

# Pennsylvania Fish & Boat Commission Report

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## Our Users Pay Taxes, So Our Users Should Benefit From Them

Just about this time last year, I described the transportation funding package (which came to be known as Act 89) making its way through the legislature in Harrisburg. I explained that Pennsylvania's aquatic resources, anglers, and boaters should fairly benefit from all taxes paid by boaters on motorboat fuel rather than having those funds go for the repair of bridges and roadways.

The House, Senate, and Governor Corbett agreed with us and directed that all taxes derived from the sale of motorboat fuel be refunded to the Pennsylvania Fish and Boat Commission (PFBC) to reinvest in projects that benefit the people who are paying the taxes in the first place. If you buy motorboat fuel, that means you.

As a result, the PFBC has been able to leverage Act 89 funding to speed up the pace with which we can deal with the backlog of repairs to high-hazard, unsafe dams. To date, Act 89 funding has factored favorably into decisions by Governor Corbett to release capital budget dollars for Colyer Lake in Center County and Glade Run Lake in Butler County.

Act 89 builds on the time-tested North American Model of Fish and Wildlife Conservation (user pays/user benefits) whereby anglers, boaters, and hunters willingly pay a little

extra for the tools of their trade in return for the assurance that federal excise taxes imposed on those goods are returned to state agencies like ours to fund programs and infrastructure that support outdoor recreation.

Notwithstanding the ongoing challenges of preventing the taxes paid by sportsmen and women from being subject to sequestration (diversion) by the federal government, this system has served Pennsylvania and the rest of the country well for over 75 years.

In the case of the PFBC, about a quarter of our annual revenue comes from taxes paid by anglers and boaters that are deposited into the Sportfish Restoration and Boating Trust Fund (Trust Fund) and then distributed to our agency to benefit our anglers, boaters and aquatic resources.

But, just as we have heard the old saying that the only things certain in life are death and taxes, we also know that our purchases in the Commonwealth are subject to state as well as federal taxes.

Following the same rationale behind Act 89 and the Trust Fund, the PFBC has begun talking to members of the Pennsylvania House and Senate about allocating a

portion of the state sales tax attributable to the sale of fishing and boating equipment to the very programs that make quality fishing and boating possible. We already do it for motorboat fuel, so it only makes sense that we should do it for other items used by anglers and boaters.

While we often like to think of ourselves as innovators in Pennsylvania, we need only look two states to our south to Virginia (another Commonwealth) for a great example of how to ensure that Pennsylvania gets the greatest – and most equitable – return on the taxes paid by you and everyone who fishes and boats in Pennsylvania.

In Virginia, two percent – or up to \$13 million – of the state sales and use tax collected on fishing, hunting, and wildlife-watching equipment is reinvested in state programs that directly benefit the users who pay the fees. The amount of money spent on these items is estimated in the National Survey of Fishing, Hunting, and Wildlife-Associated Recreation published every five years by the United States Fish and Wildlife Service.

As a member of the national Sport Fishing and Boating Partnership Council, I am personally involved in efforts to make sure that the national survey delivers valid and reliable estimates of outdoor spending every five years. In fact, I am currently chairing a national technical workgroup, comprised of statisticians from the states, 



*John, with a nice bass caught while fishing in Presque Isle Bay.  
Photo by Jim Gallagher*



to make the national survey even more accurate at the state level.

According to the most recent national survey, the 1.1 million people who fished in Pennsylvania in 2011 spent \$194 million on equipment and a total



of \$485 million on all expenses related to fishing. (If you include boats and other big-ticket items that

were not reported in the 2011 survey, that figure would be even larger.) When combined with hunting and wildlife-watching, the amount spent on equipment climbs to over \$1.5 billion and the total expenditures for all three activities is nearly \$2.8 billion.

Applying the Virginia model to Pennsylvania and devoting up to \$13 million (or more) of the \$165 million in state sales tax revenue attributable to these three outdoor enterprises back to the agencies who manage Pennsylvania's recreational resources makes sense. As more and more people are coming to acknowledge, the days of

being able to rely on license revenues and federal reimbursements to fund most of our operations are gone.

If we want Pennsylvania's outdoor industry to continue to be part of the engine that drives our economy, it is good public policy to reinvest at least a portion of the state sales tax paid by outdoor enthusiasts into the programs and infrastructure that support their activities.

As we begin to educate legislators and others about the merits of this approach for Pennsylvania, the pages of On Target seemed like a fitting place to help kick off the discussion.

## Administration Proposes Clean Water Act Protection for Streams and Wetlands

The U.S. Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (Corps) are seeking comments on a proposed rule that would define the scope of waters protected under the Clean Water Act (CWA). The new "Waters of the United States" rule is intended to clarify which streams and wetlands fall under the jurisdiction of the Act after two Supreme Court rulings removed protection for isolated wetlands and other ephemeral water bodies over a decade ago.

Many wildlife conservation and outdoor recreation organizations lauded the proposal but many industry groups and western lawmakers are expressing their opposition.

The proposed rule provides CWA protection for all river tributaries, even

those that are seasonally dry, requiring any activity that would fill the water bodies or discharge pollution to get a permit.

The EPA has estimated that 60 percent of the streams in the U.S. would fall within this "intermittent" category flowing only seasonally or after a rain. The rule also includes wetlands that are adjacent to any waters regulated by the CWA; truly geographically isolated wetlands would still require case-by-case consideration, leaving areas like the prairie potholes still in question.

"These other upstream waters must be shown to have a significant nexus to downstream water quality," said EPA Administrator Gina McCarthy. "If you're a pond or a wetland, it's not enough to show that the connec-

tions simply exist; you have to show that pond or wetland – either alone or in combination with similarly situated waters in the region – significantly affects the alteration of physical, chemical or biological integrity of other jurisdictional waters that the Clean Water Act was intended to protect."

Conservation organizations have been working since the Supreme Court rulings in 2001 and 2006 to add intermittent and isolated wetlands back under the jurisdiction of the CWA. The Supreme Court's actions resulted in the loss of protection for at least 20 million acres of wetlands. The groups argue that as a result, there was a 140 percent increase in the rate of wetland loss during the 2004-2009 period.



## National Hunting and Fishing Day to Take Place September 27, 2014

Each year, outdoorsmen and women celebrate efforts taken to conserve our heritage. National Hunting and Fishing Day is important to each. Conserving wildlife and the lands that house what we all enjoy are of the utmost importance.

National Hunting and Fishing Day is a day set aside to celebrate all that sportsmen do to support those efforts whether it be building habitat

for dwindling quail populations or funding conservation projects. Their support has forged new pathways for hunters, fishermen and outdoorsmen for the past 43 years to enjoy public waterways and lands without worry of diminishing access or natural resources.

Country music star, award-winning TV host and former soldier Craig Morgan is slated to serve as the honorary chairman for National Hunting and Fishing Day.

