

**Department of Fish and Game
FY22 - Mid-Year Status Report**

Item #	Approp/ Allocation	Description	Amount / Fund Source	Comment	LFD Questions	Agency Comments
1	Commercial Fisheries / Southeast Region Fisheries Management	Reopen Wrangell Commercial Fisheries Office (Inc/Dec Pair)	\$66.2 Gen Fund (UGF) 1 PFT Position	The legislature added \$66.2 of UGF funding and a new position for the agency to reopen the Wrangell Commercial Fisheries Office, in order to provide local staffing and service. A corresponding decrement for the same amount in the Wildlife Conservation allocation makes this an Inc/Dec pair with a net zero funding effect, though the Wildlife decrement did not remove a position.	Has the agency reopened the Wrangell Commercial Fisheries Office, and if not, why?	The Wrangell office was a joint Department of Fish & Game office. The majority of the constituent issues were with Wildlife tags and sealings. The funding was returned to the Division of Wildlife Conservation via an reimburseable services agreement (RSA) to reopen the office. Wildlife staff opened the Wrangell office for parts of the fall to cover hunting-related tasks.
2	Commercial Fisheries / Central Region Fisheries Management	Maintain Bristol Bay Watershed Projects with UGF Funding in Place of SDPR (FY22-FY23)	\$800.0 Gen Fund (UGF)	In FY18, the Bristol Bay Science and Research Institute and other industry participants established the Bristol Bay Fisheries Collective and partnered with Fish and Game to establish a Memorandum of Agreement to fund certain priority projects that had been subject to UGF reductions. The legislature provided \$800.0 of Statutory Designated Program Receipt (SDPR) authority by which industry could support these projects and surveys to ensure ongoing access to key fisheries. In FY22, the legislature restored UGF funding for these projects for the remainder of the period in which the SDPR authority had most recently been authorized. This temporary UGF increment runs through FY23. Bristol Bay Watershed projects included in this funding: Nushagak Sonar (June 1 - July 30) Port Moller (R/V Pandalus) Kvichak Inriver Test Fish FB I (Test Fish Coordinator) Egegik Inriver Test Fish Ugashik Inriver Test Fish Alagnak Tower Tower Extensions Port Moller Test Fishery	Does the agency plan to perform all of the projects and assessments that the legislature had included in this transaction description during the seasons that fall within FY22?	Yes, all of the projects and assessments were or will be performed.
3	Commercial Fisheries / Statewide Fisheries Management	Align Budget Authority to Current Revenue Levels for Commercial Fisheries	Total: \$5,200.0 \$4,000.0 Fed Rcpts (Fed) \$200.0 I/A Rcpts (Other) \$1,000.0 CIP Rcpts (Other)	This increment allows the agency to receive increased federal funding for work related to the Pacific Salmon Treaty. This also adds inter-agency receipt authority and capital improvement project receipt authority in order to align these budgeted amounts with the agency's need.	Could you please highlight projects that have occurred as a result of this expanded authority?	Yukon River treaty implementation projects include Chinook research and assessment, fall chum research, sonar operations, and harvest monitoring. The Southeast Alaska Chinook Salmon Fishery Mitigation Program is designed to alleviate economic impacts resulting from a 7.5% reduction in Chinook salmon harvest levels under the 2019 revision to the Pacific Salmon Treaty. Projects funded to date have focused on increasing fishing opportunity. A complete list can be viewed at https://www.adfg.alaska.gov/index.cfm?adfg=fisherymitigation.main .

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4	Commercial Fisheries / Statewide Fisheries Management	Increase Use of Commercial Crew License Revenues to Replace UGF and CFEC Receipts	Net Zero (\$783.5) Gen Fund (UGF) \$1,500.0 GF/Prgm (DGF) (\$716.5) CFEC Rcpts (DGF)	<p>Upon learning of a projected Commercial Fisheries Entry Commission (CFEC) receipt shortfall, the legislature chose to increase the Commercial Crew License receipt authority (GF/Prgm) in this fund change, and further decrease the amount of CFEC receipt authority in order to avoid over-appropriating the CFEC fund balance. While the legislature did accept the \$783.5 UGF decrement associated with this transaction, a separate IncOTI for \$800.0 UGF was added to temporarily offset this reduction.</p> <p>Fiscal Analyst Comment: The agency has approximately a \$3.3 million carryforward balance accumulated in Commercial Crew License receipts, so spending at this appropriated level will deplete these funds in two fiscal years. The overall impact of this fund change and the UGF increment in item 5 results in a net increase of \$800.0 in funding and authority. The agency is not obligated to increase spending, and may chose to preserve the affected fund sources. Regardless, the Commercial Crew License receipt carryforward balance is not a sustainable fund source, and will ultimately need to be replaced to maintain agency operations.</p>	<p>Was this fund swap sufficient to alleviate pressures on the CFEC fund?</p> <p>These fund changes along with the one-time UGF increment described in Item 5 resulted in a net increase of \$800.0 DGF authority from Commercial Crew License Receipts. Will the agency expend those funds?</p>	<p>In items #4 and #5 both of these helped to provide some relief to the pressures of the CFEC fund but not in the long term especially at the rate of revenue currently being collected.</p> <p>Item #4 was a fund swap so all projects are existing. The GFPR funds (commercial crew licenses) will be utilized instead of CFEC receipts to cover the existing projects and will be expended. The increased use of GFPR funds is not sustainable past FY2024 if revenues remain constant and not past FY2023 if revenues decline.</p> <p>Item #5 will be used to replace existing DGF authority for FY2022. The UGF authority will be utilized for existing projects and will be expended.</p>
5	Commercial Fisheries / Statewide Fisheries Management	UGF Appropriation to Prevent Shortfall of CFEC Receipts	\$800.0 Gen Fund (UGF) IncOTI	<p>For several years, the Commercial Fisheries Entry Commission (CFEC) receipt carryforward balance has been spent down and gradually depleted, as the use of CFEC receipts has increased in order to offset UGF reductions to Commercial Fisheries. The CFEC agency requires a carryforward balance of those seasonal receipts in order to operate, and cannot rely on current year license and permit fees revenues due to timing and volatility. This one-time increment of UGF will temporarily offset agency reliance on CFEC funds.</p>		
6	Wildlife Conservation / Wildlife Conservation	Align Budget Authority to Current Revenue Levels for Wildlife Conservation Pittman-Robertson	Total: \$11,000.0 \$9,500.0 Fed Rcpts (Fed) \$1,500.0 Fish/Game (Other)	<p>This authority ensures that the Department can secure the full federal apportionment of Pittman-Robertson funds and provide a sufficient amount of Fish and Game funds to meet the 3-1 state match requirement (\$1 of state funds for every \$3 of federal funding). In previous years, this authority was shifted to the Capital budget, though the ongoing nature of these projects make the funding an appropriate candidate for inclusion in the operating budget.</p>	<p>What is the status of the State's ability to match and utilize Pittman Robertson funds?</p>	<p>Including both FY22 operating authority and FY22 capital authority, the division has sufficient spending authority and will obligate enough federal funds to avoid reversion of those funds in the future. Similarly, the division also currently has access to sufficient authority to match those federal dollars with state Fish and Game funds.</p> <p>Should federal tax receipts continue to increase the availability of federal Pittman-Robertson dollars in future years, further review of authority may need to be revisited.</p>

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7	Wildlife Conservation / Wildlife Conservation	Decrement to Fund Reopening of Wrangell Fish and Game Office Under Commercial Fisheries (Inc/Dec Pair)	(\$66.2) Gen Fund (UGF)	The legislature decremented \$66.2 of UGF to offset an increment in the same amount under Commercial Fisheries, Southeast Region Fisheries Management, for the purpose of reopening the Wrangell Commercial Fisheries office.	What are the impacts of this reduction?	The impact was a direct reduction to already-scarce general funds (GF) in Wildlife budget. GF is used for vital functions (such as ESA response) unable to be funded with the more abundant federal Pittman-Robertson dollars and so Wildlife was once again under more pressure to reduce work covered by GF. Commercial Fisheries has provided Wildlife the 66.2 via RSA in FY22 to open the office for a few months. Wildlife staff opened the Wrangell office for parts of the fall to cover hunting-related tasks.
8	Various	SB 55, Ch. 9, SLA 2021 Employer Contributions to PERS	\$5,105.1 Gen Fund (UGF)	SB 55 removes the 22% cap on payroll contributions to the Public Employee Retirement System (PERS) for the State of Alaska as a PERS employer. The budgetary impact of this legislation is reflected as a shift from the direct appropriation to PERS (which is typically funded with UGF) to agency payroll, where the cost can be spread across all fund sources. This shift results in a UGF increase to Agency Operations of \$72,871.7, and a UGF decrease to Statewide Items of \$95,794.5, for a net statewide UGF savings of \$22,922.8. Specifically, the UGF impact to the Department of Fish and Game is \$5,105.1 spread across multiple appropriations.	How has SB 55 impacted your agency? Have the non-UGF fund sources been realizable?	As part of the fiscal note process for SB55, OMB worked with departments to identify fund sources that would not be realizable and backfill them with UGF. However, further review has resulted in the identification of other fund sources that may not be realizable. The department is working with OMB to analyze the impacts of this, and if budget adjustments are necessary they will be submitted through the normal budget process.