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**Fish and Wildlife Agency Structures and  
Best Practices:  
A Study of Florida, Texas, Washington, and New York**

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LEGISLATIVE ANALYST'S OFFICE

Presented to:  
Fish and Wildlife Strategic Vision  
Executive Committee and Blue Ribbon Citizen Commission





## Overview of LAO Presentation

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- Four states studied:
  - Florida: the Fish and Wildlife Conservation Commission
  - Texas: the Parks and Wildlife Department
  - Washington: the Department of Fish and Wildlife
  - New York: the Division of Fish, Wildlife, and Marine Resources (under the Department of Environmental Conservation)
  
- Agency Structures and Roles
- Budgets and Funding Sources
- Role of a Commission
- Planning and Evaluation
- Regulatory Activities
- Land Acquisition and Management



## Agency Structures and Roles: Findings

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- ☑ ***Mission Statements Emphasize Both Resource Use and Protection.*** In each of the states we studied, the mission statement indicated that fish and wildlife agencies were responsible for both enhancing public use and conserving fish and wildlife resources for the future, without prioritization. However, each agency's operations demonstrated a different level of commitment to each goal.
  
- ☑ ***Range of Roles Performed Varies Across Agencies.*** All four agencies studied have responsibilities for hunting, fishing, managing endangered species, land management, and commenting on the impacts to fish and wildlife from regulatory actions of other agencies, but they differ in the additional roles they perform. For example, the Florida and Texas fish and wildlife agencies' roles include boating licensing and safety regulation, and the Texas agency further covers all outdoor recreation with the inclusion of parks. The New York agency has the narrowest scope because it does not have any additional functions.
  
- ☑ ***Reorganizations Can Improve Agency Operations, but Can Be Politically Difficult to Enact.*** In 2004, the Florida agency underwent an internal reorganization that succeeded at breaking down "silos" among divisions by providing an opportunity to shift the culture of the organization to a more collaborative mindset. In addition to establishing processes for increased teamwork across divisions and disciplines, the reorganization consolidated conservation personnel in a single division and consolidated many administrative functions in a single office. In the Washington governor's 2011-13 budget proposal, the Washington agency was slated to be merged into a Department of Conservation and Recreation, but this effort was rejected by stakeholders. A consolidation of administrative functions in 2001 reduced costs at the Washington agency.



## Agency Structures and Roles: LAO Comments

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- Internal Divisions Can Be Created According to Different Bases...*** Some agencies we studied organize their internal divisions by grouping similar functions together (such as consolidating all permitting, law enforcement, or research functions each in their own division), while others organize according to programs (such as grouping all personnel needed to operate and maintain parks within a single division).
- ...Each With Associated Pluses and Minuses.*** Grouping by functions encourages economies of scale and reduces the likelihood of redundant functions, but can reduce an organization's flexibility and responsiveness to its constituents. Grouping by programs allows an organization to respond to different sets of constituencies rapidly, but this structure may result in inefficient duplication across divisions, and may hinder coordination because each division is pursuing its own program goals that potentially compete with those of the other divisions.
- Administrative Costs Can Be Lower as a Percentage of the Agency's Budget in Organizations With Broader Responsibilities.*** Across the states studied, administrative percentages are generally higher in organizations that perform fewer functions, particularly in the case of the Washington agency.
- Independent Research Arm Model May Warrant Consideration in California.*** Florida's Fish and Wildlife Research Institute is a quasi-independent arm of the Florida agency that performs all of the agency's research functions. The independence of the Institute keeps scientific activities separate from the policy-making process in an attempt to increase the perceived credibility of the Institute's research. Under this arrangement, staff feel that science informs the decision-making process but is not affected by it. California employs this model in the area of environmental and public health with the Office of Environmental Health Hazard Assessment.



## Budgets and Funding Sources: Findings

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- ☑ ***Special Fund Revenues Are Main Source of Funding.*** All agencies studied fund about one-half of their annual budget from license fees, permit revenues, and other special funds. Federal funding is also a significant source, funding from 15 percent to 30 percent of the agency budget.
  
- ☑ ***General-Purpose Revenue Funding Varies.*** Several factors drive the amount of general-purpose revenue that an agency receives, including special vote requirements for taxes, statutory dedications of general-purpose revenues, and limits on the ability of an executive agency to raise fees. Florida dedicates 65 percent of its real estate transfer tax to conservation purposes. That tax raises roughly \$600 million annually on average. Texas dedicates all receipts from sales taxes on sporting goods to conservation, which averages approximately \$100 million per year. In both cases, fish and wildlife programs receive a share of the total dedicated revenues. Although they are statutorily dedicated to conservation, both of these funding sources are volatile because they are subject to the same variable economic factors as other general-purpose revenue sources. Washington has a two-thirds vote requirement to raise taxes, and fees cannot be administratively adjusted by an executive agency. In addition, the Washington agency's fees are not indexed to inflation. As a result, fees have declined as a share of the budget and have been backfilled with General Fund revenue until recently.



## Budgets and Funding Sources: Findings

(Continued)



**Relative Funding Positions Vary Significantly.** As shown in Figure 1, there is significant variation among the four states we studied in terms of their expenditures expressed in a number of ways, such as a percentage of the state budget or as per-capita expenditures. As shown, Washington spends the most as a share of the state budget and on a per-capita basis. This may reflect expenditures on 87 fish hatcheries that the Washington agency operates as mitigation for the many hydroelectric facilities throughout the state, as well as the high percentage of its population that engage in recreation associated with fish and wildlife.

**Figure 1**

### Expenditures of Fish and Wildlife Agencies

	Florida (FY 2010-11)	Texas (FY 2011-12)	Washington (FY 2011-12)	New York <sup>a</sup> (FY 2010-11)	California (FY 2010-11)
Agency budget (in millions)	\$298	\$326	\$191	\$115	\$408
Percent of state budget	0.42%	0.36%	0.54%	0.08%	0.18%
Per capita expenditures	\$15.85	\$12.96	\$28.40	\$5.93	\$10.95
Expenditures per square mile	\$4,585	\$1,216	\$2,690	\$2,091	\$2,488

<sup>a</sup> Data are for Division of Fish, Wildlife, and Marine Resources. Does not include the expenditures for centralized department administration that are shared among divisions.  
FY = Fiscal year.



## Budgets and Funding Sources: LAO Comments

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- California's Department of Fish and Game (DFG's) Relative Funding Position.*** California spends less on its fish and wildlife agency as a share of the total state budget than every state studied except New York. On the other hand, California's expenditures per capita and per square mile are more in line with other states, making it difficult to draw conclusions about DFG's funding position relative to the other agencies studied.
  
- Potential From Dedicating a Portion of General-Purpose Revenues to Conservation Purposes.*** The Blue Ribbon Citizen's Commission requested that we estimate the revenue potential from other states' funding mechanisms that are currently not utilized in California. California does not have a real estate transfer tax as in Florida. However, if assessed in California, an equivalent tax could raise roughly \$3 billion annually on average, based on California's greater population and higher home prices. Dedicating the revenue from the sale of sporting goods in California as in Texas could raise approximately \$160 million annually for conservation efforts. As noted above, these would likely be volatile funding sources.



## Fish and Wildlife Commissions: Findings

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- ☑ ***Most States Studied Have a Commission With Regulatory Authority.*** New York was the only state studied that has a board or commission with purely advisory functions. The commissions in the other three states have a variety of rule-making responsibilities, as well as responsibility for setting general policy for the affiliated departmental entity.
  
- ☑ ***Florida's Commission Is Constitutionally Established and Autonomous.*** The Florida fish and wildlife agency has a structure similar to California's Public Utilities Commission: it consists of a commission that is the decision-making body and staff that perform department-like functions. While the commissions in Texas and Washington report to the Governor, Florida's commission is a constitutionally authorized office that has broad powers over fish and wildlife in Florida. It does not rely on, and is therefore able to act independently of, any authority delegated to it by the Legislature or the Governor (although the Governor appoints the commissioners for staggered terms).
  
- ☑ ***Integration of the Commission Into Agency Operations Is More Significant in Other States.*** In the three states we studied with a regulatory commission, we found that the commission is integrated into agency operations, unlike California's Fish and Game Commission. In addition to responsibilities for setting rules on fish, game, and protected species, the commissions in other states all appoint agencies' executive directors, approve land purchases, and exercise oversight over the agencies' budget proposals. Washington's Fish and Wildlife Commission also issues written policy statements with specific directions for the Washington Department of Fish and Wildlife.



## Fish and Wildlife Commissions: LAO Comments

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- ☑ ***Tighter Integration Between Commissions and Departments May Provide Benefits...*** Staff at the fish and wildlife agencies in Florida and in Texas identified numerous benefits to tightly integrating the commission into the programmatic operations of the department. In their view, this allows for greater stakeholder buy-in and public participation in key decisions. Commissions can be structured to enhance the benefits from having a more integrated approach. For example, extended terms for commissioners enable the affiliated agency to adhere to longer term policies, and staggering the appointments can ensure policy consistency and continuity across years.
  
- ☑ ***...But May Come With Trade-offs.*** There are some potential downsides to tightly integrating the commission into an agency's operations in terms of reduced accountability and efficiency. For example, a single department head may be more readily held accountable for the department's performance, while the diffuse decision-making authority of a commission can make it difficult to identify the individual responsible for a decision. A single department head may also be able to respond more quickly to changing situations than a board of several individuals that must reach agreement.



## Planning and Evaluation: Findings

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- Strategic Planning Efforts Drive Agency Activities in Florida, Texas, and Washington.*** Texas' strategic planning process is thoroughly integrated vertically throughout its fish and wildlife agency, which includes both an overarching vision for the department called the Land and Water Resource Conservation and Recreation Plan as well as annual work plans at the individual employee level that feed into the broader documents. Florida's fish and wildlife agency has some similar features in its Long Range Program Plan, which includes quantified measures and calculations of per-unit costs of activities, but its lowest level of planning is at the level of activities, not individual employees. Washington's fish and wildlife agency also engages in strategic planning, but we did not find levels of planning below the overarching strategic plan.
- Performance-Based Budgeting (PBB) Ties Planning to Budget Process and Enables Evaluation.*** The PBB is a budgeting methodology that uses quantified goals and objectives to inform the budget process. By calculating per-unit costs, tracking outcomes, and looking at agency performance retrospectively and prospectively, PBB can be used to determine how well a department is achieving its desired outcomes and whether its performance is improving over time. Washington, Florida, and Texas all have some form of PBB.
- Sunset Review Process Offers Additional Evaluation Opportunities.*** Executive agencies in Florida and Texas periodically expire without explicit legislative reauthorization. This "sunset review" process offers additional opportunities for increasing the relevance of program evaluation to an agency's operations.



## Planning and Evaluation: LAO Comments

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- Plans Lack Explicit Prioritization of Goals and Objectives.*** All plans we studied failed to include explicit prioritization among goals and objectives. Without prioritization, the department is left to make ad-hoc decisions about which goals and objectives to pursue and which to suspend when funding is limited.
- PBB Can Improve Program Evaluation and Increase Accountability.*** A potential benefit of PBB is improved accountability by quantifying the services provided per amount of taxes paid. Tracking per-unit costs also enables a legislature to make explicit trade-offs when allocating resources for different services.
- SB 14 (Wolk) Re-establishes PBB in California.*** California piloted PBB in five agencies from 1993-94 to 1999-00, but that pilot did not produce conclusive results. Senate Bill 14, recently passed by the Legislature, would provide a statutory framework for the implementation of PBB for all state departments and agencies, beginning with the 2013-14 budget process. Given that Washington, Florida, and Texas all engage in PBB and are considered generally well-functioning departments, there are potential benefits from this effort for California's fish and wildlife agency.
- Program Evaluation Requires High-Quality Performance Measures.*** Criteria for high quality performance measures are relevance, specificity, consistency, and timeliness. Identifying measures that are unambiguous and relevant to the desired outcomes can be particularly challenging for fish and wildlife agencies. Of the three states with PBB that we studied, we found that the performance measures did not often meet the criteria that they be relevant and specific. Using multiple measures to track a single objective can mitigate the negative effects of poor measures.
- Sunset Reviews May Improve Service Delivery.*** Sunset reviews can provide lawmakers with the opportunity to identify improvements to the agency's functions in terms of effectiveness. While the cost of services may not decrease, sunset reviews and PBB may increase the quality of services provided.



## Regulatory Activity by Fish and Wildlife Agencies: Findings

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- ☑ ***All States Studied Centralize Environmental Permitting to Some Degree.*** All four states we studied have a form of environmental protection superagency that is responsible for the majority of environmental permitting responsibilities.
  
- ☑ ***Regulatory Activities of Fish and Wildlife Agencies Vary.*** All fish and wildlife agencies have responsibility for permitting the take of state-protected species and for issuing hunting and fishing licenses. Florida's and Texas' fish and wildlife agencies are also responsible for regulating boating activities. Washington's agency has regulatory responsibilities that are most similar to California, with responsibilities equivalent to the California Environmental Quality Act and lake and streambed alteration permitting.
  
- ☑ ***No Agencies Have Renewable Energy Programs Equivalent to DFG.*** We note that we did not come across any fish and wildlife agencies with responsibilities similar to the Desert Renewable Energy Conservation Plan operated by DFG. While New York's fish and wildlife division comments on renewable energy project permit applications, there does not seem to be a similar large-scale program devoted specifically to assisting renewable energy development.



## Land Acquisition and Management: Findings

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- ☑ ***Fish and Wildlife Agencies Manage Land for Conservation Purposes and for Public Use.*** Although the agencies we studied attempt to manage lands for both purposes, public use and resource conservation can conflict, in some cases requiring that land be designated a primary purpose. We found significant variation across the four agencies we studied in the proportion of land they manage for public use or for conservation. Washington's fish and wildlife agency manages the most land for conservation, while Texas appeared most focused on public use.
  
- ☑ ***Coordination of Land Management and Acquisition Among State Agencies Varies.*** As in California, Florida, and Washington have multiple agencies with responsibilities relating to resources land acquisition and management (such as the acquisition and/or management of wildlife areas, environmental preserves, forests, and parks). The "Florida Forever" program coordinates resources land acquisition and management across all Florida agencies through an Acquisition and Restoration Council that identify parcels with desirable conservation characteristics, approves all acquisitions, and then assigns management responsibilities to the best-suited state agency.



## Land Acquisition and Management: LAO Comments

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***Florida's Coordination Efforts May Be Applicable to California.*** Concerns have been raised that there is inadequate coordination among the California agencies with resources land management responsibilities, such as DFG, the Department of Forestry and Fire Protection, the Department of Parks and Recreation, and the 11 regional conservancies. The Florida Forever program coordinated the purchase of over 2.5 million acres of land, and as such may be a model for large-scale land conservation efforts in California.