



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2019 Biennium

Bill #	HB0315	Title:	Revising laws related to nonresident relative hunting and fishing licenses
Primary Sponsor:	Essmann, Jeff	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 2018 Difference</u>	<u>FY 2019 Difference</u>	<u>FY 2020 Difference</u>	<u>FY 2021 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	(\$174,960)	(\$174,960)	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 315 revises laws related to licenses available to nonresident relatives of resident hunters. The bill reduces the fees for certain licenses resulting in a decrease in revenue to Department of Fish, Wildlife, & Parks. This act terminates February 29, 2020.

FISCAL ANALYSIS

Assumptions:

Department of Fish, Wildlife & Parks (FWP)

- HB 315 revises the laws related to licenses available to nonresident relatives of residents and renames the license Montana-born relative of resident.
- Montana-born relative of resident must be certified under 87-2-514, MCA.
- In 2015, when the licenses were four times the resident price, 2,474 hunters were certified. In 2016, when the licenses were half the nonresident price, 1,456 hunters were certified. The decrease in certified hunters is 1,018.
- Based on the reduced rate of the Montana-born relative of resident licenses, 509 (50% x 1,018) hunters will purchase licenses, for a total of 1,965 certified hunters. (1,456 + 509).

Upland Game Bird Licenses

5. Based on the percentage of certified hunters who purchased the Upland Game Bird license in the past, FWP estimates 6% will purchase this license. Revenue at one-quarter nonresident price equals \$3,245. ($1,965 \times 6\% = 118 \times \$27.50 = \$3,245$).
6. In 2016, 75 Upland Game Bird licenses were sold at \$55 generating \$4,125 in revenue.
7. Revenue lost due to the reduced price equals \$880. ($\$4,125 - \$3,245$).

Big Game Combination Licenses

8. Based on 1,456 certified hunters in 2016, 64% purchased Big Game Combination licenses.
9. Of the 1,965 certified nonresident hunters in assumption # 4, 1,258 Big Game Combination licenses will be sold ($1,965 \times 64\%$).
10. FWP estimates an additional 5% increase in Big Game/Elk hunters with the addition of the elk-only combination license. Total Big Game/Elk hunters equals 1,321 ($1,258 \times 5\% = 63 + 1,258$).
11. In the 2016 drawing, 80% of sales were Big Game Combination licenses. Based on this, an estimated 1,057 Big Game licenses will be sold ($1,321 \times 80\%$).
12. Revenue at one-quarter nonresident price equals \$277,991 ($1,057 \times \263).
13. Revenue in 2016 from Big Game Combination licenses equals \$476,850.
14. Revenue loss from the sale of Big Game Combination licenses would be \$198,859 ($\$277,991 - \$476,850$).

Deer Combination Licenses

15. Based on 1,456 licenses sold in 2016, 26% were Deer Combination.
16. Of the 1,965 certified nonresident hunters in assumption # 4, 511 Deer Combination licenses will be sold ($1,965 \times 26\%$).
17. Revenue at one-quarter nonresident price equals \$82,271 ($511 \times \161).
18. Revenue in 2016 from Deer Combination licenses equaled \$116,892.
19. Revenue loss from the sale of Deer Combination licenses would be \$34,621 ($\$82,271 - \$116,892$).

Elk Combination Licenses

20. HB 315 makes a nonresident elk-only combination license available to Montana-born relative of resident hunters.
21. In the 2016 drawing, 20% of sales were Elk Combination Licenses. Based on this estimate 264 Elk licenses were sold ($1321 \times 20\%$).
22. Revenue at one-quarter nonresident price equals \$59,400 ($264 \times \225).
23. The net is a loss of revenue to FWP of \$174,960 ($\$ -880 - \$198,859 - \$34,621 + \$59,400$).

	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>	<u>FY 2020</u> <u>Difference</u>	<u>FY 2021</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$0	\$0	\$0	\$0
<u>Funding of Expenditures:</u>				
State Special Revenue (02)	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	\$0	\$0	\$0	\$0
<u>Revenues:</u>				
State Special Revenue (02)	(\$174,960)	(\$174,960)	\$0	\$0
TOTAL Revenues	(\$174,960)	(\$174,960)	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Special Revenue (02)	(\$174,960)	(\$174,960)	\$0	\$0

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date