Rob Stafsholt

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DATE:	February 14, 2024
RE:	Testimony on Senate Bill 1006
TO:	Members of the Committee on Financial Institutions & Sporting Heritage
FROM:	Senator Rob Stafsholt

Thank you fellow members of the Senate Committee on Financial Institutions and Sporting Heritage for hearing Senate Bill 1006 relating to the wildlife damage abatement program and the wildlife damage claim program.

The Wisconsin Wildlife Damage Abatement and Claims Program (WDACP), which is fully funded through a surcharge on most hunting licenses and Conservation Patron Licenses, provides damage prevention assistance and compensation to farmers when wildlife damage their agricultural crops, making our Wisconsin farmers whole. However, there are some issues with the way this program is currently run.

This bill makes a few changes to this program to ensure that our farmers are still being made whole, while lessoning the ability of a few bad actors in the program that are double or triple dipping by making a crop insurance claim, collecting from the Wildlife Damage Abatement Claims Program, and selling the bear tags provided for profit, as bear tags are a hot commodity in many areas of the state. In addition, hunters that aid in the damage prevention portion of this program are sometimes having trouble getting ahold of the farmer or having the farmer allow them onto their land.

This bill makes the following changes to the program to alleviate some of these issues:



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- 1. It removes the use of bear tags in the program altogether. (These tags cause conflict between hunters and farmers, and only a small number were actually harvested with these tags last year, so it makes more sense to eliminate them.
- 2. It requires the farmer to maintain crop insurance in order to receive payouts from this program. The farmer will now need to submit an insurance claim, and then proceed to request compensation from the Claims Program.
- 3. It raises the cap for compensation from the current \$10,000 to \$25,000, leaving only a handful of farmers that would not be made whole each year due to larger claims.
- 4. It has the DNR fully manage the program, rather than having the counties manage it, where good ol' boy deals can be struck up to abuse the program. The DNR will now set up a website for hunters to sign up to hunt land that is in this program, eliminating the need to find or get approval from the farmer, making it a much more seamless and non-emotional transaction. The funding necessary for the creation of this site will be provided through the 13.10 process, not an appropriation.

It has been brought to my attention that allowing hunters onto a farmer's land without specific interaction between the two could create privacy issues, so I am willing to look into possibly exempting a certain number of acres surrounding a farmer's building site, or other such changes.

Again, thank you for allowing me to testify on Senate Bill 1006. I would be happy to answer any questions, and I would appreciate your support on this piece of legislation.

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Senate Committee on Financial Institutions and Sporting Heritage

2023 Senate Bill 1006 Wildlife Damage Abatement Program and the Wildlife Damage Claim Program February 14, 2024

Good morning, Chair Stafsholt, and members of the Committee. My name is Brad Koele, and I am the wildlife damage specialist for the Wisconsin Department of Natural Resources (DNR). Thank you for the opportunity to testify, for informational purposes, on Senate Bill 1006 (SB 1006), related to proposed changes to the Wildlife Damage Abatement and Claims Programs.

The Wildlife Damage Abatement and Claims Programs (WDACP) were established in 1983. These programs provide damage abatement assistance and partial compensation for damages caused by wild deer, bear, elk, turkey, cougar and Canada geese to commercial agricultural crops. The WDACP provides damage abatement assistance to over 1,000 agricultural producers annually. In 2022, the program compensated agriculture producers approximately \$880,000 for eligible wildlife damages.

These programs are funded by hunters through a \$2 surcharge on each hunting license and from revenue generated through the sale of Antlerless Deer Harvest Authorizations. Hunters, in exchange for funding the programs, are provided access to properties enrolled in the program to participate in wildlife removal with a few exceptions. Agricultural producers, in turn, benefit from reduced damages to their crops. In 2023, more than 132,000 acres were made accessible to public hunters through these programs.

Senate Bill 1006 proposes multiple changes to the Wildlife Damage Abatement and Compensation Programs, including:

- 1. Prohibits DNR from issuing bear damage shooting permits for the protection of agricultural crops;
- 2. Effective January 1, 2025, would remove the requirement for counties to administer the programs;
- 3. Proposes to increase the annual compensation limit from \$10,000 to \$25,000 per producer;
- 4. Requires producers receiving compensation for bear damages to have crop insurance and provides that a producer cannot be compensated through both crop insurance and the WDACP;
- 5. Allows compensation for crops damaged when accessing locations for bear trapping;
- 6. Creates an abatement only, bear trapping and relocation option to address bear damages on leased lands;
- 7. Requires the DNR to develop an internet-based hunter registration system for hunters seeking access to enrolled properties for bear hunting; and
- 8. Requires that all bear traps are equipped with trap monitors by June 30, 2024.

I will address each of these proposed changes individually.

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Prohibiting the issuance of bear damage shooting permits for the protection of agricultural crops: Bear shooting permits are an important tool to have available for addressing damages caused by bear. In 2023, the department issued 24 bear shooting permits. Twenty-five bears were registered. Bear shooting permits are used in cases where bear trap sites are inaccessible or in cases where trapping is not feasible or is unsuccessful. A prohibition on the issuance of bear shooting permits would remove an important option for addressing bear damages to agricultural crops and could result in higher losses for producers. Conversely, prohibiting the issuance of bear shooting permits would remove a sometimes-controversial abatement option. Depending on the bear management zone, hunters need to accumulate between 2 and 11 preference points before receiving a bear harvest permit. Participants on bear shooting permits do not need any preference points which can be controversial with some hunters.

Elimination of the requirement for Counties to Administer the WDACP

Under current law, counties must administer the Wildlife Damage Abatement and Claims Program. The department cannot administer the program on behalf of or instead of a county. Currently, 57 counties contract program implementation to USDA-Wildlife Services, 10 counties have a county employee administer the program and 3 counties hire an independent damage technician for program implementation. Two counties, Kenosha and Menominee, do not participate in the program.

We estimate that allowing the department to administer the program would save approximately \$63,000 annually in administrative costs. Department administration of the program would also provide the following benefits:

- Reduce the administrative workload by eliminating 70 county agreements and annual budgets and up to 200 county reimbursement requests;
- Result in timelier implementation of bear damage abatement (trapping and relocation services) in counties not currently administered by USDA-Wildlife Services;
- Streamline claim processing, resulting in producers receiving compensation 4-8 weeks earlier than the current process; and
- Improve overall consistency of program implementation.

A source of potential controversy over eliminating the requirement that counties administer the program is that wildlife damage program funding is used to support a portion of a county employee's position in 10 counties. Eliminating this funding from the counties would result in the need for the counties to find other funding sources to support these positions. Damage program funding used to support these positions ranges from \$4,500 to \$42,000. The large variation in cost is due to the variation in the number of enrollees, abatement provided, and the number of acres enrolled in the program. Another concern expressed by some counties is that this change would take decision making authority away from the counties with any producer appeals going through the state appeals process rather than the county appeal process.

Increasing the compensation limit from \$10,000 to \$25,000

Under current law, there is a \$10,000 maximum compensation limit on wildlife damage claims. There is a \$500 claim deductible, and once that is met, producers are compensated for 100 percent of wildlife damages up to \$5,000 and 80 percent for damages in excess of \$5,000, up to the \$10,000 maximum.

The \$500 claim deductible and \$10,000 compensation limit have been in place since 2009. Prior to 2009, the deductible was \$250, and the maximum claim payment was \$15,000. In 2009, the State

Legislature increased the program deductible and decreased the compensation limit in response to a projected budget shortfall. The wildlife damage account has since rebounded and there is approximately a \$4 million surplus currently.

In 2022, 36 producers enrolled in the program had losses that exceeded the \$10,000 compensation limit, (27) in 2021 and (24) in 2020. Increasing the compensation limit to \$25,000 would provide greater compensation to producers that suffer significant losses while limiting the likelihood of the department needing to prorate claims if program funding is insufficient.

If a \$25,000 compensation limit were in place, (7) producers would have exceeded the compensation limit in 2022, (2) in 2021, and (2) in 2020.

Based on appraised damages on claims submitted in years 2020 through 2022, the department estimates that increasing the compensation limit from \$10,000 to \$25,000 would increase program expenditures by \$100,000 to \$250,000 annually.

Requirement for enrollees to have crop insurance to be eligible for bear damage compensation: In 2022, 67 producers filed a bear damage claim. Currently producers are not required to have crop insurance to be eligible for bear damage compensation. Crop insurance is typically intended for catastrophic weather events like flooding, drought, or wind events that significantly reduce crop yields, but crop insurance can also cover wildlife damages. Insurance policies vary with coverage beginning as low as a 50 percent reduction in yields.

The establishment of a requirement for bear damage claimants to have crop insurance creates a couple administrative challenges if a producer is seeking both a crop insurance claim and a claim through the WDACP.

- First, crop insurance payments are based on all of a producer's land within a section and not by individual fields like the WDACP. This may create administrative challenges with some fields being eligible for a crop insurance claim but not eligible under the WDACP.
- Second, the methods used to quantify losses are different. Crop insurance payments are determined by looking at the total yield loss which could include multiple causes including wildlife damage, drought, shading, planter skips, etc. In contrast, the appraisal methods used by the WDACP is specific to bear damages and does not include other factors.

We would need to reconcile these differences.

Allowing for compensation for crops damaged to access locations for bear trapping:

Under current law, damage compensation is only available for crops that are damaged by wildlife. Compensation is not available for crops that are damaged when implementing abatement like trapping bear. On some fields, bear trappers need to run down corn with a vehicle to access the best locations for trapping and removing bear, damage locations are often in a back corner of a field.

This proposed change would allow the department to provide compensation for crops damaged when accessing bear trap locations. This would make bear trapping and relocation more acceptable to producers. The added costs to the program are estimated be less than \$5,000 a year statewide.

The creation of an abatement only, bear trapping and relocation option to address bear damages on leased lands.

Currently, apart from apiaries, public hunting access is required on all properties that receive bear damage abatement assistance. In some situations, agricultural producers are not able to receive program assistance on properties they lease because the landowner is not willing to allow public hunting access to the property. Under this proposal, public hunting access would not be required on a property if bear trapping and relocation is the only abatement being provided, and the producer would not be eligible for bear damage compensation.

The benefit of this proposal is that it would reduce bear damages by providing abatement assistance to producers in locations that were not historically eligible for the program. That said, bear trapping and relocation are costly compared to other abatement options and hunters funding the program may argue that they are not getting any benefit since public hunting access is not required. However, bear trapped from crop fields are released on large tracts of public lands where they are available for harvest by hunters during the bear hunting season.

With this option available to producers, we expect to see a 20 percent increase in bear abatement expenditures annually, approximately \$25,000. We also anticipate an initial investment of \$103,000 for 25 additional bear traps and trap monitors.

Requires the DNR to develop an internet-based hunter registration system for hunters seeking access to enrolled properties for bear hunting.

Currently, the DNR maintains a list of properties that are open to public hunting on the department's website. The enrollee's name and phone number and a map of the enrolled property are listed on the website. Hunters are required to contact enrollees prior to hunting. This allows the enrollee to know who is accessing the property. For the most part, this seems to work well, however on occasion we do receive complaints about enrollees not retuning calls from hunters. We follow up on these complaints and take appropriate action if necessary. The department is currently conducting a review of NR 12, the chapter of administrative code that addresses wildlife damage, abatement and claims. Through this review we will be proposing more stringent requirements for enrollees to respond to hunters and increased penalties if it is determined that enrollees are not adequately making an effort to respond to hunter inquiries.

The proposal to develop internet-based hunter registration would eliminate the concerns of enrollees not responding to hunter requests, but remove interaction between enrollees and hunters. That interaction is important for enrollees being comfortable with hunters and sometimes relaying important information about the property like avoiding livestock holding areas and discussions about the use of bait and/or tree stands that may be on the property.

The requirement to develop an internet-based system by January 1, 2025, would be difficult. In discussing this with the department's IT staff, more time would likely be needed. If this element of the bill is retained, the department respectfully requests an extended effective date of January 1, 2026, for this requirement or at a minimum, August 1, 2025, so we can have more time to develop the internet-based registration system with implementation prior to the start of the 2025 bear hunting season.

We anticipate the development of the internet system to cost approximately \$82,000, with annual maintenance costs of approximately \$10,000. The department appreciates the authors allowing the department to use wildlife damage program funding to develop the internet-based registration system.

Require that all bear traps are equipped with trap monitors.

Historically, producers were required to check bear traps by 8:00 a.m. daily. This was a significant workload for producers that had to check multiple traps, especially if the traps were located a significant distance from their home. To reduce this workload, the department began using bear trap monitors in 2013. Trap monitors send an email or text alert to the bear trappers when the trap door closes, and traps equipped with monitors are not required to be checked by the producer. The use of these monitors eliminates the producer's workload, provides efficiencies for bear trappers, and is more humane for the bear by reducing the time they spend in the trap. Since 2013, the department has steadily purchased additional monitors. We currently have 145 monitors in inventory. At the peak of the bear trapping, typically in August and early September, as many as 150 traps may be in use, so we are already close to meeting this requirement. Plans have already been made to purchase additional trap monitors for 2024.

The changes identified in SB 1006 provide some significant improvements for agricultural producers and program administration but also creates some challenges for the WCACP program. The use of bear trap monitors and allowing for compensation of corn damages to access trap sites do not require significant changes in program administration or use of program resources. Increasing the compensation limit, eliminating county administration, and creating an abatement only bear enrollment option require more significant changes in program administration and allocation of program resources.

On behalf of the Department of Natural Resources, we would like to thank you for your time today. I would be happy to answer any questions you may have.



Testimony on 2023 Senate Bill 1006

Senate Committee on Financial Institutions and Sporting Heritage February 14, 2024

Mr. Chairman and committee members, thank you for taking the time to hear Senate Bill 1006 which makes various changes to the wildlife abatement program.

The Wisconsin Farm Bureau Federation (WFBF) is the state's largest general agriculture organization with over 47,000 members. WFBF represents farms of different sizes, commodities and management styles. We appreciate Representative Edming and Senator Stafsholt bringing this bill forward to help address ongoing issues with the wildlife damage abatement program.

Under current law, a person who owns, leases, or controls land on which certain wild animals cause damage to crops or livestock can apply to the county for wildlife damage claim payments and wildlife damage abatement assistance if the location of the damage is in a county that administers these programs.

The bill makes numerous changes to the program, but the most important change to our members is increasing the allowable amount of the payments. For farmers who year after year experience thousands of dollars in damage that they cannot be reimbursed for due to the current \$10,000 cap claims, the losses continue to accumulate and make their operations that much harder to keep viable.

In addition to increasing the limit on the amount of damage that can be reimbursed from \$10,000 to \$25,000, the bill makes the following changes to the program:

- Prohibits DNR from giving out wildlife abatement kill tags for bear.
- Removes counties from the administration of the program as a way to lower administrative costs and provide more consistent treatment of farmers throughout the state.
- Allows payments for crop damage caused by a vehicle being used to place a live bear trap.
- Allows a farmer who leases land that is not open to public hunting to enroll it in the program for the purposes of having a bear trap placed but does not allow them to receive a payment for their damage.
- Requires farmers to have crop insurance to be eligible for reimbursement for wildlife damage and requires that if there is enough damage to merit a crop insurance claim it must be settled and DNR may only reimburse for damage for which they are not reimbursed by their insurer.
- Prohibits receiving a crop insurance payment for the same damage a farmer claims reimbursement from the wildlife damage program. (This language may need to be

amended to clarify that you can receive payments from the wildlife damage program for damage not covered by crop insurance or in a year in which the amount of damage is insufficient to trigger a crop insurance payment.)

- Requires that DNR create a website for bear hunters to be able to sign up to hunt bear on land enrolled in the program rather than requiring them to contact landowners directly to ask permission to hunt. The bill allows DNR to request funding for the website through a 13.10 request to the Joint Committee on Finance.
- Requires all bear traps to be equipped with remote monitoring technology.

Thank you again for taking the time to hear this bill today, and I would be happy to answer any questions.