Department of Fish and Game (DFG) to enter into contracts with public and private entities for the purpose of habitat preservation, restoration, and enhancement to meet DFG mandated authority and duties with regards to fishery resource management.

This bill would permanently reauthorize DFG participation in the Kings River Fisheries Management Program (Kings River Program) that began on May 28, 1999, and was repealed by its own provision on January 1, 2011. The bill would require any expenditure for the Kings River Program be funded from the Hatchery and Inland Fisheries Fund (HIFF).

FISCAL SUMMARY

The annual Budget Act provides \$100,000 General Fund for purposes of the Kings River Program. However, we note that DFG participation in the program is not mandatory; therefore, DFG may cease participation if funding is not available. This bill would require that expenditures for the Kings River Program be funded from the HIFF and therefore would discontinue the General Fund annual appropriation.

COMMENTS

The Department of Finance is neutral on the bill but notes the following concerns:

- While discretionary, contributing funding to local agencies would create a cost pressure on the HIFF.
To the extent that expenditures are needed, diverting money from the HIFF for the Kings River Program could prohibit DFG from reaching trout stocking goals outlined in Chapter 689, Statutes of 2005 (AB 7).

The Kings River Program is a cooperative effort involving DFG, the Kings River Water Association, and the Kings River Conservation District. Chapter 418, Statutes of 2000 (SB 1704, Costa) adopted and authorized the Kings River Program. The bill included a January 1, 2011 repeal date.

The Kings River Program established a comprehensive framework agreement to help DFG, local agencies, and the general public, work together in a cooperative and consensus based setting to resolve lower Kings River fishery management issues and implement various habitat enhancement projects. This program was the result of a decade of study, analysis, and negotiation between DFG, water users, local agencies and interested local and statewide fishery organizations. It is voluntary for participants, including DFG, and was initiated at the local level, with all interested parties contributing funds.

DFG has 13 trout hatcheries and produces up to 16 million trout annually to plant in California's inland waters. AB 7 requires that one-third of sport fishing license revenue be deposited into the HIFF to support fish hatcheries, the Heritage and Wild Trout Program, and related enforcement activities. Aside from \$2 million specifically dedicated to the Heritage and Wild Trout Program by AB 7, all HIFF funding is currently used to support trout hatchery operations to meet specified trout production goals.

Analyst/Principal Date Program Budget Manager Date
(0634) M. Almy Karen Finn

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)

AUTHOR

AMENDMENT DATE

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Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	
3600/Dept FishGam	SO	No		-----	See Fiscal Analysis	-----			3103
<u>Fund Code</u>	<u>Title</u>								
3103	Hatchery and Inland Fisheries Fund								