



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

SB0525 - Generally revise laws related to hunting licenses and permits (Flowers, Pat)

Status: As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" 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 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)
Net Impact-General Fund Balance:	\$0	\$0	\$0	\$0

Description of fiscal impact: SB 525 establishes a \$10.00 nonrefundable fee for nonresidents to purchase preference points for game management licenses in each of three preference point systems for game animals, migratory game birds, and upland game birds.

FISCAL ANALYSIS

Assumptions:

1. In current law, 87-2-115, MCA, there is a nonresident preference point system for combination deer and elk licenses, which is used when the Department of Fish, Wildlife & Parks (FWP) completes drawings. Section 1 of the bill provides additional preference point systems for nonresidents migratory bird, and upland game birds.
2. The bill limits licenses and permits so residents would receive 90% of those available and nonresidents would receive 10% of available licenses and permits.
3. Section 1 of the bill establishes a \$10.00 nonrefundable fee for each preference point purchased by nonresident applicants that will provide more preference point priority over other nonresident applicants who purchase fewer or no preference points at all.

4. Section 2 of the bill restricts game management hunt participation for nonresidents to 10% of the number of hunters.
5. Section 3 restricts the number licenses and permits issued for nonresidents to 10% for licenses currently not capped.
6. In Section 5, the drawing for landowner preference of class B-12 licenses restricts nonresident landowners and nonresidents to 10% of the total licenses drawn.
7. In Section 6 for additional supplemental game damage licenses available, the bill would restrict non-resident to 10% of the total number of licenses issued.
8. Section 7 of the bill limits both nonresident landowners for the special elk permits with preference and nonresidents to 10% of the licenses issued.
9. In Section 9 of the bill, for violations of subsection (2) selling (6) transferring a license increases fine amount increases to a range of not less than \$1,000 or more than \$5,000. While this is an increase from current law, the payment of the fine in the court of prosecution is deposited to the state general fund so there is no fiscal impact to FWP’s revenues.
10. FWP would create a new drawing for migratory bird, upland game bird, and turkey licenses. Based on FY 2022 licenses and permits, Table 1 shows the estimated number of nonresidents licenses available at full price and half price for each of the three types then in the last column the estimated reduction in state special revenue (\$713,138) for FY24 through FY27.

TABLE 1

Opportunity License Type	Nonresidents	Lic Avail @ full price	Lic Avail @ 1/2 price	Estimated Revenue FY24	Actual Revenues FY22	(Estimated Reduction FY24)
REG TURKEY AREA-OVER THE COUNTER	298	196	102	\$28,405	\$38,123	(\$9,718)
MIGRATORY BIRD	283	272	11	\$13,875	\$273,225	(\$259,350)
UPLAND BIRD SEASON	2911	2877	34	\$318,340	\$762,410	(\$444,070)
Totals				\$360,620	\$1,073,758	(\$713,138)

11. Table 2 shows the estimated revenue change for game animals that would be affected by the 10% limit for nonresidents on unlimited mountain lion, black bear, and limited mountain lion. The last column is the estimated reduction in state special revenue (\$625,260) for FY 2024 through FY 2027.

TABLE 2

Opportunity License Type	Est 10% Non resident Limit	Cost\$	Est Revenue FY24	Actual Revenues FY22	(Est Reduction FY24)
UNLIMITED SPEC MT LION R1	39	\$320	\$12,480	\$19,840	(\$7,360.00)
UNLIMITED SPEC MT LION R2	33	\$320	\$10,560	\$18,880	(\$8,320.00)
UNLIMITED SPEC MT LION R6	5	\$320	\$1,600	\$2,240	(\$640.00)
BLACK BEAR	1228	\$350	\$429,800	\$1,038,100	(\$608,300.00)
LIMITED SPEC MT LION 312-00	0	\$320	\$0	\$320	(\$320.00)

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(continued)

LIMITED SPECI MT LION 422-00	0	\$320	\$0	\$320	(\$320.00)
		Totals	\$454,440	\$1,079,700	(\$625,260.00)

12. The combined estimated revenue reduction annually from Tables 1 & 2 in FY 2024 through FY 2027 would be (\$713,138) + (\$625,260) = (\$1,338,398).

	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)
TOTAL Expenditures	<u>(\$1,338,398)</u>	<u>(\$1,338,398)</u>	<u>(\$1,338,398)</u>	<u>(\$1,338,398)</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)
TOTAL Revenues	<u>(\$1,338,398)</u>	<u>(\$1,338,398)</u>	<u>(\$1,338,398)</u>	<u>(\$1,338,398)</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)	(\$1,338,398)

Technical Notes:

- Existing preference points systems for FWP drawings are based on prioritization of the most points held to least points held. Bonus points for drawings provide additional chances in the drawing. With the addition of these new preference points systems for nonresidents it is unknown at this time if the proposed changes may cause a conflict between preference points and bonus points when FWP carries out its drawing processes. If there is an issue then FWP may not be able to implement the new statutes as written.
- FWP will need adequate time to reprogram the licensing and drawing system for the proposed changes and to advertise these changes to license applicant's so preference sales are effective and revenue generating. It is unknown at this time if this will cause delays in drawings for the 2024 license year beginning March 1 2024.
- Section 3 inserts the 'department' as the authority to limit licenses. This is incorrect, only the Commission for FWP, ARM 12.3.503, can set limitations or quotas for the number of hunting licenses to be issued.
- Section 4, which is current law specifically for nonresident mountain lion licenses, is amended to include a reference to section 3 87-2-506, MCA, in the bill. This is an unnecessary change.

NO SPONSOR SIGNATURE 3/28/23
 Sponsor's Initials Date

[Signature]
 Budget Director's Initials

3-27-23
 Date