



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill # HB0140

Title: Revise laws related to hunting and fishing licenses

Primary Sponsor: Welborn, Jeffrey W

Status: As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$3,528,620	\$5,600,984	\$5,600,984	\$5,600,984
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This legislation proposes to simplify and standardize discounts, create a new base hunting license, raise fishing license fees, and raise nonresident moose, sheep, goat and bison fees for a result of \$5.6 million in additional annual revenue.

FISCAL ANALYSIS

Assumptions:

1. The data used to assist the Licensing and Funding Advisory Council and the Environmental Quality Council with their recommendations was from 2012, the most current at the time. For continuity purposes, 2012 data was used for this fiscal note whenever possible.
2. It is assumed raising the fishing license fees as proposed would not affect the number of people purchasing them. The total new revenue for fishing license increase would be \$2,641,927 as outlined in the following table:

Fishing Licenses

Type:	Qty Purchased	Increase	Additional Revenue
Resident Season	132,366	\$3	\$397,098
Resident Youth	7,009	\$3	\$17,523
Resident 2-day	3,284	\$3	\$9,852
Nonresident Season	27,957	\$26	\$726,882
Nonresident 10 day	26,641	\$13	\$333,013
Nonresident 2 day	115,756	\$10	\$1,157,560
			\$2,641,927

3. It is assumed that creating a new base hunting license and incorporating the current hunting access enhancement fee (HAEF) into it would not affect the number of people purchasing them. The total new revenue from the base license would be \$1,669,009 and is outlined in the table below:

New Base Hunting License

Type:	Qty Purchased	Base Fee less HAEF	Additional Revenue
Resident	184,708	\$8	\$1,477,664
Nonresident	38,269	\$5	\$191,345
			\$ 1,669,009

4. Eliminating free licenses and standardizing discounts at half price for certain youth, senior, and disabled licenses would increase revenue. The senior piece is combined with a change in senior age in assumption number five. Since the new price might be substantially more, a reluctance percentage was added as the number of purchasers may decrease. The total new revenue for the half price standardization for youth and disabled would \$675,489.
- For residents, in 2012 FWP issued 94,334 licenses for \$332,716. With the price standardization the agency estimates 74,747 licenses sold for \$769,506, resulting in a net resident increase of \$436,790.
 - For nonresidents, in 2012 FWP issued 3,495 licenses for \$383,530. With the price standardization FWP estimates 2,544 licenses sold for \$622,229, resulting in a net nonresident increase of \$238,699.
 - The resulting youth and disabled increase is \$675,489.
5. Standardizing the resident senior discount and moving the eligibility date from age 62 to age 67 would also increase revenue. Based on a review of 2012 data, it was determined that 53% of sportsmen age 62 and up were aged 67 and up. It was estimated of those 67 and up, 70% would buy fishing licenses, 30% would buy upland bird licenses and 15% would buy waterfowl licenses. Of those aged 62-67, it was estimated 70% would buy fishing licenses, 50% would buy upland bird licenses, and 20% would buy waterfowl licenses. Deer and elk numbers were from actual 2012 sales. The total new revenue from standardizing the senior discount and moving the eligibility age to 67 would be \$573,042.
- It is assumed FWP would issue 64,571 licenses to seniors age 67 and over for \$523,102.
 - It is assumed FWP would issue 62,082 licenses to former seniors age 62-66 for \$802,910.
 - Current income from these license sales to seniors aged 62 and over is \$752,970.
 - This change results in total revenue of \$1,326,012 less current revenue of \$752,970 for a net increase of \$573,042.
6. It is assumed that raising the nonresident moose, sheep, goat and bison license fee from \$750 to \$1250 would not cause any drop in the number of licenses issued and would result in \$45,000 additional revenue and is outlined in the following table:

Nonresident increase

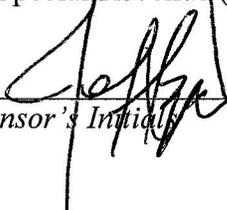
Type:	Qty Purchased	Increase	Additional Revenue
Moose	11	\$500	\$5,500
Sheep	59	\$500	\$29,500
Mountain Goat	19	\$500	\$9,500
Bison	1	\$500	\$500
			\$ 45,000

7. Standardizing the price of a nonresident Elk B license to \$270 would cause a decrease in revenue as FWP currently charges \$273 from using the most recent statute. In 2012, FWP issued 1,161 nonresident Elk B licenses. This results in a revenue reduction of \$3,483.
8. The \$999 cap for big game combination licenses would be reached in 2016; the deer combination license cap at \$625 would be reached in 2018. Revenue effects would be minimal as there is more potential to sell out of licenses at a steady (non-increasing) rate.
9. Allowing nonresident youth under 12 to fish without a license would have minimal impact due to the low numbers of nonresidents under 12 currently purchasing licenses and the offset by accompanying adults purchasing licenses.
10. The net increase per license year in revenue is $\$2,641,927 + \$1,669,009 + \$675,489 + \$573,042 + \$45,000 - \$3,483 = \$5,600,984$. For FY 16, it is assumed 63% of license sales per calendar year occur by the June 30 fiscal year end so that $\$5,600,984 \times 63\% = \$3,528,620$.

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
TOTAL Expenditures	\$0	\$0	\$0	\$0
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	\$0	\$0	\$0	\$0
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$3,528,620	\$5,600,984	\$5,600,984	\$5,600,984
TOTAL Revenues	\$3,528,620	\$5,600,984	\$5,600,984	\$5,600,984

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$3,528,620	\$5,600,984	\$5,600,984	\$5,600,984

 _____ Sponsor's Initials	1-6-15 _____ Date	 _____ Budget Director's Initials	1/5/15 _____ Date
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