

## MEMORANDUM



TO: House Committee on Natural Resources  
FROM: Defenders of Wildlife  
DATE: February 26, 2019  
RE: HB 2746 – Changes to Wolf Depredation Compensation and Financial Assistance Grant Program

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On behalf of Defenders of Wildlife's 33,000 members and supporters across Oregon, we submit the following comments on HB 2746, which would require the legislature to review and consider changes in Oregon's estimated wolf population prior to making appropriations to the Wolf Depredation Compensation and Financial Assistance Grant Program. While we support the compensation program – and increasing funds for compensation and non-lethal conflict deterrence measures generally – we have serious concerns about how the program has been administered. Any changes to the compensation program should prioritize the use of non-lethal deterrence measures and address the ongoing reports of fraud and misuse of funds.

Over the last several years, there have been several well-publicized reports, including by OPB EarthFix (available at: [www.opb.org/news/article/questionable-payments-oregon-ranchers-wolves-cattle](http://www.opb.org/news/article/questionable-payments-oregon-ranchers-wolves-cattle)), that the state is making questionable payments to livestock producers under this program. Before any consideration of increasing funds to the program, there should be a thorough investigation to address these reports. The investigation should identify the program's vulnerabilities, including a review of the history of payments, the record of evidence for those payments, county advisory committee composition, and conflicts of interest. The legislature should then act on the investigation's findings to adopt safeguards to protect the fund from negligence, fraud, and misuse – and to ensure that taxpayer dollars are being spent in accordance with the law. Doing so is crucial to restore public trust and support for this program.

In 2011, the legislature passed HB 3560, the Wolf Management Compensation and Proactive Trust Fund, which was crafted with the help of a stakeholder committee created by the governor's office. The Fund established a grant program and a county advisory committee system to oversee the payments. The Oregon Department of Agriculture was directed to post a biennial report on the committees' activities in addition to the record of payments made on their state website. To date, there is only a record of payment and no reports on the committees' activities that document how these payment decisions were made. The committees are required to determine if a livestock owner is eligible for compensation based on *"evidence of the loss or injury to livestock or working dogs due to wolf depredation. Evidence of the loss or injury must include a finding by the State Department of Fish and Wildlife or the department's designated agent that wolf depredation was the probable cause of the loss or injury."* In recent years, there have been payments made to ranchers without any evidence of wolf predation.

While the fund allowed some payments toward missing livestock, the general requirements for eligibility are if 1) the missing livestock are *"above the level based on loss or injury attributable to causes other than wolf depredation established by the county advisory committee"* and 2) *"if [livestock] owners have demonstrated implementation of best management practices to deter wolves, including reasonable use of nonlethal methods when practicable."* There is strong reason for concern that this program is not adhering to the legal requirements. First, there are substantial payments being made to ranchers in areas that claim missing livestock to wolves but with little to no current wolf activity or evidence of depredation. These committees are supposed to require that other causes for missing

livestock are addressed before approving payments due to wolf depredations. However, the program isn't working that way. Last year, the Baker County Wolf Committee paid over \$21,000 to a rancher who claimed wolves killed his cattle, even though those cattle were never found. OPB investigated this incident and others and reported that *“since 2012, payments for missing cattle have increased when actual confirmed losses did not.”*

While we acknowledge and appreciate that this bill allots a specific percentage of the funds for implementation of non-lethal conflict deterrence measures, we are concerned that the program to date has not adequately prioritized the use of these non-lethal tools and techniques. The legislation creating the Wolf Management Compensation and Proactive Trust Fund required that funds be distributed, to the extent possible, *“in an equal and balanced manner between payments to compensate for loss or injury to livestock or working dogs due to wolf depredation and payments to implement livestock management techniques or nonlethal wolf deterrence techniques designed to discourage wolf depredation of livestock, with a minimum of 30 percent of grant program funds being distributed for livestock management techniques or nonlethal wolf deterrence techniques designed to discourage wolf depredation of livestock.”* Due to the lack of transparency and accountability for this program, it is unclear how – or if – any of the funds were (or will be) distributed to implement non-lethal measures. We request an investigation of the program to ensure funds are being spent appropriately, and that you restore the original intent of the program by directing funds as required to implementing nonlethal conflict deterrence measures.

Compensation programs like the Wolf Depredation Compensation and Financial Assistance Grant Program are designed to alleviate the financial impact on communities that share the landscape with protected species. They acknowledge that endangered species protections limit the options that livestock producers may use to respond to conflicts between wildlife and livestock or other property. However, as protections for wildlife species are reduced, so too is the justification for compensation. In 2015, wolves were delisted from the Oregon Endangered Species Act. Livestock producers now have more options for addressing conflicts with wolves and have continued to push to reduce the threshold for lethal removal.

We request that the Committee act carefully to honor the original intent of the program and ensure that it is administered with accountability and transparency – to meet the needs of communities that share the landscape with wolves, to prioritize the use of non-lethal conflict deterrence measures, to minimize the number of wolf and livestock deaths, and to secure the support and confidence of Oregon's taxpayers.

Thank you for your time and consideration of these issues. We would be happy to answer any questions. Please contact Sristi Kamal, Senior Representative, at [skamal@defenders.org](mailto:skamal@defenders.org).