WILDLIFE DAMAGE **CLAIMS** ON RANGELAND SUNSET REVIEW **REPORT 04-5 REPORT DIGEST JANUARY 7, 2004** STATE OF WASHINGTON JOINT LEGISLATIVE AUDIT AND **REVIEW COMMITTEE** STUDY TEAM Susan Kavanaugh, Consultant Linda Byers, Analyst Tom Sykes, Legislative Auditor LEGISLATIVE AUDITOR Tom Sykes Copies of Final reports and Digests are available on the JLARC website at: http://jlarc.leg.wa.gov or contact Joint Legislative Audit & Review Committee 506 16<sup>th</sup> Avenue SE Olympia, WA 98501-2323 (360) 786-5171 (360) 786-5180 FAX

In 2001, the Legislature expanded a long-established program of public compensation for wildlife damage to private agricultural crops. Under the expanded program, citizens can make claims for damage to include not only field crops and orchards, but also "rangeland forage on privately-owned land used for grazing or browsing of domestic livestock." The rangeland provision is set to expire June 30, 2004.

The Joint Legislative Audit and Review Committee (JLARC) was directed to conduct a review of the expanded program by January 2004 using the sunset review criteria. This report constitutes completion of that assignment. This evaluation is based on only two and one half years of information, a shorter time period than is typical for a JLARC sunset review.

#### The Wildlife Damage Compensation Program

Up to \$150,000 per year is available to the Department of Fish and Wildlife (WDFW) to assess and pay small damage claims. Claims for more than \$10,000 go to the state Office of Risk Management and are decided and authorized by the Legislature as sundry claims.

Prior to the 2001 legislation, in the absence of specificity in the statute, the Department paid for or replaced damaged bailed hay or hay in the field that would have been cut. Cultivated, fertilized, or irrigated pasture grass that is "harvested" by turning cattle out to feed was a grey area where, by region and over time, there were differing interpretations regarding eligibility for compensation. Natural rangeland was definitely excluded from this damage claims program.

Over the past five years, the number and value of wildlife damage claims and payments has varied substantially, based on weather and other conditions that impact the movement of big game onto private agricultural land. An average of 50 claims per year have been submitted totaling just under half a million dollars annually. About 70 percent of claimants have received some compensation, either direct payment of all or a portion of the amount claimed or free hunting permits. The annual amount paid for damage claims between fiscal years 1999 and 2003, including sundry claims has averaged \$223,000.

The state employs several methods in addition to compensation to ameliorate the negative effects of wildlife on agriculture: special hunts, assistance with efforts to discourage wildlife from grazing (i.e., fences and hazing techniques), relocation, and enhancement of habitat on public land to make it more attractive to wildlife. Based on a 1994-1995 survey of states, Washington is one of 19 states that offer some sort of wildlife damage compensation and one of 34 that offers abatement assistance such as help with hazing and fencing.

## Expansion of the Wildlife Damage Compensation Program to Rangeland

In 2001, SHB 1752 expanded the program to compensate for deer and elk damage by amending RCW 77.36, the authorizing law. It widened the definition of "crop" eligible for damage compensation to include "rangeland forage on privately owned land used for grazing or browsing of domestic livestock for at least part of the year for commercial purposes."

Compensation for rangeland damage was limited to \$50,000 per year, one-third of the total amount available for crop compensation. The legislation also directed that half of any compensation funds unspent at the end of the fiscal year be used "as matching grants to enhance habitat for deer and elk on public lands." Finally, the 2004 expiration date was set and the review assigned.

Since the expansion to rangeland became effective in July 2001, only six claims from three individuals regarding damage to natural rangeland have been filed with WDFW, and none of these claims have been paid. However, the program does appear to have had an impact on claims for damage to cultivated livestock forage. The Department has received and paid more such claims in the years since the legislation than in those immediately preceding it.

Evaluating damage to animal forage, particularly forage on natural rangeland, is significantly more complex than evaluating damage to crops sold commercially. Of the few states that compensate for damage to livestock forage, one does not pay for damage to natural rangeland, two pay only in extraordinary circumstances, and one pays but imposes a \$1000 deductible.

#### Evaluation

The WDFW appears to be implementing the expanded program as intended by the Legislature. The one exception is failure to designate half of unspent compensation funds each year for habitat expansion, due primarily to a technical flaw in the statute. The cost in staff time of carrying out a rangeland compensation program in accord with the statute appears to be high, because in the few cases considered, WDFW staff have found it complex and difficult to reach reasonable estimates of damage to natural rangeland.

#### Recommendations

### 1. The Legislature should let the natural rangeland damage compensation program expire on June 30, 2004.

From the limited data available at the time of this review, just two and a half years after the effective date of the legislation, there appears to be no compelling reason to continue this program. The program to compensate for natural rangeland damage has had minimal use: six claims from three individuals. Assessing damage to natural rangeland appears to be difficult, inexact, and costly in staff time. Assistance with abatement efforts, fencing, special hunts, emergency kill authority, and enhancement of wildlife habitat on adjacent public land are more cost-effective methods of minimizing the impact of deer and elk on privately owned natural rangeland.

# 2. The Legislature should direct the Department to convene a task force to draft proposed regulations to apply the general crop damage compensation program to hayfields and cultivated pasture grass.

More claims deal with this sort of damage, and it is more feasible to address. Negotiated rules (Washington Administrative Code) rather than statute may best provide for the flexibility and expertise needed to ensure that this policy both can be implemented efficiently by the Department and meets the needs of agriculture.

3. If the Legislature wishes to continue to direct a portion of unspent crop damage compensation funds to matching grants for habitat enhancement on public land after June 30, 2004, the Legislature should create a workable funding mechanism in statute.