



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # SB0143

Title: Generally revise laws re Class B-10 and Class B-11 elk and deer licenses

Primary Sponsor: Ellsworth, Jason W

Status: As Amended in Senate Committee

- 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</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</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	\$1,559,200	\$1,559,200	\$1,559,200	\$1,559,200
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 143 creates a limited outfitted application and reserves 39% of available B-10 and B-11 licenses for these applicants. The limited outfitted application has a fee of \$200. The application fee is to be deposited into the following accounts: a new limited outfitted Class B-10 and B-11 license account to be used for the Public Access Land Agreement program (PALA) (25%), the hunting access program (25%), the future fisheries program (25%), and for the purchase of permanent easements (25%). The time period in which persons applying for a Class B-10 or B-11 may purchase a preference point would be extended another three months.

FISCAL ANALYSIS

Assumptions:

Department of Fish, Wildlife, and Parks

- All fiscal impact assumptions are based on a license year, starting March 1.
- The department assumes the quantity of licenses sold in subsequent years will be comparable to the actual quantity sold in 2020. The below table shows the number of licenses sold by license type in license year 2020.

License Type	Quantity (2020 Actuals)
B-10	11769
B-10 Elk	5016
B-11	12060
Half-Price B-10	1576
Half-Price B-10 Elk	175
Half-Price B-11	1402
Grand Total	31,998

- While the bill does not prohibit persons applying for a limited outfitted Class B-10 or B-11 license from applying for preference points, it does make it unnecessary for a person to have preference points to be drawn for the reserved limited outfitted licenses.
- In 2020, 75% of total Class B-10 and B-11 applicants purchased a preference point. The department assumes the 75% of persons applying for a limited outfitted Class B-10 or B-11 license who did purchase preference points in the past would no longer purchase a preference point.
- The department assumes the number of applicants for limited outfitted licenses would be comparable to the distribution of sales for B-10 and B-11 licenses in 2020; in 2020, we sold 98.74% (16,785) of the available 17,000 B-10 licenses, and 100% (6,600) of the available 6,600 B-11 licenses.
- The department does not have any information regarding how many B-10 and B-11 license buyers currently hunt with an outfitter, so the department will assume that the number of outfitted license applicants will match that of the number of available limited outfitted licenses. Therefore, of those 16,785 B-10 license sales, 39% would apply for a limited outfitted license, or 6,546. Of those 6,600 B-11 license sales, 39% would apply for a limited outfitted license, or 2,574.
- The department would gain \$1,824,000 in limited outfitted license application fees (9,120 applicants * \$200 application fee) in revenue and would lose \$264,800 in preference points these applicants would no longer purchase (75% * 9,120 limited outfitted applicants * \$50/preference point). The following tables show the changes to revenue for each fiscal year.

License Type	Outfitter Quantity	App Fee Revenue			
		2022	2023	2024	2025
B-10	6546	\$ 1,309,200	\$ 1,309,200	\$ 1,309,200	\$ 1,309,200
B-11	2574	\$ 514,800	\$ 514,800	\$ 514,800	\$ 514,800
Total	9120	\$ 1,824,000	\$ 1,824,000	\$ 1,824,000	\$ 1,824,000

License Type	Quantity	Lost Preference Points Revenue			
		2022	2023	2024	2025
B-10	4910	(\$245,500)	(\$245,500)	(\$245,500)	(\$245,500)
B-11	386	(\$19,300)	(\$19,300)	(\$19,300)	(\$19,300)
Total	5296	(\$264,800)	(\$264,800)	(\$264,800)	(\$264,800)

Net Revenue				
	2022	2023	2024	2025
Total Outfitter App Fee Revenue	\$ 1,824,000	\$ 1,824,000	\$ 1,824,000	\$ 1,824,000
Total Preference Point Revenue	\$ (264,800)	\$ (264,800)	\$ (264,800)	\$ (264,800)
Total	\$ 1,559,200	\$ 1,559,200	\$ 1,559,200	\$ 1,559,200

8. The department does not have applicable data to determine the what the fiscal impact would be if the window of time to apply for a preference point was extended to December 31. The department is unable to estimate a fiscal impact.

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>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)	\$1,559,200	\$1,559,200	\$1,559,200	\$1,559,200
TOTAL Revenues	\$1,559,200	\$1,559,200	\$1,559,200	\$1,559,200
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$1,559,200	\$1,559,200	\$1,559,200	\$1,559,200

Technical Notes:

- Section 1(3) states that applications in excess of available limited outfitted licenses would have to be entered in the general drawing for Class B-10 or B-11 licenses. As these licenses are first-come, first-served, there would be no “remaining” unsuccessful class B-10 or B-11 licenses. The system would not allow for excess applications to be purchased. If someone was too late to purchase because the license was sold out, they could simply apply for the general Class B-10 or B-11 licenses.
- Preference point statute states points are deleted when the license applied for is obtained. Hunters purchasing the first-come, first-served outfitter license would not need a preference point, but their existing points would be deleted when the license is purchased.
- Page 1, line 20 states that persons applying for a limited outfitted Class B-10 or B-11 license would have to provide the license number of the outfitter with whom they intend to hunt. The department would need to interface the licensing system with the Board of Outfitters to verify the outfitter’s license status is active. Since the department will be developing a new licensing system, called X MT, which is scheduled to be implemented by January 1, 2022, this fiscal impact would be absorbed by the department.

NO SPONSOR SIGNATURE

_____ 2/15/21 KA 2/15/21
 Sponsor's Initials Date Budget Director's Initials Date