

TO: Joint Committee on Ways and Means

FROM: Amaroq Weiss and Quinn Read, Center for Biological Diversity

DATE: April 17, 2023

RE: Testimony in Opposition to HB 2631

Co-Chairs Steiner and Sanchez, Co-Vice-Chairs Girod, Gomberg and Smith, and Members of the Committee:

On behalf of the Center for Biological Diversity and our nearly 32,000 Oregon members and supporters, we submit the following comments in opposition to HB 2631. The Center has been deeply involved in the development of policy pertaining to Oregon wolf recovery and conservation since wolves started arriving here in 1999. We strongly oppose HB 2631, which would reduce social tolerance for coexisting with wolves. This bill also fails to address any of the problems that have riddled the Wolf Compensation and Proactive Measures Trust Fund.

Oregon's Wolf Conservation and Management Plan, adopted in 2005, recommended creating a state-funded Wolf Compensation and Proactive Measures Trust Fund to increase social tolerance for coexisting with wolves. Compensation can in some cases be an important tool for addressing livestock-wolf conflicts in Oregon - \underline{if} it aids in increasing social tolerance for coexisting with wolves.

- Social tolerance is evidenced by a willingness by livestock owners to proactively implement nonlethal strategies, tools, and livestock handling techniques most likely to be effective for their operation, to deter conflicts from arising.
- Social tolerance is evidenced by a willingness by livestock owners to monitor and steward their livestock rather than demand the Oregon Department of Fish and Wildlife kill wolves after conflicts have arisen in part because the livestock owners did not implement conflict prevention measures, or because they used whatever method was easiest to employ rather than using the most effective methods for their individual operation.
- Social tolerance is evidenced by a reduction in illegal killings of wolves.

I. <u>HB 2631 Is Irrational, Fiscally Irresponsible, And Decreases Social Tolerance for Living with Wolves – Exactly the Opposite of the Purpose of the Wolf Compensation and Proactive Trust Fund.</u>

HB 2631 adds a multiplier to all payments made to livestock owners for confirmed or probable wolf kills. Proponents assert the multiplier is needed to compensate for missing livestock or working/guarding dogs whose cause for going missing can never be determined. Such an action flouts the very reason the state Wolf Plan advocated for a compensation fund – to build social tolerance for living with wolves. The multiplier has the exact opposite effect. It creates an incentive to be reckless and decline to use proactive conflict-prevention methods and techniques. Why bother to implement those methods if, when one of your livestock or working dogs becomes a confirmed or probable wolf kill, you'll receive payments of up to seven times their value?

A producer is unlikely to have any missing cattle in small pastures (<40 acres) and pastures in open landscapes (e.g., Wood River Valley, Klamath County), so applying this multiplier to every predation is completely unjustified and fiscally irresponsible.

 Please refer to written testimony on House Bill 2631 that was submitted to the House Agriculture, Lands, Water and Natural Resources Committee on March 23, by livestock producer Shella DelCurto. Ms. DelCurto is a member of the Baker County compensation committee, who agrees with this sentiment. (See Exhibit A - Copy of Ms. DelCurto's Testimony.)

It is a simple fact -- not a derogatory characterization -- that a multiplier provides a perverse incentive for producers to be <u>less</u> inclined to use non-lethal conflict deterrent measures.

- Even for producers who are interested in non-lethals and understand that they need to use them to get compensated, if you knew you'd receive \$14,000 for 1 confirmed calf loss on a grazing allotment (\$2000 FMV for the calf plus a 7x multiplier), but would receive only \$20,000 for spending a great deal of time range riding to monitor your livestock, wouldn't you just want to use the easiest methods (for instance, putting up lights or flagging on fencing) that are ineffective for your situation and just call it a day since you'd get a lot of money (FMV x 7) for that confirmed loss?
- Providing a multiplier payment to those livestock owners who want to cut corners
 penalizes those livestock owners who are using the correct non-lethal measures for
 their operation and preventing conflicts and predations; they will bear the consequence
 of getting paid less (that is, only the FMV when they sell their livestock) than their

- neighbors who may not be using any non-lethal conflict prevention measures and facing predations, but now get paid a great deal more.
- Adopting this multiplier removes all incentive for the good actor to invest resources and time to implement better practices which result in fewer conflicts when someone who is not doing so is getting significantly greater financial benefit.
- Finally, it's worth noting that there is no verification made or enforcement on requiring that non-lethal tools have been used before compensation is paid out because the Oregon Department of Agriculture does not have the capacity or ability to do that.
- II. <u>The Oregon Wolf Compensation and Proactive Trust Fund Has Been Implemented</u>

 <u>Corruptly and Abusively, and What is Most Needed is An Audit, Evaluation and Reform</u>

 of the Fund Not Beefing Up a Problematic Fund with Even More Funding.

The Fund was envisioned to be built on transparency, consistent state-wide application, and with measures installed that would prevent the Fund from being abused. But an <u>investigative</u> <u>journalism piece published by Oregon Public Broadcasting in 2017</u> revealed the opposite – lax documentations, payments for claims which defy biological evidence and extreme inconsistency in how the Fund is operated county by county. <u>To save you the time of reading</u> the lengthy report, here are four key take-aways:

- Since 2012, payments for missing cattle have increased while actual confirmed losses did not. Experts say those rates should track together. Even the Department said there is no biological explanation for why claims for missing livestock have gone up.
- The vast majority of compensation has gone to three Northeast Oregon Counties, but only two of them have large wolf populations and a history of confirmed wolf predations. The third county has little of either, yet it has received more money than anywhere else in the state. There also is no biological explanation for this. The Department notes it would expect wolf-caused missing livestock to be more likely in areas where we have seen confirmed predations and high wolf density.
- Payments for livestock losses in Eastern Oregon have far surpassed what state officials
 had predicted based on data from other states. A single study out of the Northern
 Rockies predicted that in very rugged country, for every wolf-caused loss discovered,
 another seven could simply be missing. Yet in Oregon, payments given by counties to
 individual livestock producers for missing animals compared to found animals have been
 as high as 85 to 1.
- All of the above does not speak to a problem of missing livestock; it speaks to a problem
 of a Fund which has been abused, which does not reflect good governance, and which
 merits a full audit by the Secretary of State's office. Given these facts, the very last thing
 the Oregon legislature should do is enact a bill which fails to address known abuses of
 the Fund, and which further enables the abuses to continue.

III. No Surveys Have Ever Been Conducted to Assess if the Fund is Even Achieving Its Sole Purpose, i.e., to Increase Social Tolerance by Livestock Owners to Coexist with Wolves.

- The state Wolf Plan, adopted in 2005, proposed creating the Oregon Wolf Compensation and Proactive Trust Fund to build social tolerance by livestock owners to coexist with wolves.
- Between 2005 and 2010, every single attempt to enact a bill in the legislature to create the Fund (HB 3478 in 2005, and HB 2295 in 2007) was fought against by the Oregon Cattlemen's Association and Oregon Farm Bureau. It was only in 2011, when these entities realized they were harming the very industry and individual livestock owners they claimed to be protecting, that these associations relented and joined conservation groups and others who had long been advocating for the Fund, to finally get enabling legislation passed (HB 3013).
- While the Fund has been in effect since 2011, neither the Oregon Department of Fish and Wildlife nor the Oregon Department of Agriculture have ever conducted any surveys of livestock owners in Oregon to determine whether the Fund's existence and application has resulted in increased social tolerance for coexisting with wolves by livestock owners. Ideally, longitudinal surveys (surveys conducted every few years, over time) would have been conducted. This is a missed opportunity that has had no action taken during the Fund's 12-year existence.
- In the ensuing years, the livestock industry has continued to demand that the Oregon
 Department of Fish and Wildlife kill more wolves and kill them faster, for conflicts with
 livestock. This suggests the Fund is not achieving its goal of increasing social tolerance
 for wolves.
- In the ensuing years, since 2011, at least 30 known illegal killings of Oregon wolves have been discovered, including eight intentionally poisoned in 2021. The science on poaching concludes that for every illegally killed wolf discovered, there are one to two illegally killed wolves that will never be found. This means in Oregon that as many as 60-90 wolves have been illegally killed since 2011. This is shockingly high, given the state's most recent wolf count concludes Oregon only has a confirmed 175 wolves. This suggests the Fund is not achieving its goal of increasing social tolerance for wolves.
- At least four peer-reviewed, published papers conclude that compensation funds do NOT increase tolerance for coexisting with wolves. (See Exhibit B – Abstracts of four published papers on compensation and tolerance.)
- We highly recommend that, as opposed to throwing more money at the Fund, a multiyear program of attitude surveys be commenced.

IV. If, Despite All Cited Reasons Above, You Still Wish to Consider Some Means to

Compensate Livestock Owners for Livestock Which are Missing, Please Consider the
Following Two Alternative Approaches, Instead of HB 2631:

Adopt the approach used in the state of Washington, which uses a 2x multiplier for confirmed losses, related to *acreage*. This is a much more rational and fiscally responsible approach than simply paying a huge multiplier for all losses.

- As noted above, in smaller acreage pastures it is possible to watch over one's livestock and not have animals simply go missing, so Washington recognizes that losses on small acreage should not be granted a multiplier.
- In Washington, verified livestock losses deemed to be confirmed or probable wolf-caused losses are compensated for. But if a confirmed loss takes place on land that is greater than 100 acres in size, then and only then -- it will be compensated at twice the amount, due to the potential for missing livestock. (See Exhibit C Washington Language on Compensation with 2x Multiplier for Confirmed Losses on Larger Than 100 Acres.)
- Washington does not provide a multiplier for working/guarding dogs which are killed or injured by wolves – because, unlike with cattle or sheep, no livestock owner has herds of dogs on the landscape.

Or -- enact HB 2633 instead of HB 2631. Rather than providing a blanket 7x multiplier payment whenever any livestock or working/guarding dogs that are killed or injured are deemed to have been a confirmed or probable wolf-caused loss, HB 2633 provides a far more rational and fiscally responsible payment approach.

- Under HB 2633, the multiplier is 2x, instead of 7x.
- Under HB 2633, the multiplier applies to breeding female cattle and sheep, and juvenile cattle and sheep that are less than one-year-old.
- Under HB 2633, there is no multiplier for working/guarding dogs (because no one has herds of dogs that go missing).

Conclusion

We urge you to vote NO on HB 2631. The bill would use valuable Fund monies in ways contrary to the Fund's intention. It de-incentivizes coexistence and decreases social tolerance for living with wolves. It does nothing to fix the problems which were made public in 2017. Don't throw good money after bad. What is needed instead are explicit plans and timelines for Fund reform and surveys to assess its effectiveness.

Thank you for your time and consideration of these issues.

Dunin Red

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Attachments: Exhibits A, B and C

Exhibit A

Testimony of Livestock Producer Shella DelCurto

TO: House Committee on Agriculture, Land Use, Natural Resources, and Water

FROM: Barry & Shella DelCurto, Eastern Oregon Ranchers

DATE: March 23, 2023

RE: HB 2631

I am taking an opposing position on this bill. I would like to offer these thoughts on this bill. As a producer and compensation committee member our ranch has had depredations. We do use non-lethal, co-existence practices. I feel like this bill is a step in the right direction. My suggestion would be to not pass 2631 and go with 2633-3. I would like to see a committee set up to help fine tune the multiplier piece if it should pass.

When I look at some of the various ways a multiplier could be used, I envision it bankrupting our compensation program. For example, a producer has 160 acres where he has cattle. The wolves come in and over a short period of time they depredate and kill 4 head of cattle. This is confirmed by ODFW. As a wolf committee we could then compensate the producer. Say the cattle are worth \$1000 per head. That would give the producer \$4000 plus we add the multiplier of 5 and we would then pay the producer \$20,000 for his lost livestock. In this instance I feel the multiplier shouldn't be allowed as the producer should have been able to adequately monitor his cattle. This is where we need qualifiers for the multiplier. A multiplier of 5 or 7 would not be sustainable under our current program. The language below from HB 2633-3 would take care of the multiplier. The multiplier should only be used for confirmed depredation of livestock excluding dogs which this bill does not do. In Wyoming the multiplier is only allowed when there is a confirmed depredation on cattle, on Public Lands. Private lands are excluded. Again the bill does not have a guideline of when and how to use the multiplier.

I feel the following proposed language from bill 2633-3 would clean up all scenarios without having to use a multiplier.

- "(B)(i) One hundred percent of the fair market value of yearling cattle and sheep, of adult male cattle and sheep and of working dogs. "
- (ii) Two hundred percent of the fair market value of breeding female cattle and sheep and of juvenile cattle and sheep that are less than one year old.

This language would have less chance of depleting our programs resources. Let's move forward and work towards an amicable agreement for all.

Exhibit B

Abstracts of Four Papers Analyzing
Compensation and Tolerance for Wolves,
and Finding That Compensation Does Not
Increase Tolerance

Four papers finding that paying/receiving compensation does not increase tolerance for wolves / willingness to share the landscape with wolves/reduce illegal wolf killing.



Paying for Tolerance: Rural Citizens' Attitudes toward Wolf Depredation and Compensation

LISA NAUGHTON-TREVES, REBECCA GROSSBERG, ADRIAN TREVES

First published: 01 December 2003

https://doi.org/10.1111/j.1523-1739.2003.00060.x

Citations: 309
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Abstract

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Abstract: As wolf (Canis lupus) populations recover in Wisconsin (U.S.A.), their depredations on livestock, pets, and hunting dogs have increased. We used a mail-back survey to assess the tolerance of 535 rural citizens of wolves and their preferences regarding the management of "problem" wolves. Specifically, we tested whether people who had lost domestic animals to wolves or other predators were less tolerant of wolves than neighboring residents who had not and whether compensation payments improved tolerance of wolves. We assessed tolerance via proxy measures related to an individual's preferred wolf population size for Wisconsin and the likelihood she or he would shoot a wolf. We also measured individuals' approval of lethal control and other wolf-management tactics

under five conflict scenarios. Multivariate analysis revealed that the strongest predictor of tolerance was social group. Bear (Ursus americanus) hunters were concerned about losing valuable hounds to wolves and were more likely to approve of lethal control and reducing the wolf population than were livestock producers, who were more concerned than general residents. To a lesser degree, education level, experience of loss, and gender were also significant. Livestock producers and bear hunters who had been compensated for their losses to wolves were not more tolerant than their counterparts who alleged a loss but received no compensation. Yet all respondents approved of compensation payments as a management strategy. Our results indicate that deep-rooted social identity and occupation are more powerful predictors of tolerance of wolves than individual encounters with these large carnivores.

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Paying for wolves in Solapur, India and Wisconsin, USA: Comparing compensation rules and practice to understand the goals and politics of wolf conservation

Author links open overlay panelMeghna Agarwala , Satish Kumar , Adrian Treves , Lisa Naugh ton-Treves
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https://doi.org/10.1016/j.biocon.2010.05.003Get rights and content

Abstract

With growing pressure for conservation to pay its way, the merits of compensation for wildlife damage must be understood in diverse socio-ecological settings. Here we compare compensation programs in Wisconsin, USA and Solapur, India, where wolves (<u>Canis lupus</u>)

survive in landscapes dominated by agriculture and pasture. At both sites, rural citizens were especially negative toward wolves, even though other wild species caused more damage. Wisconsin and Solapur differ in payment rules and funding sources, which reflect distinct conservation and social goals. In Wisconsin, as wolves recolonized the state, some periodically preyed on livestock and hunting dogs. Ranchers and some hunters were more likely to oppose wolves than were other citizens. The Wisconsin compensation program aimed to restore an iconic species by using voluntary contributions from wolf advocates to pay affected individuals more for wolf losses than for other species. By contrast, wolves had been continuously present in Solapur, and damages were distributed amongst the general populace. Government-supported compensation payments were on offer to anyone suffering losses, yet claims registered were low. There were no significant differences in attitudes of any particular segment of the population, but those losing high value livestock applied for compensation. Residents at both sites did not report (Wisconsin) or expect (Solapur) a change in attitude towards wolves as a result of compensation, yet they support the existence of such programs. To assess the merits of any compensation program, one must disentangle the multiple goals of compensation, such as reducing wolf killing or more fairly sharing the costs of conserving large carnivores.

Ex post and insurance-based compensation fail to increase tolerance for wolves in semiagricultural landscapes of central Italy

- Agnese Marino,
- · Chiara Braschi,
- Simone Ricci,
- Valeria Salvatori &

Paolo Ciucci

<u>European Journal of Wildlife Research</u> **volume 62**, pages227–240 (2016)<u>Cite this article</u>

Abstract

Range expansion by large carnivores in semi-agricultural landscapes represents a serious challenge for managing human-carnivore conflicts. By focusing on an area of recent re-colonization by wolves in central Italy, where livestock owners lost traditional husbandry practices to cope with wolves, we assessed an ex post and a subsequent insurance-based compensation program implemented from 1999 to 2013. We cross checked official depredation statistics and compensation records from various registries, complementing them with a questionnaire survey of sheep owners. Compared to expost compensation (1999–2005), under the insurance program (2006–2013) compensation paid annually dropped on average by 81.1 %, mostly reflecting that only 4.6 (\pm 0.7 SD) % of sheep owners stipulated the insurance annually. Officially, only 5.5 % of active sheep owners were annually afflicted by wolf depredation during the insurance scheme, but we estimated this proportion to be as high as 34.3 % accounting for the proportion of affected sheep owners who did not officially claim depredations. Coupled with substantial retaliatory killing (minimum of five wolves killed/year), this large amount of cryptic conflict is a symptom of distrust by livestock owners of past and current conflict mitigation policies, despite more than two decades of compensation. We conclude that compensation may fail to improve tolerance toward carnivores unless it is integrated into participatory processes and that lack of reliable data on depredations and damage mitigation strategies exacerbates the conflict. Being advocates of the evidence-based paradigm in management, scientists share a key responsibility in providing objective data concerning progress of conflict management.

Attitudes towards compensation for wolf damage to livestock in Viana do Castelo, North of Portugal

Sérgio Milheiras

&

Ian Hodge

Pages 333-351 | Received 30 | an 2011, Accepted 12 Apr 2011, Published online: 14 Oct 2011

- Download citation
- https://doi.org/10.1080/13511610.2011.592071

Abstract

The payment of a compensation as a response to damage to livestock is a measure used by policy-makers to attenuate severe human-wildlife conflicts, which allows that economic burden to be shared with the rest of society. This study focuses on the case of wolf depredation on livestock in the county of Viana do Castelo, located in the north of Portugal. Wolf attacks are frequent in the county, which results in a high expenditure with the current compensation scheme for livestock owners. Nevertheless, illegal killing of wolves continues to occur in the area. The paper aims to evaluate the attitudes of the general public, livestock owners and hunters towards the existing compensation scheme and the presence of wolves in Viana do Castelo. In addition, it analyzes the implications of the results for the management of damage caused by wolves in the county.

Exhibit C

Washington State Compensation Rules for Depredation Incidents – 2x Multiplier for Confirmed Losses on Acreage Larger Than 100 Acres

https://wdfw.wa.gov/species-habitats/at-risk/species-recovery/gray-wolf/compensation

Compensation rules for depredation incidents

Sheep, cattle, or horses killed or injured by bears, cougars, or wolves may be eligible for compensation using state funds. Compensation for other animal losses depends on availability of federal or private funds.

The claimant is required to provide documentation that includes the commercial value of the lost livestock, an estimate of the percentage loss of value for the injured livestock, and a completed claim form. State law requires that only claims of \$500 or more may be filed with the department for compensation from state funds.

For confirmed depredations by wolves, the owner will be paid for verified losses on acreage of less than 100 acres. The owner will be paid an amount of twice the verified losses on acreage greater than 100 acres. Payment at twice the verified losses assumes that multiple animals are missing.

For depredations classified by WDFW as "probable" wolf depredations, the owner will be paid for the verified loss, no matter the acreage.