

Straight TALK

by **John A. Arway**

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Operation Bootstrap 2

Sometimes, it is best to look to the past to find solutions for the future. We are currently battling the same fiscal realities that we have confronted for most of our agency's 150-year history. In 1919, we sold our first fishing licenses to 50 non-resident anglers to fish in Pennsylvania waters. Then, in 1922, we sold our first resident fishing licenses to over 200,000 anglers. This was our first step down the path of becoming a user pay/user benefit agency that depends on license sales for everything that we currently do. The course of that path was set back in the mid-1800s when hunters and anglers realized that they needed to set limits in order to protect rapidly disappearing fish and wildlife populations and assume responsibility for managing their habitats. Most fish and wildlife agencies in this country followed the same path that we did. Our predecessors also recognized that taking on these challenges required an investment in a system that would provide conservation and recreation benefits demanded by society. That is the basic framework for the North American Wildlife Conservation Model that we use to accomplish the goals and objectives set by our forefathers.

This business model that began solely with license sales as the primary funding source for fish and wildlife programs changed in 1937 when the funding model was expanded by Congress to include an excise tax on the sale of all sporting arms and ammunition (Pittman-Robertson Wildlife Restoration Act). The tax was then applied to all fishing equipment in 1950 (Dingell-Johnson Act). The Dingell-Johnson Act has been amended several times (now called the Federal Aid in Sport Fish Restoration Act) and provides federal aid to the states for the management and restoration of fish having "material value in connection with sport or recreation in the marine and/or fresh waters of the United States." Funds are derived from a 10 percent excise tax on certain items of sport fishing tackle, a 3 percent excise tax on fish finders and electric trolling motors, import duties on fishing tackle, yachts and pleasure craft, interest on the account, and a portion of motorboat fuel tax revenues and small engine fuel taxes. In addition, amendments to the Act provide funds to the states for aquatic education, wetlands restoration, boat safety and clean vessel sanitation devices (pumpouts), and a nontrailerable boat program. Funds are collected by the United States Fish and Wildlife Service and distributed to the states



photo-John Lord

through a formula that is based on the number of fishing licenses a state sells and its land mass. Nationally, Pennsylvania ranks 33rd with 45,333 square miles of land area.

So, every time you buy fishing gear or gasoline for your boat, you contribute to this fund. It generates upwards of \$1 billion nationally and accounts for about 25 percent (\$13 million) of the total revenue that the Pennsylvania Fish & Boat Commission (PFBC) receives each year. When you combine funding from the excise tax with the state license sales sportsmen pay each year, these funds constitute the majority of revenue for fish and wildlife conservation and management in North America. It's funding paid for by the sportsmen for activities that benefit all of our fish and wildlife resources.

Some states have applied the same excise tax model to their state sales tax on fishing and boating expenditures since a portion of those purchases goes back to the state's general fund. However, many states, including Pennsylvania, choose not to reinvest those tax dollars back into the fishing and boating programs that generate the money. We continue to argue that we should follow the lead of states like Virginia, where their legislature passed a law in 2000 that directs up to 2 percent of the estimate of public expenditures for hunting, fishing and wildlife-associated recreation or a maximum of \$13 million back to their state fish and game agency.

The old business model of license fees and excise tax dollars worked well until 1990 when something happened to cause a gradual decline in fishing participation not only in Pennsylvania but also across our entire country. We measure this decline in the actual number of fishing licenses that we sell. We also know that as our general expenses have increased over time, that increase has been proportional to the general rate of inflation. This is the same reason why we pay more today for a loaf of bread or a gallon of gasoline than we did 25 years ago.

Does the number series 5, 20, 6, 3, 7, 10, 5, 4, 13, 9 and 11 mean anything to you? These are the number of years between fishing

license fee increases since we first began selling resident licenses in 1922. Fees have been raised 11 times in 93 years (Figure 1).

However, despite proposing a variety of alternative revenue ideas to the administration and legislature over the past 5 years that I have been director, we are right back to the old business model of raising license fees again with the knowledge that we will lose 8 to 10 percent of our anglers by doing so. Since this approach seems to be the path of least resistance, how do we minimize the damage it will cause? Well, I remember a discussion a group of us had at fishing camp many years ago about PFBC's financial troubles in the 1960s. Former Bureau of Law Enforcement Director John Buck led the discussion and several old time fish wardens contributed to the story. There was a collapse of fishing license sales in the late 1950s and early 1960s (Figure 1). Director Robert Bielo, who was appointed as Director in 1965, worked with staff to develop and execute a plan called Operation Bootstrap. In a January 1995 *Pennsylvania Angler* article titled "The Changing Face of Our Fishing License" by Linda Steiner, retired Northwest Assistant Regional Law Enforcement Manager Cloyd Hollen explained that "the license button succumbed to fiscal concerns in 1960. It simply costs too much to continue to make them". "This was done as part of Operation Bootstrap," he recalls, which

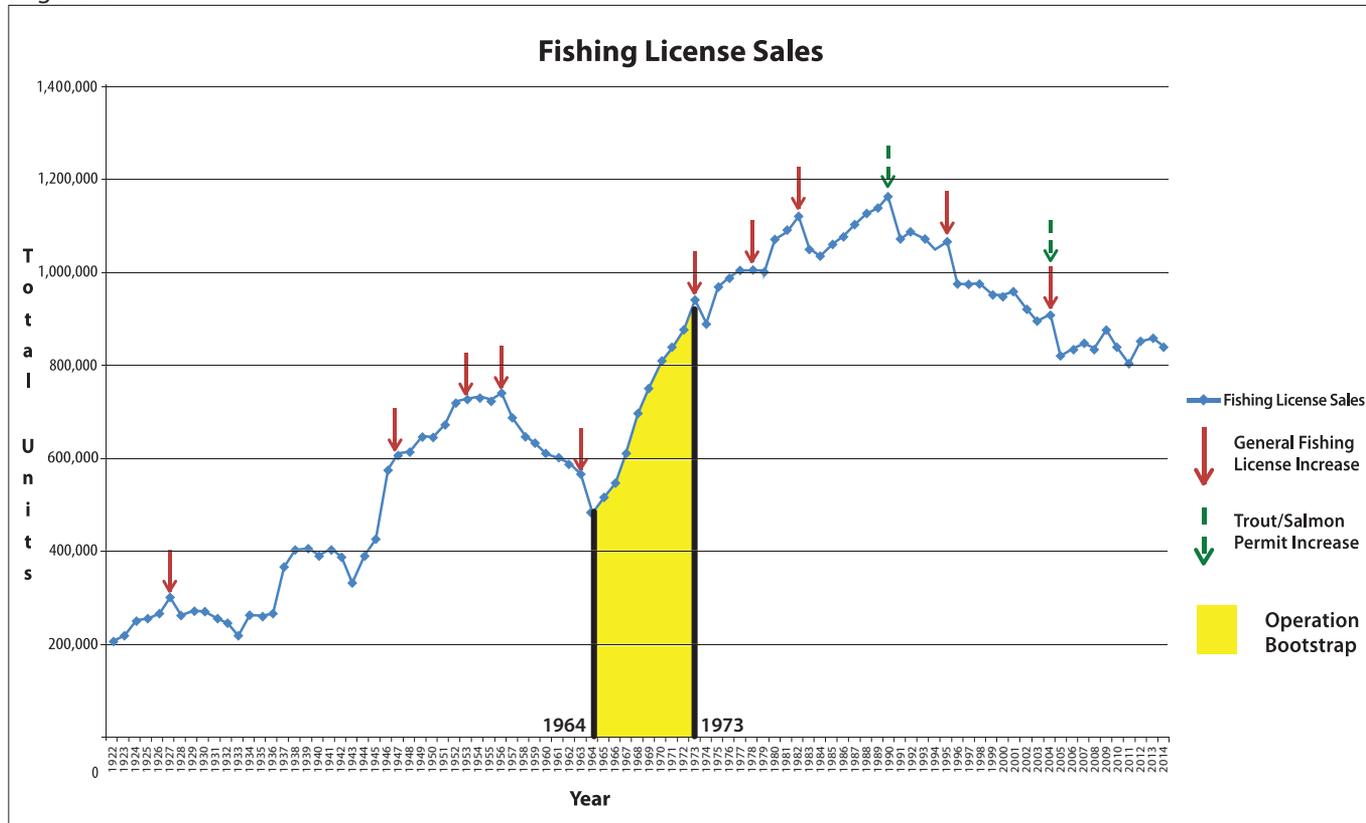
"tried to get the Commission back on its feet again financially." Director Bielo had to cut programs and lay off staff since the drop in license sales forced him to cut expenses. His solution to the problem was Operation Bootstrap, where he sent remaining staff into cities to remarket our programs. This sales campaign worked, and we gradually rebuilt our license base and grew programs and revenues until we peaked in sales in 1990 with 1.16 million license buyers (Figure 1).

Today, we sell about 850,000 licenses and continue on a slow rate of decline in license sales. The PFBC has lost over 25 percent of our customers in 20 years. We could sit back and watch this trend continue, or we can try something new or old to attempt to reverse the trend and get more people interested in fishing and boating again. We have new tools in the toolbox and improved knowledge about what may work and what doesn't work. It's time to get to work and take on the challenges of Operation Bootstrap 2!

Hope to see you on the water!

Your Director,
>>(John{°>

Figure 1.



The mission of the Pennsylvania Fish & Boat Commission is to protect, conserve and enhance the Commonwealth's aquatic resources and provide fishing and boating opportunities.

Get questions answered.
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