



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # SB0153

Title: Generally revising laws re: administration of FWP lands/waters

Primary Sponsor: Welborn, Jeffrey W

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	\$1,550,051	\$1,668,835	\$1,855,959	\$1,991,978
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 153 requires the purchase of a wildlife conservation license for certain land and water use and decreases the price of the conservation license for residents.

FISCAL ANALYSIS

Assumptions:

Department of Fish, Wildlife and Parks

- SB 153 transfers administration of fishing access sites and recreation and commercial use of wildlife management areas (WMAs) to the State Parks and Recreation Board. The department does not assume a fiscal impact.
- The bill adds biological review of impacts to fish and wildlife habitat to the public report regarding any proposed improvement or development of a state park or fishing access site that significantly changes the park or fishing access site features or use patterns. The department does not anticipate a fiscal impact.

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3. The bill 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—referred to as ‘recreationists’—to the pool of persons required to purchase the wildlife conservation license.
4. All fiscal impact assumptions are based on a license year, starting March 1. The Fiscal Summary table and Fiscal Impact table are showing license year revenue, not state fiscal year revenue.
5. 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.
6. 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 five sources. The department conducted two surveys regarding fishing access sites: one survey conducted in 2009 collecting the number of total annual visitations 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 also used 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.
7. 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 nonresidents.
8. 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 visitation in 2020, because the department saw an unprecedented increase in visitorship which the department believes to be an anomaly because of the COVID-19 pandemic. Therefore, the assumed visitations to FASs for 2020 to be approximately 5.6 million visits.
9. Of those 5.6 million, 4,426,852 visits were visits by residents (or 79%), and 1,176,758 were by nonresidents (or 21%).
10. This 2009 survey did not collect data regarding the number of times an 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.
11. The department assumes that residents without a wildlife conservation license will spend the same amount of time as resident users who visited FASs to fish. The National Survey of Fishing, Hunting, and Wildlife-Associated Recreation, states that nationwide anglers fish an average of 16.7 days per year.
12. 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 were almost equal, the department assumes their visitation to be equal as well.
13. The department also 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.
14. 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.
15. 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, it is estimated there were 316,628 nonresidents (1,176,758 non resident visits*53.81% of

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- nonresident visits / 2 visits) who visited an FAS 2 times, 29,100 nonresidents who visited an FAS 10 times, and 15,120 nonresidents who visited a FAS an average of 16.7 times annually in 2020.
16. The department estimates that 265,081 residents visited a FAS an average of 16.7 times in 2020 (or 4,426,852 resident visits / 16.7 average annual visits).
 17. The 2016 FAS survey found that 35.7% of resident FAS users did not have a license, and 50.72% of nonresident FAS users did not have a license. Applying this same distribution to the assumed number of resident and nonresident FAS users in 2020, there were 94,645 unlicensed residents (or 265,081 resident users * 35.7%), and 183,010 unlicensed nonresident users (or 360,848 nonresident users * 50.72%).
 18. The department assumes these unlicensed resident FAS users to have the same distribution of adults, seniors, and youth as that of the residents who purchased a wildlife conservation license in 2020. In 2020, the department sold 307,957 resident conservation licenses: 213,095 resident adult conservation licenses (69.2%), 60,249 resident senior conservation licenses (19.56%), and 34,613 resident youth conservation licenses (11.24%). Applying this same distribution to the 94,645 unlicensed resident FAS users, there were 65,491 adult residents, 18,516 senior residents, and 10,638 youth residents.
 19. In license year 2020 the department sold 213,095 resident adult conservation licenses, 60,249 resident senior conservation licenses, 34,613 resident youth conservation licenses, and 231,004 nonresident conservation licenses. The department used this as the starting point for current wildlife conservation license sales for resident and nonresident hunters and anglers, then applied assumed growth rates to these populations to get the quantity of wildlife conservation license sales in subsequent years.
 20. 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%.
 21. To determine the growth of recreational users, the department used the 2019 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.
 22. The resident wildlife conservation license fee is decreased from \$8 to \$6 on March 1, 2022.
 23. The youth and senior discount conservation license fee will decrease from \$4 to \$3 on March 1, 2022.
 24. The department assumes that recreating nonresident visitors will have some buyer's resistance to this new cost of having to purchase a wildlife conservation license at \$10 per person.
 25. The department applied the buyer's resistance from a similar fee increase to nonresidents which occurred in 2017. In 2017, nonresident's purchasing a fishing license paid an additional 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.
 26. The same buyer's resistance is applied to recreating, unlicensed nonresidents for 2022 through 2025.
 27. Table 1 shows the estimated number of wildlife conservation licenses to be sold in years 2022 – 2025 by category of user and accounts for growth. Table 2 shows the estimated revenue of conservation license sales for hunters and fishers. 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 4 shows the change in revenue for the proposed fee change and additional users.
 28. 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.

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Table 1: Estimated Conservation License Sales

	Estimated Licenses Sold			
	2022	2023	2024	2025
Quantity of Licenses for Hunting/Fishing				
Resident Adult	215,703	217,018	218,342	219,674
Resident-Senior	60,986	61,358	61,733	62,109
Resident-Youth	35,037	35,250	35,465	35,682
Nonresident	248,798	258,203	267,963	278,092
Quantity of Licenses, Sales for Recreation Only Users				
Resident Adult	69,480	71,564	73,711	75,922
Resident-Senior	19,644	20,234	20,841	21,466
Resident-Youth	11,286	11,624	11,973	12,332
Nonresident	163,376	174,398	192,386	205,089
Total FWP Conservation Licenses Sold	824,309	849,649	882,414	910,366

Table 2: Current Law

Conservation License Hunting/Fishing	Current Price	Search & Rescue Earmark	Sales minus Earmark			
			2022	2023	2024	2025
Resident Adult	\$8.00	\$0.25	\$1,671,696	\$1,681,893	\$1,692,153	\$1,702,475
Resident-Senior	\$4.00	\$0.25	\$228,699	\$230,094	\$231,497	\$232,909
Resident-Youth	\$4.00	\$0.25	\$131,387	\$132,189	\$132,995	\$133,806
Nonresident	\$10.00	\$0.25	<u>\$2,425,780</u>	<u>\$2,517,475</u>	<u>\$2,612,635</u>	<u>\$2,711,393</u>
Total FWP State Special Revenue			\$4,457,562	\$4,561,650	\$4,669,280	\$4,780,583

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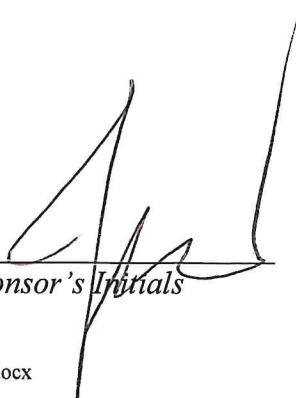
Table 3: Proposed Law

Conservation License Recreation and Hunting/Fishing Sales	Reduced Price	Search & Rescue Earmark	Sales minus Earmark			
			2022	2023	2024	2025
Resident Adult	\$6.00	\$0.25	\$1,639,799	\$1,659,350	\$1,679,307	\$1,699,680
Resident-Senior	\$3.00	\$0.25	\$221,734	\$224,378	\$227,076	\$229,831
Resident-Youth	\$3.00	\$0.25	\$127,386	\$128,905	\$130,455	\$132,038
Nonresident	\$10.00	\$0.25	\$4,018,694	\$4,217,853	\$4,488,401	\$4,711,012
Total FWP State Special Revenue			\$6,007,613	\$6,230,485	\$6,525,239	\$6,772,561

Table 4: Change in Revenue

Conservation License Sales	Price	Search & Rescue Earmark	Sales minus Earmark			
			2022	2023	2024	2025
Resident Adult	(\$2.00)	\$0.25	(\$31,897)	(\$22,543)	(\$12,846)	(\$2,795)
Resident-Senior	(\$1.00)	\$0.25	(\$6,965)	(\$5,716)	(\$4,421)	(\$3,078)
Resident-Youth	(\$1.00)	\$0.25	(\$4,001)	(\$3,284)	(\$2,540)	(\$1,768)
Resident Total		\$0.25	(\$42,863)	(\$31,543)	(\$19,807)	(\$7,641)
Nonresident	\$0.00	\$0.25	\$1,592,914	\$1,700,378	\$1,875,766	\$1,999,619
Total FWP State Special Revenue			\$1,550,051	\$1,668,835	\$1,855,959	\$1,991,978

	<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)	\$1,550,051	\$1,668,835	\$1,855,959	\$1,991,978
TOTAL Revenues	\$1,550,051	\$1,668,835	\$1,855,959	\$1,991,978
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$1,550,051	\$1,668,835	\$1,855,959	\$1,991,978

 <hr/> Sponsor's Initials	2/3/21 <hr/> Date	KA <hr/> Budget Director's Initials	2/2/21 <hr/> Date
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