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Keeping the Natural State natural.

Arkansas Game and Fish Commission

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Mr. David Ferguson, Executive Director
Arkansas Legislative Council
Room 315, State Capitol Building
Little Rock, AR 72201

Dear Mr. Ferguson:

I am writing in response to your September 24 letter. Our answers are provided below. We look forward to the opportunity to discuss this further at the Arkansas Legislative Council meeting on October 17.

1. Assuming that all the proposals are funded, what will be the impact on property taxes and the funding of school districts, and what will be the impact of property taxes levied by other governmental entities?

The impact will vary from county to county depending on the millage rate. For example, if we are able to purchase the 5,000 acres in Searcy County, we have estimated that approximately \$6,000 would be removed from the tax rolls (for every \$1.00, 6.9 cents goes to the library, 6.9 cents goes to the county road fund, 9 cents goes to the county general fund, and 77.2 cents goes to the schools). Therefore, of that \$6,000, \$414 goes to the library, \$414 goes to the county road fund, \$540 goes to the county general fund, and \$4,632 goes to the schools.

However, where appropriate, we will reimburse county road maintenance budgets for any money spent maintaining roads on property we own and, in fact, we already do in some counties. Furthermore, in some cases we could pay for road maintenance on roads leading to land we own. In addition, many of the proposed projects involve conservation easements, not fee title purchases, and so would not be removed from the tax rolls.

2. Why has there been a change in the opinion by the Arkansas Game and Fish Commission staff concerning whether gas lease moneys may be shared with other state agencies?

Our opinion has not changed. We are drafting the agreements with the intention of avoiding any conflict with federal regulations. We must ensure that we do not jeopardize any federal funding, so it is crucial that we stay within the guidelines set forth by the U.S. Fish and Wildlife Service (USFWS).

3. Why has the amount to be shared been limited to such a small percentage of the total amount to be received?

There are two factors: first, these monies can only be spent on agreements that are within the guidelines set forth by the USFWS and second, Amendment 35 of the State Constitution gives explicit instructions on what our monies can be spent on, i.e., "for purposes of control, management, restoration, conservation and regulation of birds, fish, game and wildlife resources of the State." Therefore, any funding agreements would need to meet the USFWS guidelines and the Amendment 35 restrictions.

Please let me know if you have any other questions.

Sincerely,



David Goad
Deputy Director
Arkansas Game and Fish Commission