

**Potential Frameworks for a Budget Reform and Mandates Commission as  
Submitted by SAG Member Jay Ziegler with Input from Additional SAG Members  
March 12, 2012 Draft**

This information is being submitted at the request of California Fish and Wildlife Strategic Vision (CFWSV) Stakeholder Advisory Group (SAG) members who participated in the March 9, 2012 CFWSV Funding Workshop.

**Draft Charter Proposal for “Unfunded Mandates” and Sustainable Financing for the California Department of Fish and Game (DFG)**

Develop legislation that would create a one year charter to produce a funding plan that identifies comprehensive fiscal reform across the California Department of Fish and Game’s budget.

An appropriately chartered “Department of Fish and Game Budget Reform & Mandates Commission” (Commission) should undertake a detailed review of DFG’s budget; recommend specific revenue sources aligned with program functions; simplify and streamline DFG’s budget and accounting; and address, update and, where appropriate, eliminate unnecessary mandates.

In light of the multiple demands of different stakeholders, it is likely that this undertaking would fail unless viewed as a comprehensive reform and restructuring of DFG’s functions. Consequently, this legislation should be designed to empower the Commission to offer detailed reform proposals and simply allow the California State Legislature to take a “direct vote” on the proposal – without considering amendments to the plan. Such an approach would encourage all constituencies to look towards a higher performing DFG overall.

The process could be based on the federal Defense Base Closure and Realignment (or BRAC) Commission process. In this process, the federal government directed the U.S. Department of Defense to realign inventory and reduce expenditures on operations aimed at achieving increased efficiency in line with Congressional and U.S. Department of Defense objectives. The BRAC Commission prepared its recommendations with the condition that they could only be approved or disapproved in their entirety.

There are differing ideas with regard to the composition of the membership of the proposed Commission. Three ideas are presented in this document.

**Framework 1: Expert-level Small Commission (7 to 9 members)**

Establish an independent seven-to-nine member panel appointed by the Governor, based upon expertise. The Commission would represent a diverse range of experience and perspectives with expertise in policy, management and fiscal issues. Similar to the BRAC Commission. Members would include:

- DFG Director (or designee)
- California Fish & Game Commission President

Plus five to seven appointees with experience/constituency interests that reflect the scope of activity of DFG, such as:

- Appointee with expertise in public finance

- Appointee with experience/involvement in outdoor recreation (hunting/fishing) programs supported by DFG
- Appointee with background in science/habitat conservation programs
- Appointee representing landowner (or local government) interests
- Appointee representing consumptive users (e.g. commercial fishing)

**Framework 2: Medium Commission with Experts and Key Stakeholders (potentially up to 15 members)**

Establish a medium size commission including independent experts, wider range of constituencies and/or experts; and key stakeholders who are major funders of DFG's current activities. A hybrid between a stakeholder and “expert-level” commission.

**Framework 3: Larger, Stakeholder-Based Commission (potentially up to 30 members)**

Establish a larger, stakeholder-based Commission representing a diverse range of interests including individuals representing fishing and hunting interests, non-profit conservation organizations, non-consumptive recreational users, landowners, scientific and educational interests, and others dedicated to habitat conservation. Similar to the CFWSV Stakeholder Advisory Group.

**Diane Pleschner-Steele Comments and Suggested Edits to the  
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Submitted by SAG Member Jay Ziegler with  
Input from Additional SAG Members  
March 12, 2012 Draft**

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**Draft Charter Proposal for “Unfunded Mandates” and Sustainable Financing for the California Department of Fish and Game (DFG)**

Develop legislation that would create a one year charter to produce a funding plan that identifies comprehensive fiscal reform across the Department of Fish and Game’s budget.

An appropriately chartered “Department of Fish and Game Budget Reform & Mandates Commission” (Budget Reform Commission) should undertake a detailed review of DFG’s budget; recommend specific revenue sources aligned with program functions; simplify and streamline DFG’s budget and accounting; and address, update and, where appropriate, eliminate unnecessary mandates.

In light of the multiple demands of different stakeholders, it is likely that this undertaking would fail unless viewed as a comprehensive reform and restructuring of DFG’s functions.

Consequently, this legislation should be designed to empower the Budget Reform Commission to offer detailed reform proposals and simply allow the California State Legislature to take a “direct vote” on the proposal – without considering amendments to the plan. Such an approach would encourage all constituencies to look towards a higher performing DFG overall.

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There are differing ideas with regard to the composition of the membership of the proposed Budget Reform Commission. Three ideas are presented in this document.

**Framework 1: Expert-level Small Commission (7 to ~~10~~ members)**

Establish an independent seven-to-~~nine-ten~~ member panel appointed by the Governor, based upon expertise. ~~The This Budget Reform~~ Commission would represent a diverse range of experience and perspectives with expertise in policy, management and fiscal issues. Similar to the BRAC Commission. Members would include:

Comment [DS1]: REFERENCE TO 'COMMISSION' WITHOUT CLARIFICATION OF WHICH COMMISSION IS SOMEWHAT CONFUSING --

- DFG Director (or designee)
- DFG budgeting / accounting senior staff
- California Fish & Game Commission President (or designee)

Plus five to seven appointees with experience/constituency interests that reflect the scope of activity of DFG, such as:

- Appointee with expertise in public finance
- Appointee with experience/involvement in inland outdoor recreation (hunting/fishing) programs supported by the Department
- Appointee with background in science/habitat conservation programs
- Appointee representing landowner (or local government) interests
- Appointee representing consumptive commercial users -marine (e.g. commercial fishing)
- Appointee representing recreational fishing users
- Appointee (independent resource management company) with expertise in management, budgeting and accounting

**Comment [DS2]:** NEED TO DEVELOP CRITERIA TO DEFINE 'EXPERTISE' IN THESE VARIOUS CATEGORIES WHO BESIDES STAKEHOLDERS AND DFG STAFF ARE KNOWLEDGEABLE IN CONSUMPTIVE USE CATEGORIES?

### **Framework 2: Medium Commission with Experts and Key Stakeholders (potentially up to ~~1205~~ members)**

Establish a medium size commission including independent experts, wider range of constituencies and/or experts; and key stakeholders who are major funders of DFG's current activities. A hybrid between a stakeholder and "expert-level" commission.

Composition of the Budget Reform Commission would include appointees mentioned above plus approximately 10 key stakeholders (at least 3-4 from marine sector) who are major funders of DFG inland and marine activities. Stakeholders would serve as "Blue Ribbon Stakeholder.Advisors" to the Budget Reform Commission.

### **Framework 3: Larger, Stakeholder-Based Commission (Potentially up to 30 members)**

Establish a larger, stakeholder-base commission representing a diverse range of interests including individuals representing fishing and hunting interests, non-profit conservation organizations, non-consumptive recreational users, landowners, scientific and educational interests, and others dedicated to habitat conservation. Similar to the CFWSV Stakeholder Advisory Group.

**Comment [DS3]:** I AGREE THIS WOULD BE AN UNMANAGEABLE GROUP

## **BUDGET REVIEW / RECONCILIATION FOR DEPARTMENT OF FISH AND GAME**

### **“Hybrid Plan”**

**Prepared by Diane Pleschner-Steele (March 13, 2012)**

A group of SAG members has proposed legislation that would create a one-year charter to produce a funding plan that identifies and recommends comprehensive fiscal reform across the California Department of Fish and Game’s (DFG) budget.

An appropriately chartered “Department of Fish and Game Budget Reform & Mandates Commission” (Budget Reform Commission) should undertake a detailed review of DFG’s budget with specific emphasis on underfunded and unfunded mandates; make recommendations to align revenue sources with program functions; simplify and streamline DFG’s budget and accounting procedures to enhance efficiency and transparency / accountability issues; and address, update and, where appropriate, recommend elimination of unnecessary mandates.

Some SAG members believe this undertaking would probably fail unless viewed as a comprehensive reform and restructuring of DFG’s functions. Consequently, this legislation should be designed to empower the Budget Reform Commission to offer detailed reform proposals and simply allow the California State Legislature to take a “direct vote” on the proposal – without considering amendments to the plan. Such an approach would encourage all constituencies to look towards a higher performing DFG overall.

The process could be based on the federal Defense Base Closure and Realignment (or BRAC) Commission process. In this process, the federal government directed the U.S. Department of Defense to realign inventory and reduce expenditures on operations aimed at achieving increased efficiency in line with Congressional and U.S. Department of Defense objectives. The BRAC Commission prepared its recommendations with the condition that they could only be approved or disapproved in their entirety.

There are differing ideas with regard to the composition of the membership of the proposed Budget Reform Commission.

Some SAG members support an expert-level small commission (7 to 10 members), to be appointed by the Governor, based upon expertise, but excluding stakeholder experience and direct input into the decision-making process. This Budget Reform Commission would represent a diverse range of experience and perspectives with expertise in policy, management and fiscal issues, similar to the BRAC Commission. Proposed members would include:

- DFG Director (or designee)
- DFG budgeting / accounting senior staff
- California Fish & Game Commission President (or designee)

Plus five to seven appointees with experience/constituency interests that reflect the scope of activity of the DFG:

- Appointee with expertise in public finance
- Appointee with experience/involvement in inland outdoor recreation (hunting) programs supported by DFG
- Appointee with background in science/habitat conservation programs

- Appointee representing landowner (or local government) interests
- Appointee representing commercial users - marine (e.g. commercial fishing)
- Appointee representing recreational fishing users
- Appointee (independent resource management company) with expertise in management, budgeting and accounting

Concerns expressed with this “expert” panel approach:

- Although this expert panel may sound good in theory, who are these individuals who in reality have expertise in DFG budgeting and fiscal accounting issues?
  - Strict criteria for appointment is needed, and some SAG members are concerned / suspicious that a stacked process recommending large “user fees” could result, in the absence of key stakeholder input.
- DFG mandate / funding issues differ significantly between inland and marine sectors and should be considered independently of each other, rather than lumped into one general commission of ‘experts’ who likely don’t possess adequate knowledge of the divergent issues at stake.

### **Alternate “Hybrid” Proposal: Medium Budget Reform Commission with Experts and Key Stakeholders (potentially up to 20 members)**

Establish a slightly larger Budget Review Commission including independent experts, in categories as identified above, and also include key stakeholders who are responsible for contributing significantly to help fund DFG's current activities.

Composition of the Budget Review Commission would include the 10 appointees mentioned above plus approximately 10 key stakeholders (at least 3-4 from the marine sector) who are major contributors in helping to fund current DFG inland and marine activities. Stakeholders would serve as “Blue Ribbon Stakeholder.Advisors” to the Budget Reform Commission.

- As above, the same concerns remain with regard to qualifications and knowledge base of the designated “expert” panel, but in this case at least the experience of key stakeholders would be integrated into the discussion and decision-making process.

### **A Third Option**

Initiate a separate, independent meeting process between DFG and marine commercial fishery stakeholders, separate from the Budget Review Commission process, to discuss and resolve DFG funding issues with respect to management of marine resources, and specifically, management of commercial fisheries.

In light of my (and I believe other SAG members’) continuing concerns with regard to the composition and qualifications of the proposed Budget Review Commission, my preference is to support the third option:

Independent meetings between marine (commercial fishery) stakeholders and DFG to discuss DFG’s recent budget estimate versus revenues for commercial fishery management, and work directly with DFG to resolve any potential funding shortage within the marine sector outside the broader Budget Review Commission process.

Unfortunately I am unable to participate in the discussion on Thursday, but trust that these comments will be considered by the group.

Best,

Diane Pleschner-Steele  
California Wetfish Producers Association