

Department of Natural Resources

FY 2020-21 Biennial Budget Change Item

Change Item Title: Sustaining Minnesota's White-Tailed Deer

Fiscal Impact (\$000s)	FY 2020	FY 2021	FY 2022	FY 2023
General Fund				
Expenditures	2,410	2,160	1,100	1,100
Revenues	0	0	0	0
Game and Fish				
Expenditures	908	908	908	908
Revenues	681	681	681	681
Net Fiscal Impact = (Expenditures – Revenues)	2,637	2,387	1,327	1,327
FTEs	18.7	14.7	11.1	11.1

Recommendation:

The Governor recommends \$2.637 million in FY20 and \$2.387 million in FY21 (\$1.327 million thereafter) to benefit deer health and deer management in Minnesota by addressing 1) funding needs related to chronic wasting disease (CWD) surveillance and response and 2) recommendations made by the Office of the Legislative Auditor (OLA) in a recent evaluation of the Department of Natural Resources' (DNR) deer management program. This proposal provides \$2.41 million in FY20, \$2.16 million in FY21, and \$1.1 million annually thereafter from the General Fund for an urgent disease response. Additionally, it invests \$908,000 annually from the Game and Fish Fund for new deer research, which generates a 75 percent federal match of \$681,000 each year. This request is equivalent to a 3.8 percent increase to the FY2020 Fish and Wildlife budget, reduced to 3.4 percent increase in FY2021.

Rationale/Background:

Since the discovery of CWD-positive wild deer in Fillmore County during the 2016 deer season, DNR has been implementing its CWD response plan. Activities conducted under the plan include an aerial survey of the area to assess deer numbers, establishment of a management zone with mandatory collection of additional samples, special hunts and landowner shooting permits, deer feeding bans, and carcass movement restrictions. Additionally, CWD was confirmed in three private captive cervid farms in the past two years. Although cervid farms are regulated by the Board of Animal Health, when a disease is detected in farmed deer, DNR samples hunter-harvested deer around the positive farms for three consecutive years to determine if CWD is present in wild deer. The three-year time frame is reset if additional captive deer test positive for CWD. Providing General Fund support to these activities addresses a policy concern of placing the sole responsibility for funding these activities on hunting and angling license buyers.

The OLA and deer stakeholders alike have recommended DNR work to refine its deer population model and improve transparency of deer management decisions. To facilitate these enhancements, DNR has identified critical research needs related to fawn survival, habitat use, deer movement, and genetic relatedness.

Proposal:

Activity 1. Chronic Wasting Disease (CWD) Response and Enforcement. This request provides \$2.41 million in FY20 and \$2.16 million FY21 for known and anticipated needs for surveillance and response related to disease outbreak detections in wild and captive deer. As of February 2, 2019, testing in Fillmore County has confirmed CWD in 34 wild deer: 11 during the 2016-17 surveillance and response, six in 2017-18, and 17 so far in 2018-19. Two additional wild deer have tested or are suspect positive for CWD, one each in Houston (fall 2018) and Winona (February 2019) counties. The best opportunity to eradicate CWD from wild deer (e.g., Pine Island, 2011) requires

an aggressive response to reduce deer densities and test as many deer as possible for the disease. "Passive" management by other states (e.g., Wisconsin) has resulted in CWD infection rates exceeding 40 percent in some areas. Where there is a known risk such as a positive Cervidae farm, testing wild deer is imperative to 1) confirm the disease is not present in wild deer and 2) reduce deer densities and minimize the risk of spread, if it is. Currently, Minnesota has three captive cervid farms where surveillance is necessary (Crow Wing, Meeker, and Winona counties).

Testing is required for three consecutive years with no positive tests because of the prolonged period between infection and disease. Based on current information about the prevalence of CWD in Minnesota, hunter-harvested deer will be tested for CWD in Meeker County in FY 2020 since no positives were found in FY 2018 or FY2019. Hunter harvested deer will be sampled in Deer Permit Area 603 and around the Winona County farm in FY 2019-2021. DNR has sampled more than 5,400 deer in 2018-19 across the five locations with more samples expected.

This request includes two Conservation Officer positions (2 FTE, \$350,000 in FY20 and \$700,000 in FY21) over three years to work with DNR wildlife staff and the Board of Animal Health when there is reasonable suspicion that laws protecting native wild animals have been violated. This work includes inspecting fences and documenting violations of fencing requirements, carcass importation enforcement, responding to escaped cervids, and other CWD related enforcement activities. The request also includes increased landowner outreach related to CWD (1 FTE, \$120,000 in FY20 and \$240,000 in FY21) also over the three years. USDA Wildlife contracted services total \$500,000 (\$380,000 in FY20 and \$120,000 in FY21).

Currently, disease responses are paid for with Game and Fish funds, either appropriated to the agency or from the Emergency Deer Feeding and Wild Cervid Health Account (M.S. 97A.075, subd. 1d). Fifty cents of every deer license is deposited into the cervid health/deer feeding account, which is approximately \$300,000 per year. With increased CWD prevalence in captive and wild deer, available funds are insufficient to support the anticipated response. Without this initiative, resources will be diverted from other work, resulting in reduced services related to public land and water management, public-use facilities, habitat improvement projects, and assisting landowners with wildlife damage problems. Costs associated with this activity in FY 20 include 13.7 FTE; 10.7 FTE at a cost of \$118,000/FTE. The lab analysis and associated fleet costs are \$297,000 per year. Current anticipated costs in the out years are \$1.1million.

Activity 2. Deer research projects that address and implement OLA recommendations and deer plan objectives-novel research to refine deer management. As part of the 2016 deer program evaluation, the OLA recommended that DNR "improve its resources for estimating deer populations; specifically, DNR should conduct field research to collect and utilize more information about Minnesota's deer, and to validate DNR deer population estimates." To address this recommendation, DNR will use GPS collars on fawns and adult deer to:

- Assess seasonal fawn survival and seasonal movement of deer to ensure appropriate scales are used for population estimates from harvest and observational (i.e., aerial and roadside survey) models.
- Obtain deer location data to improve understanding of fine-scale habitat use and inform habitat management in northern Minnesota.
- Document deer dispersal patterns in southeast Minnesota and estimate movements of yearlings and adults to inform CWD surveillance and management.

Additionally, DNR will undertake research to analyze the genetic relatedness of all deer harvested (positive and non-positive) from the areas where CWD positive deer have been confirmed. This will enable DNR to better understand from where infection is originating and how it may be spread.

Finally, DNR needs an FTE to coordinate and manage datasets and online applications related to white-tailed deer research and management to address the need to improve data management practices, along with the public's expectation that data be more accessible. Software applications designed through this activity will address internal and public information needs.

Costs associated with GPS and genetic activities include a combination of 4 temporary employees (.5 FTE) estimated at \$59,000 each, 2 graduate students (.5 FTE) estimated at \$45,000 each, and 1 FTE at a rate of \$125,000 to coordinate and manage datasets and online applications related to white-tailed deer research and management. Additional supplies and services include: radio collars for \$181,000 per year, contracted helicopter services for \$120,000 per year, and employee travel and fleet related costs of \$130,000 per year. Costs associated with anticipated MNIT service needs are \$26,000 per year.

Equity and Inclusion:

This proposed budget initiative will not impact and is not submitted to reduce or eliminate any disparities for racial and ethnic groups, lesbian, gay, bisexual and transgender groups, persons with disabilities and veterans. We anticipate no impacts (positive or negative) on these groups.

IT Related Proposals:

This proposal requires business analysis and database design services. This also incorporates associated maintenance costs.

<i>Category</i>	<i>FY 2020</i>	<i>FY 2021</i>	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>
Payroll						
Professional/Technical Contracts						
Infrastructure						
Hardware						
Software						
Training						
Enterprise Services						
Staff costs (MNIT or agency)	26	26	26	26	26	26
Total	26	26	26	26	26	26
MNIT FTEs						
Agency FTEs						

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	CWD wild deer tests	50,000	30,000	2017-2020
Quality	Animals tested positive (goal is zero)	1, Pine Island	17 Preston	2011 2016-2017
Results	Deer health- Pine Island	One CWD infection	None	2011-2014
Results	Deer health- Fillmore County	11 CWD infections	6 CWD infections	2016-2017
Quality	Deer modeling and Deer Information		Address OLA concerns	2019-

Statutory Change(s):

NA