

FISCAL NOTE

Bill #: HB0292

Title: Fees to fund fishing access enhancement program

Primary Sponsor: Daniel Fuchs

Status: Third Reading

Sponsor signature Date

Chuck Swysgood, Budget Director Date

Fiscal Summary

	<u>FY2002</u>	<u>FY2003</u>
	<u>Difference</u>	<u>Difference</u>
Expenditures:	0	0
Revenue:	0	0
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts
X		Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. There is no fiscal impact, providing that HB 2 is amended to remove the restrictive language for a \$25,000 appropriation funding a pilot program for assistance to landowners to help them deal with issues of public access.

TECHNICAL NOTES:

1. There is a \$25,000 restricted appropriation in HB 2 to fund a pilot program to provide assistance to private landowners to help them deal with issues of public access. HB 2 language states that if HB 292 passes the \$25,000 appropriation is void. HB 292 currently does not have a funding mechanism. If HB 292 passes it will be necessary to remove the restricted language from HB 2.

DEDICATION OF REVENUE:

- a) Are there persons or entities that benefit from this dedicated revenue that do not pay? (please explain)
Secondary beneficiaries would be persons who do not fish, but enjoy viewing, photographing, boating or otherwise enjoying the outdoors.
- b) What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?
License revenue has been earmarked in statute by the legislature for specific purposes. In order to provide appropriate accountability to our users, separate special revenue funds are needed.
- c) Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended? X Yes ____No (if no, explain)
- d) Does the need for this state special revenue provision still exist? X Yes ____No (Explain)
- e) Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please Explain)
No, currently all other license revenue is recorded in state special revenue accounts and the legislature has been able to successfully scrutinize their budgets, control their expenditures and establish priorities for the department.
- f) Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please Explain)
As evidenced by our successful fishing access program, access to Montana's public waters has long been an issue with both resident and nonresident hunters. This program promises to provide additional access for our anglers.
- g) How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)
Auditing efficiencies include a clear audit trail to support the non-diversion clause of state and federal statutes. It also provides appropriate and efficient accountability to our users.

If the program was general funded, the department could potentially lose the majority of its federal funding. In order to receive certain federal money, Montana agreed to use its state hunting and fishing money only for fisheries and wildlife management. State statutes and federal regulations strictly restrict the use of license revenue to administer the state's fish and wildlife department.

If the state uses its license dollars or interest earned from that money for any other purpose, the federal government could determine that a "diversion" of state license dollars has occurred. The penalty is severe: federal fisheries and wildlife funds (over \$9 million per year) could be withheld from Montana.