

**NH FISH AND GAME
NOTES ON HOUSE PASSED BUDGET**

HB2

Below are some comments from NH Fish and Game (NHFG) related to items in HB2 for your consideration. Our understanding is that Senate Finance referenced voting on each of the 196 HB2 items separately. If this is the case, for your convenience we have identified items of concern for NHFG and provided potential suggestions.

Brief Item Description:

- Notably, the Governor’s initiative to centralize environmental review at NH Department of Environmental Service (NHDES; Items 1,2, and 5 in HB2), through removing staff and much of the review responsibilities from NHFG is concerning due to the likely reduced efficiencies and decreased protections to fish and wildlife species. NHFG preferred option is for the permitting authority to remain with NHFG and not transfer to NHDES.
- The next item of concern is the potential for direct loss of revenue through the creation of a Love the Lakes number plate using the Loon as the icon symbol.
- Third is the direct and automatic transfer of funds, in excess of 750K, from each of the identified dedicated account (Fisheries Habitat, Wildlife Habitat, Game Management) to the Fish and Game Fund.
- Last, but equally important is the 5% Administrative fee charged to all dedicated funds within Fish and Game.

More details are provided below with each identified by the item number in HB2.

HB2 Item # and Comment

#1. Adds new definitions to the endangered species conservation act.

NHFG Comment – Propose deleting this section including the 2 new definitions. This change will have no ramification on state budget or intended permitting changes. As proposed, this section would add two definitions: VI. “Commissioner” means the commissioner of the department of environmental services and VII. “Department” means the department of environmental services. These definitions aren’t needed as the statute (RSA 212-A) references multiple departments and those departments are defined in text as needed. As much of the statute pertains directly to NHFG authority, it is confusing to define department as ‘the department of environmental services’ when most of statute doesn’t pertain to that agency.

#2. Requires the department of environmental services to adopt rules and review procedures such that actions of state agencies do not jeopardize the existence or habitats of species protected under the endangered species conservation act.

NHFG Comment – This is a lengthy section which moves the review of impacts to threatened and endangered wildlife under certain permits from NHFG to NHDES (new section RSA 212-A:9 IV) and sets the procedures for review in statute (Section RSA 212-A:9 V) which mirrors the timeframes for how NHFG currently reviews projects.

- The existing RSA 212 statute language that is proposed for removal is intended to go beyond permitting and is a statement of cooperation among state agencies to conserve threatened or endangered species. Removing the existing RSA 212 language is not needed to support the proposed changes to the permitting review process; therefore, we **suggest maintaining existing language**.

We offer that the changes made to RSA 212-A III (as shown below) are not needed and cause additional confusion for constituents:

III. All other state departments and agencies, to the extent possible, consistent with their authorities and responsibilities, shall [~~assist and cooperate with the executive director in the furtherance of the purposes of this chapter for the conservation of endangered or threatened species. They shall~~] take such action as is reasonable and prudent to insure that actions authorized, funded, or carried out by them do not appreciably jeopardize the continued existence of such species or result in the destruction or modification of habitat of such species...

Other departments and agencies may consult with the executive director or hire their own internal wildlife biologists to carry out the requirements of this paragraph. The executive director shall assist other departments and agencies in carrying out this paragraph.

NHFG proposes the above language is not needed for the intended NHDES permitting changes and increases confusion with other state agencies. The proposed New Section IV describes the NHDES role in permitting.

#5. Requires the department of environmental services to adopt rules regarding when mitigation payments to the threatened and endangered species compensatory mitigation fund are required.

NHFG Comment - Since NHDES will be writing rules, under this proposed statute change, to be in compliance with the NH endangered species act for wildlife, we think it is appropriate, at minimum, that rules created to compensate for harm to threatened and endangered wildlife would be done in collaboration with the agency responsible for their recovery (i.e. NH Fish and Game).

NHFG proposes to add the following language: *'in consultation with the executive director'*.
Proposed change:

III. The department of environmental services, in consultation with the executive director, shall adopt rules under RSA 541-A regarding when mitigation payments to the fund are required for impacts to threatened and endangered species or the habitats of threatened and endangered species, pursuant to RSA 206:33-g, II, resulting from the issuance of a permit by the department of environmental services, and the calculation of those payments.

#95. Creates the "Love NH Lakes" number plate and directs that the residual amount of the special fee for the plate and royalties and proceeds from the commercial use of its design be deposited in the cyanobacteria mitigation loan and grant fund.

NHFG Comment – NHFG proposes to delete amended section #95 as all proposed changes are already being evaluated by Senate Transportation Committee through HB105 which already received comments through a public hearing. NHFG is opposed to this proposed amendment and its negative implications to future department budget revenue (i.e., reduced revenue to existing conservation license plate 'MoosePlate' that is shared among 5 state agencies including NHFG). We also feel it is inappropriate and misleading to use a state threatened 'loon' on a license plate when the proposed license plate revenue does not directly benefit the identified species, nor does it fund wildlife conservation projects.

#142. Allows the fish and game department to conduct raffles, increases the fisheries habitat fee, and directs certain moneys into the fish and game fund.

NHFG Comment – Propose replacing all added language that would require automatic transfer of funds over \$750,000 from certain dedicated accounts at the end of the fiscal year. The agency request was to grant the authority to the Executive Director of NH Fish and Game for the ability to transfer funds, in excess of 750K, when needed.

The dedicated accounts with balances currently in excess of 750K took years to reach this level through setting fiscally responsible budgets. After the initial transfer in the first fiscal year, it is likely these accounts will never exceed this amount in the future.

NHFG proposed change:

Beginning in the fiscal year ending June 30, 2026, and each year thereafter, The Executive Director may transfer any amount in this account in excess of \$750,000 at the end of the fiscal year shall be transferred to the fish and game fund.

Additionally, we would propose that the increased fees in this section to both fisheries and wildlife habitat remain in their respective dedicated accounts to allow the Department the ability to utilize these funds to leverage federal dollars.

#182. Directs the department of administrative services to assess, with certain exceptions, an administrative charge on dedicated funds and accounts for the biennium ending June 30, 2027.

NHFG Comment – Propose making all NHFG dedicated accounts exempt from this additional administrative fee because of the use of federal funds and donations. The proposed change adds additional financial burden on the department’s efforts to sustain operations into the future. This may also be considered a deferment of federal funds and result in the state having to repay funds to the federal government and/or jeopardize the ability to received federal funds moving forward. (See attached tables for further illustration)

HB1

HB1: Conservation Land Stewardship Program (CLSP)

The CLSP is being proposed to move into NH Fish and Game. This action will require the transfer of funding and positions from HB1 Operating Budget of DAS to Fish and Game. (See attached table)

NH Fish and Game: Illustration of Potential Impacts from the Proposed 5% Administrative Fee

COMBINED POTENTIAL LOSS OF FUNDS FOR FISH AND GAME (inclusive of diversion of funds, loss of match*, and cost of 5% administrative fee)	\$ 2,005,753.64
*not including the potential for up to ~\$431,000.00 match for Pheasant program	

Table 1. NH Fish and Game Summary of Accounts with a Current Federal Nexus That Would Result in a Diversion of Funds							
Accounting Unit	Title of Account	RSA	Federal Funds Status/Diversion	Total Revenue FY 24	Funds removed from the total remaining balance	FY 24: Revenue Remaining	Cost of 5% Fee Assessment on Remaining Balance
21170000	Public Boat Access	233-A:13	Yes, receiving and a 5% fee would be considered a diversion	1,057,337.32	\$544,407.32 FF, \$250 donation	\$ 512,680.00	\$ 25,634.00
21250000	Non-Game Management	212-B:6	Yes, receiving and a 5% fee would be considered a diversion	1,365,348.56	Falconry, \$100,000 GF, \$9,407 Fed Rev tsfr from	\$ 768,268.79	\$ 38,413.44
21270000	Fisheries Habitat	214:1-g	Yes, receiving and a 5% fee would be considered a diversion	299,994.92	\$113,542.86 FF, \$34,734.06 Interest Earnings	\$ 151,718.00	\$ 7,585.90
21550000	Wildlife Habitat	214:1-f	Yes, receiving and a 5% fee would be considered a diversion	3,234,081.42	\$14,965.75 CLNA Endowment funds,	\$ 139,945.00	\$ 6,997.25
21580000	Game Management	206:34-b	Yes, receiving and a 5% fee would be considered a diversion	961,430.26	\$73,846.58 Interest earnings	\$ 464,540.00	\$ 23,227.00
21530000	Pheasant Management	206:35-a	While no current grant, this is eligible for federal grant support and would be considered a diversion of funds because the money is generated through direct license sales. F&G planned to seek Federal support within the biennium.	143,670.00		\$ 143,670.00	\$ 7,183.50
TOTAL LOSS OF FUNDING THROUGH 5% ASSESSMENT							\$ 109,041.09
TOTAL POTENTIAL LOSS OF FEDERAL CONTRIBUTION (minus projected 75% match for Pheasant program)					\$ 1,567,866.63		
TOTAL POTENTIAL LOSS OF FUNDING (not including the potential 75% match for Pheasant - ± ~\$431,000.00)						\$ 1,676,907.72	

Table 2.							
NH Fish and Game Summary of Accounts where the 5% Administrative Fee Reduces Potential State Match							
Accounting Unit	Title of Account	RSA	Federal Funds Status/Diversion	Total Revenue FY 24	Funds removed from the total remaining balance	FY 24: Revenue Remaining	Cost of 5% Fee Assessment on Remaining Balance
72170000	T&E Species Compensatory Mitigation	212:A-16	Funds from this account may be used for match on Federal grants. The 5% fee may limit expanse of federal funds eligible to recieve.	56,612.83		\$ 56,612.83	\$ 2,830.64
67850000	Derelict Fishing Gear & Coastal Cleanup	211:77	Funds from this account may be used for match on Federal grants. The 5% fee may limit expanse of federal funds eligible to recieve.	6,975.00		\$ 6,975.00	\$ 348.75
11860000	Operation Game Thief	207:62	Funds from this account may be used for match on Federal grants. The 5% fee may limit expanse of federal funds eligible to recieve.	2,750.00		\$ 2,750.00	\$ 137.50
11830000	OHRV Educ, Training & Enforce.	215-A:23	Funds from this account may be used for match on Federal grants. The 5% fee may limit expanse of federal funds eligible to recieve.	6,899,030.88	\$735,392.30 inter agency tsfr, \$5,382,779.30 tsfr to DNCR	\$ 780,859.28	\$ 39,042.96
21080000	Publications/Specialty Expense	206:22-a	Funds from this account may be used for match on Federal grants. The 5% fee may limit expanse of federal funds eligible to recieve.	24,769.47		\$ 24,769.47	\$ 1,238.47
21120000	Search and Rescue	206:42	Funds from this account may be used for match on Federal grants. The 5% fee may limit expanse of federal funds eligible to recieve.	587,493.97		\$ 587,493.97	\$ 29,374.70
21130000	Gifts and Donations Account	206:33-a	Funds from this account may be used for match on Federal grants. The 5% fee may limit expanse of federal funds eligible to recieve.	163,213.52		\$ 163,213.52	\$ 8,160.68
21140000	Wildlife Legacy Initiative	206:33-d	Funds from this account may be used for match on Federal grants. The 5% fee may limit expanse of federal funds eligible to recieve.	21,555.50		\$ 21,555.50	\$ 1,077.78
TOTAL LOSS OF MATCH FUNDS THROUGH 5% ASSESSMENT							\$ 82,211.48
TOTAL POTENTIAL LOSS OF FUNDING BASED ON 75% (FEDERAL)/25% (STATE) MATCH							\$ 246,634.44

~~01 GENERAL GOVERNMENT (CONT.)~~
~~14 ADMINISTRATIVE SERVICES DEPT (CONT.)~~
~~63 HOUSING APPEALS BOARD (CONT.)~~
~~630010 HOUSING APPEALS BOARD (CONT.)~~
~~5584 NH HOUSING APPEALS BOARD (CONT.)~~

ESTIMATED SOURCE OF FUNDS FOR
 NH HOUSING APPEALS BOARD

GENERAL FUND
 TOTAL SOURCE OF FUNDS

~~EXPENDITURE TOTAL FOR HOUSING APPEALS BOARD~~
~~GENERAL FUND~~
~~#TOTAL ESTIMATED SOURCE OF FUNDS FOR HOUSING APPEALS BOARD~~

01 GENERAL GOVERNMENT
 14 ADMINISTRATIVE SERVICES DEPT
 67 CONSERVATION LAND STWDSHPRGM
 670010 CONSERVATION LAND STWDSHPRGM
 1106 CONSERVATION LAND STWDSHPRGM

010 Personal Services-Perm. Classi	154,808	157,363
020 Current Expenses	1,900	1,600
022 Rents-Leases Other Than State	480	480
026 Organizational Dues	100	100
027 Transfers To Oit	6,994	7,527
028 Transfers to Plant & Prop	6,614	6,719
030 Equipment New/Replacement	515	515
039 Telecommunications	2,200	2,200
040 Indirect Costs	6,500	6,500
042 Additional Fringe Benefits	12,385	12,589
049 Transfer to Other State Agenci	77	77
050 Personal Service-Temp/Appointe	8,000	5,000
060 Benefits	69,378	72,375
062 Workers Compensation	387	409
070 In-State Travel Reimbursement	6,500	6,500
080 Out-Of State Travel	2,500	0
089 Transfer to DAS Maintenance Fu	489	489
211 Property and Casualty Insuranc	367	407
TOTAL	280,194	280,850
ESTIMATED SOURCE OF FUNDS FOR CONSERVATION LAND STWDSHPRGM		
001 Transfer from Other Agencies	34,948	34,945
009 Agency Income	245,246	245,905
TOTAL SOURCE OF FUNDS	280,194	280,850