



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill #	HB0652	Title:	Revise conservation licenses
Primary Sponsor:	Loge, Denley M	Status:	As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 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	\$1,576,408	\$1,697,331	\$1,888,148	\$2,026,669
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 652 would require a person who is 17 years or older and uses lands owned or controlled by the department—except state parks—to purchase a wildlife conservation license. The bill also decreases the price of the wildlife conservation license for residents from \$8 to \$6.

FISCAL ANALYSIS

Assumptions:

Department of Fish, Wildlife, and Parks (FWP)

- HB 652 requires the purchase of a wildlife conservation license for use of lands owned or controlled by the department, except for state parks. Some land users may have already purchased the wildlife conservation license, as this license is already a pre-requisite for all fishing and hunting licenses. Therefore, this bill would add users of state lands who are not already hunting license and/or fishing-license buyers—who are referred to in this fiscal note as 'recreationists'—to the pool of persons required to purchase the wildlife conservation license.
- All fiscal impact assumptions are based on a license year, starting March 1. The Fiscal Summary table and Fiscal Impact table show license year revenue, not state fiscal year revenue.

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3. The department does not have valid data for how many recreationalists are using wildlife management areas (WMAs) for nonhunting or nontrapping purposes. The department is unable to estimate a fiscal impact for recreational use of WMAs.
4. For the following assumptions regarding statewide use of fishing access sites (FASs), the department did not have one cohesive study from which to draw all assumptions. Therefore, the department is drawing assumptions from a meta-analysis, combining data from the following five sources. The department conducted two surveys regarding fishing access sites: one survey conducted in 2009 collecting the number of total annual visitation to FASs, and the other survey conducted in 2016 which collected data regarding the demographics of those FAS visitors. The department conducts annual state parks visitation surveys, and information from this was used to estimate growth rates for visitors and use. The department is also using data from the licensing unit to make assumptions of the number of wildlife conservation license purchases by hunters and anglers. The fifth source is the U.S. Fish and Wildlife Service National Survey of Fishing, Hunting, and Wildlife-Associated Recreation.
5. Based on the 2009 department survey, FAS average annual visitation was 4.3 million statewide; 79% of those visits were by residents, and 21% were by nonresidents.
6. Since the department has not completed a statewide survey of FAS visitation since 2009, the department also assumes that FAS visitations have grown by the same amount as visitations to state parks since 2009, or 30%. This growth excludes the growth of state park visitations in 2020, because the department saw an unprecedented increase in visitation which the department believes to be an anomaly due to the COVID-19 pandemic. That makes the assumed visitations to FASs in 2020 to be 5.59 million visits.
7. Of those assumed 5.59 million FAS visits, the department assumes the percentage of residents and nonresidents to be the same as it was in 2009. Therefore, the department assumes 79% or (4,416,100 visits to FASs, rounded) were by residents, and 21% (or 1,173,900 FAS visits, rounded) were by nonresidents.
8. This 2009 survey did not collect data regarding the number of times each individual visited an FAS; therefore, the department assumes the number of visits is not equal to the number of total FAS users, as some users may visit multiple times.
9. Of FAS users surveyed in 2016, 48.8% were visiting the FAS to fish, the remaining 51.2% were visiting to recreate—participating in activities such as floating/boating, wildlife viewing, walking a dog, swimming, etc. Because these two user groups (anglers and recreationists) were almost equal, the department assumes their visitation to be equal as well.
10. The National Survey of Fishing, Hunting, and Wildlife-Associated Recreation states that nationwide anglers fish an average of 16.7 days per year. Therefore, the department is assuming that recreationists will also recreate an average of 16.7 days per year.
11. The department assumes that both residents and nonresidents who purchased a season-long fishing license visited an FAS the national average number of days, or 16.7. The department also assumes that nonresidents who purchased a 2-day fishing license visited an FAS for 2 days, and nonresidents who purchased a 10-day fishing license visited an FAS for 10 days. The department is then assuming ‘days’ to be equal to ‘visits’ to FASs.
12. In 2020, 53.81% of nonresident anglers purchased a 2-day fishing license, 24.73% purchased a 10-day fishing license, and 21.46% purchased a season-long license. Applying this same distribution to the assumed nonresident visits, there are 315,838 estimated nonresidents (1,173,900 nonresident visits X 53.81% of nonresident visits / 2 visits) who visited an FAS 2 times, 29,031 nonresidents who visited an FAS 10 times, and 15,085 nonresidents who visited a FAS an average of 16.7 times annually in 2020.
13. The department estimates that 264,437 residents visited a FAS an average of 16.7 times in 2020 (or 4,416,100 resident visits / 16.7 average annual visits, rounded).
14. The department assumes that while the visitors to FASs will be growing, the ratios of licensed to unlicensed users will remain consistent with the 2016 survey findings.
15. The 2016 FAS survey found that 35.7% of resident FAS users did not have a license, and 50.7% of nonresident FAS users did not have a license. Applying this same distribution to the assumed number of resident and

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- nonresident FAS users in 2020, there are 94,404 estimated unlicensed residents (or 264,437 resident users X 35.7%, rounded), and 182,497 unlicensed nonresident users (or 359,954 nonresident users X 50.7%, rounded).
16. This bill decreases the resident wildlife conservation license fee from \$8 to \$6.
 17. Current statute states that resident youth and seniors can purchase the wildlife conservation license at half price. This bill would then change the price for resident youth and seniors from \$4 to \$3 beginning March 1, 2022.
 18. The department assumes these unlicensed resident FAS users to have the same distribution of adults, seniors, and youth as that of the resident hunters and anglers who purchased a wildlife conservation license in 2020.
 19. In 2020, the department sold 307,957 resident conservation licenses: 213,095 resident adult conservation licenses (69.20%), 60,249 resident senior conservation licenses (19.56%), and 34,613 resident youth conservation licenses (11.24%).
 20. Applying this same distribution to the 94,404 unlicensed resident FAS users, there are 65,324 estimated adult residents, 18,469 senior residents, and 10,611 youth residents.
 21. Current statute sets the age for the youth resident price of a wildlife conservation license from ages 10-17. The bill requires only youth who are 17 or older and recreating on department lands (except for state parks) to purchase a wildlife conservation license. The department does not know how many of these resident youth recreationists are 17, therefore for the purposes of this fiscal note the resident youth recreationists will be excluded from the proposed wildlife conservation license revenue calculations.
 22. The department also does not know how many of the nonresident recreationists would be younger than 17 and not required to purchase the wildlife conservation license. Thus, the department assumes the nonresident recreationist numbers to be a high estimate.
 23. The department used the 2020 wildlife conservation license sales as the starting point for resident and nonresident hunters and anglers, then applied assumed growth rates to these populations to get the quantity of wildlife conservation license sales from that of hunters and anglers in subsequent years.
 24. The resident wildlife conservation license sales in 2020 are as listed above, and nonresident conservation licenses sales were 231,004 (quantity) in 2020.
 25. The department assumes the number of conservation license sales will remain consistent among anglers and hunters. The average growth per year of resident conservation license purchase is 0.61% and nonresident growth is 3.78%.
 26. To determine the growth of recreational users, the department used the 2019 annual growth of visitations to state parks, 3%, and applied that to all subsequent years. Then, the department used the same method as described above to determine the increased number of recreating visitors for all subsequent years.
 27. The department assumes that recreating nonresident visitors (ages 17 and older) will have some buyer's resistance to this new cost of having to purchase a wildlife conservation license at \$10 per person.
 28. To determine this nonresident buyer's resistance, the department applied the buyer's resistance from a similar fee increase to nonresidents which occurred in 2017.
 29. In 2017, nonresident's purchasing a fishing license paid a new \$15 fee for an AIS prevention pass. The amount of 2-day and 10-day fishing licenses sold to nonresidents decreased by 15.85% in 2017, 12.79% in 2018, 6.6% in 2019, and 3.33% in 2020 compared to 2016 sales prior to this additional AIS fee.
 30. The same buyer's resistance is applied to recreating, unlicensed nonresidents for 2022 through 2025.
 31. Table 1 shows the estimated number of wildlife conservation licenses to be sold in license years 2022 through 2025 by category of user, and accounting for growth.

Table 1: Estimated Conservation License Sales

Wildlife Conservation License by User Type	Projected License Sales (Quantity)			
	2022	2023	2024	2025
Hunting/Fishing Sales				
Resident Adult	215,703	217,019	218,343	219,675
Resident Senior	60,987	61,359	61,733	62,110
Resident Youth	35,036	35,250	35,465	35,681
Nonresident	248,798	258,203	267,963	278,092
Recreation Only Sales				
Resident Adult	69,311	71,391	73,532	75,738
Resident Senior	19,597	20,184	20,790	21,414
Nonresident	162,918	173,908	191,847	204,514
Total Wildlife Conservation Sales	812,350	837,314	869,673	897,224

32. Table 2 shows the estimated revenue of conservation license sales for hunters and fishers.

Table 2: Current Law Revenue

Wildlife Conservation License Sales Hunting/Fishing Users	Current Price	Projected License Sales Revenue			
		2022	2023	2024	2025
Resident Adult	\$8.00	\$1,725,624	\$1,736,152	\$1,746,744	\$1,757,400
Resident Senior	\$4.00	\$243,948	\$245,436	\$246,932	\$248,440
Resident Youth	\$4.00	\$140,144	\$141,000	\$141,860	\$142,724
Nonresident	\$10.00	\$2,487,980	\$2,582,030	\$2,679,630	\$2,780,920
Total Wildlife Conservation License Revenue		\$4,597,696	\$4,704,618	\$4,815,166	\$4,929,484

33. Table 3 shows the estimated revenue of conservation license sales with the price reduction for residents, and includes all FAS users (hunters, anglers, and recreationists).

Table 3: Proposed Law Revenue

Wildlife Conservation License by User Type	Price	Projected License Revenue			
		2022	2023	2024	2025
Hunting/Fishing Sales					
Resident Adult	\$6.00	\$1,294,218	\$1,302,114	\$1,310,058	\$1,318,050
Resident Senior	\$3.00	\$182,961	\$184,077	\$185,199	\$186,330
Resident Youth	\$3.00	\$105,108	\$105,750	\$106,395	\$107,043
Nonresident	\$10.00	\$2,487,980	\$2,582,030	\$2,679,630	\$2,780,920

Recreation Only Sales					
Resident Adult	\$6.00	\$415,866	\$428,346	\$441,192	\$454,428
Resident Senior	\$3.00	\$58,791	\$60,552	\$62,370	\$64,242
Nonresident	\$10.00	\$1,629,180	\$1,739,080	\$1,918,470	\$2,045,140
Total Wildlife Conservation License Revenue		\$6,174,104	\$6,401,949	\$6,703,314	\$6,956,153

34. For each wildlife conservation license sold, \$0.25 is earmarked for search and rescue. Table 4 shows the change in revenue for the proposed fee change, additional users, and the change to the earmarked search and rescue revenue.

Table 4: Net Revenue

Net Revenue Change	2022	2023	2024	2025
Search & Rescue Earmark	\$62,956.50	\$66,370.75	\$71,542.25	\$75,416.50
Residents				
Resident Adult	(\$32,867.75)	(\$23,539.75)	(\$13,877.00)	(\$3,856.50)
Resident Senior	(\$7,095.25)	(\$5,853.00)	(\$4,560.50)	(\$3,221.50)
Resident Youth	(\$35,036.00)	(\$35,250.00)	(\$35,465.00)	(\$35,681.00)
Nonresidents	\$1,588,450.50	\$1,695,603.00	\$1,870,508.25	\$1,994,011.50
Total Net License Revenue	\$1,576,408.00	\$1,697,331.00	\$1,888,148.00	\$2,026,669.00

35. This bill requires any unspent search and rescue funds collected from the sale of wildlife conservation licenses to be transferred to the general license account at the end of each fiscal year. The department cannot predict the amount of these search and rescue dollars that would be unspent at each fiscal year end.

36. While the bill does require more individuals to purchase a conservation license, the department recognizes a decrease in revenue from residents due to the reduced license price, and a net increase in revenue due to the increase in nonresident conservation license sales.

	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$0	\$0	\$0	\$0
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)	\$1,576,408	\$1,697,331	\$1,888,148	\$2,026,669
TOTAL Revenues	\$1,576,408	\$1,697,331	\$1,888,148	\$2,026,669
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$1,576,408	\$1,697,331	\$1,888,148	\$2,026,669



 Sponsor's Initials

3-25-2021

 Date

LA

 Budget Director's Initials

3-24-21

 Date