



Montana Fish, Wildlife & Parks

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Mr. Gary Marbut
P O Box 4924
Missoula, MT 59806

Dear Mr. Marbut:

This letter is written in response to your questions regarding Fish, Wildlife & Parks' (FWP) plans for soliciting additional grant requests for the Shooting Range Grant's Program (SRGP) during the upcoming biennium.

FWP supports responsible increases in spending on the SRGP. During the legislative discussion regarding this program, FWP initially requested the equivalent of the current biennium's expenditures in this SRGP and was willing to commit between \$400,000 and \$500,000 for the next biennium as the session progressed. That level of funding would have doubled the size of this program and would have been sustainable within the longer-term FWP budget objectives. If the \$1,000,000 is expected to be one-time-only at that level and then return to the \$250,000 level in the future, it could be sustainable.

During the 2007 special session, the legislature authorized FWP to spend a total of \$1,000,000 on the SRGP in fiscal years 2008 and 2009. This represents greater than a 300% increase in spending for the program over the largest amount authorized or expended during any previous biennium. It is not clear that an increase in spending of this magnitude is necessary or even feasible given the matching requirements of the program. In addition, as outlined below, FWP must consider the impacts of spending \$1,000,000 on the SRGP on other programs.

FWP received \$453,173 in requests in response to solicitation for grants in the upcoming biennium, which had an application deadline of May 1, 2007. FWP is in the process of reviewing all of those proposals for completeness, matching funding obligation, etc. Assuming all of these requests meet all requirements, they will be funded. This represents more than a 200% increase above the average expenditure over the past five biennia. FWP believes there is a reasonable chance that the shooting community may not be in need of the additional \$550,000. For that, and other reasons, FWP will not solicit additional grant requests until sometime in 2008 at the earliest. This will provide time to assure that currently approved grants can be appropriately completed and the budget scenario can be analyzed.

You stated that 87-1-279, MCA, requires FWP to spend all funds authorized by the legislature. That is not the case. While the legislature authorizes the expenditure of funds, it is the role of the

executive branch to determine how much of the spending authorized for any program will actually occur. As detailed below, there is good reason for FWP to consider the impacts of spending \$1,000,000 for the SRGP on other programs and to assess future revenues and costs before soliciting additional grant requests. FWP cannot spend the dollars appropriated to the SRGP on other programs. You expressed that the Legislature is the voice of the people. It is important to note that every dollar appropriated to FWP for expenditure is authorized by the legislature. Therefore, the same argument applies that the legislature has determined the importance of every FWP program, not just the SRGP.

FWP must manage its fiscal resources over the long term. Both the legislature and the Governor have directed FWP to limit program expenditures and growth to preclude the need for a general license fee increase until at least the 2011 legislative session. That means FWP must sustain existing programs with current revenue streams until at least 2013, when any new fee revenue approved in 2011 would be available. Throughout the Executive Planning Process and the 2007 regular session, FWP made reductions to several program requests in order to ensure compliance with the long-term sustainability objectives in light of other budget factors occurring.

Given this financial situation, it would be imprudent for FWP to commit to spending the full \$1,000,000 authorized by the legislature for the SRGP at the beginning of the biennium. A number of factors could affect FWP revenue, for the better or worse, over the coming year. Accordingly, FWP will monitor revenue and expenditures for the agency overall throughout fiscal year 2008 before making a final decision on whether to solicit additional grant requests for the SRGP. If additional grant requests are solicited in 2008, FWP would have ample time to comply with the requirement in 87-1-729, MCA, to "make every effort to expend or obligate funds for shooting range improvement grants within the year for which they are appropriated."

If you have additional questions regarding the SRGP and/or FWP's long-term budget projections and management, please feel free to contact FWP.

Sincerely,



M. Jeff Hagner
Director

c: Scott Seacat
Rep. Jack Wells
Bruce Nelson
David Ewer