

Senate Bill 178
January 29, 2013
Presented by Hank Worsech
Senate Fish and Game Committee

Mr. Chairman and committee members, I am Hank Worsech, License Bureau Chief, Montana Department of Fish, Wildlife & Parks (FWP). I am here in support of Senate Bill 178.

The passage of HB 607 during the 62nd Legislature provided nonresidents additional opportunity to obtain a Deer Combination license. Nonresidents who were successful in drawing a Class B-10 Big Game Combination License and unsuccessful in drawing an elk permit could retain the Deer portion of the License and receive a refund for the elk portion of the license, minus a \$25 processing fee.

Since the passage of HB 607, the Department has seen a large increase in the number of individuals who are using this option to obtain a nonresident deer license. The number rose from 846 in 2011 to 2,174 in 2012. I had many individuals call my office asking for the "hardest district to draw an elk permit" to ensure they were unsuccessful in the elk permit drawing, in order to obtain just the deer portion of the license. None of the 846 returned elk licenses were re-issued in 2011 and of the 2,174 returned elk license in 2012, the Department re-issued 453. In short, people were gaming the system.

As a result of our inability to sell these returned licenses, the Department had a net loss \$280,000 of revenue in 2011 and \$430,000 in 2012. Particularly problematic was because of a nuance in the bill, the largest decrease in revenue was funding earmarked for block management.

Under current law, nonresidents who draw the Class B-10 Big Game Combination license (\$944 in 2012) and unsuccessfully applied for an elk permit have three options:

- Keep the Class B-10 and hunt elk in Montana where only a general elk license is required.
- Return the Class B-10 license before August 1 for an 80% refund. (20% was \$196 in 2012).
- Keep the Deer Combination license portion of the Class B-10 and request a refund of the Elk license and pay a \$25 processing fee. Under this option the nonresident received a \$358 refund and retained a deer combination license.

SB 178 would create comparable options in the costs nonresidents pay who were successful in drawing an elk permit. SB 178 would also reduce the number of nonresidents returning just the elk portion of their Class B-10 licenses.

Increasing the fee to retain the deer combination portion of the license and return the elk license for a refund to 10% would be more in line with the 20% nonresidents pay who opt to get a refund on their Class B-10. This would also reduce the number of individuals who are gaming the option created under HB 607 to obtain Class B-11 licenses.

FWP believes that HB 607 from last session has the potential to both provide additional opportunities for nonresident deer hunters and increase revenue for the Department. It doesn't right now because we aren't currently selling all of the returned licenses. SB 178 creates a more even playing field on the price of these licenses, and provides the Department with the opportunity to see if we can make this program work over the next couple of years.

Also, while this is not part of SB 178, you should know that the Department is addressing the loss of funding to the Block Management Program through a decision package in HB 2 that will provide an additional \$1M per year of new federal funding for Block Management.

This is a more complicated bill than the one line change suggests, If you have questions, I will be available. The Department requests a "do pass". Thank you.