


 PREPARED BY:
 DATE PREPARED:
 PHONE:

Mike Lovelace
 January 24, 2011
 471-0050

LB 41

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(See below)		(See below)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 41 makes numerous changes to the Game Law including: provides the authority to issue multi-year permits, reduces the minimum age for a Falconry permit, creates a non-resident raptor collecting permit, creates a two-day nonresident hunting permit in place of the current offering, changes the deployed military permit offerings, eliminates the permit for recall pens but requires a captive wildlife permit for similar purposes, etc.

Overall, the fiscal impact identified by the Game and Parks Commission is expected to be relatively minor. For those provisions that the Commission has been able to develop a dollar estimate on the net result is a cash fund revenue loss of \$5,671 annually. There is no basis to disagree with the agency's estimate.

They were not able to estimate the fiscal impact of the multi-year permit provisions since there are unknown variables. For example, would a person who purchases a three year permit have purchased three consecutive annual permits, or would they have purchased only one or two. If the answer is only one or two a revenue gain will be realized by having a three year permit even if it is discounted slightly compared to three annual permits.

Nor were they able to estimate the fiscal impact of the permit fee changes to deployed military individuals. The bill would allow any resident who is deployed or who has been deployed within the last twelve months to purchase a combination hunt/fish permit and all stamps for \$5. This would normally cost \$64. The fiscal impact depends on the number of individuals that would have purchased the permit and stamps without the discount, in which case there is a \$59 revenue loss, versus the number who would not have purchased the full priced permit and stamps, in which case there is a \$5 revenue gain. The agency believes this provision will cause a revenue loss but they do not think it will be significant.

The Game and Parks Commission's fiscal note goes through a section by section explanation of the bill and provides a table that summarizes the fiscal impact of those sections of fiscal significance. Since it gives a valuable summary this table has been reproduced on the next page so that readers of the on-line fiscal note have access to its provisions. Please reference the Commission's fiscal note for additional details. Any impact of the bill on expenditures will not be significant and will be absorbed by the agency without an increase in their appropriation.

LB Section	"Permit/Stamp"	Current Fee	Possible 2012 fee	Est Fee Change	Est QTY	Additional Revenue Generated		Fund
						Est FY11/12	Est 12/13	
1, 23-25	Lower age for Falconry permit age 14 to 12	\$17.00	\$17.00	\$17.00	1	\$17.00	\$17.00	GAME
1, 23-25	Nonresident Raptor Collecting Permit (age 12-17)	new (NA)	\$68.00	\$68.00	1	\$68.00	\$68.00	GAME
1, 23-25	Nonresident Raptor Collecting Permit (age 18+)	new (NA)	\$184.00	\$184.00	1	\$184.00	\$184.00	GAME
3	Multi-year permits	varies by permit	3 x annual?		UNK	UNK	UNK	GAME
9	Multi-year stamps	varies by stamp	3 x annual?		UNK	UNK	UNK	Habitat/AQ H
4	Eliminate current restricted 'special' NR 2-day hunt	\$35.00	\$0.00	(\$35.00)	1583	(\$55,405.00)	(\$55,405.00)	GAME
4	New Unrestricted Nonresident 2-day hunt (2 day shift)	new (NA)	\$55.00	\$55.00	1583	\$87,065.00	\$87,065.00	
4	Nonresident annual permit shifts to 2-day hunt	\$80.00	\$0.00	(\$80.00)	1504	(\$120,320.00)	(\$120,320.00)	
4	New Unrestricted Nonresident 2-day hunt(annual shift)	\$0.00	\$55.00	\$55.00	1504	\$82,720.00	\$82,720.00	
8	Deployed military hunt/fish (new purchaser)	new (NA)	\$5.00	\$5.00	UNK	UNK	UNK	GAME
8	Deployed military hunt/fish (normal permit purchaser)	\$64 hunt/fish	\$5.00	(\$59.00)	UNK	UNK	UNK	GAME
TOTAL						(\$5,671.00)	(\$5,671.00)	GAME

Table author: Game and Parks Commission.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Cindy Miserez	DATE 1/24/11	PHONE 471-2526
COMMENTS			
GAME AND PARKS COMMISSION: I have no basis to disagree with NGPC's statements.			

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LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: (2) Game and Parks Commission

Prepared by: (3) Patrick H. Cole Date Prepared: (4) January 19, 2011 Phone: (5) (402) 471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

Table with 4 columns: FY 2011-2012 EXPENDITURES, FY 2011-2012 REVENUE, FY 2012-2013 EXPENDITURES, FY 2012-2013 REVENUE. Rows include GENERAL FUNDS, CASH FUNDS (See below), FEDERAL FUNDS, OTHER FUNDS, and TOTAL FUNDS.

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The proposed legislation addresses several elements of the Game Law related to permits, stamps, possession of wildlife and dealing with beaver and muskrat damage. Some of the changes will have a fiscal impact while others will not. For simplification, each major section(s) will be discussed separately with a final summary of fiscal impacts.

Sections 1, 23-25: Section 1 expands the definition of Raptor and the species included. Sections 23-25 are related in that they deal with permits associated with raptors. These sections address the issuance of Falconry permits, Captive Propagation permits and Raptor Collecting permits, primarily cleaning up language for consistency. The minimum age of a Falconry permit holder is reduced to age 12 from the current 14. The legislation would also allow the Commission to issue a Nonresident raptor collecting permit for fee of not more than four times the fee for a falconry permit (currently \$17 for age 14-17 and \$46 for age 18 and older). The Commission would need to adopt and promulgate rules and regulations related to this new permit type. Maximum fees would be \$68 for age 14-17, if allowed, and \$184 for age 18 and older. Possible increase in revenue by reducing age of falconry permit holders and establishment of raptor collecting permit (see chart).

MAJOR OBJECTS OF EXPENDITURE

Table with 4 columns: POSITION TITLE, NUMBER OF POSITIONS (11-12, 12-13), 2011-2012 EXPENDITURES, 2012-2013 EXPENDITURES. Rows include Personal Services, Benefits, Operating, Travel, Capital outlay, Aid, Capital improvements, and TOTAL.

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Section 2: language clean up to reference the Game Law and State Boat Act. No fiscal impact.

Sections 3- clarification language on possible multi-year permits. No fiscal impact as written. This section may need further clarification on fees or fee structure language in Section 4 that differentiates between 'annual' fees (those currently listed but not officially designated as 'annual') and those possibly charged for multi-year permits, similar to multi-year stamps Section 9. May need to clarify if applicable to residents and nonresidents.

Section 3 and 9-12 both deal with multi-year permit/stamps respectively. Based on recent survey work conducted, it is likely that a 3-year permit/stamp structure would be supported with the fees equal to 3x current fee or slightly discounted. There is an interest in this by current permit holders, however the fiscal impact is difficult to ascertain with any specificity. The goal would be to be revenue neutral at best and revenue positive as the desired outcome. Factors that will influence revenue are the amount of discount, if any, applied, interest earnings on the 'up-front' fee collection (year 1 as opposed to each year), and whether or not we capture a permit holder for the 3-year period that may have dropped out one or two years on an annual basis over the same time frame. As mentioned above, permit language may need expansion to match stamp language related to annual versus multi-year clarification.

Section 4 eliminates the current 'special' two-day non-resident hunting permit that is only available for two consecutive days between the Wednesday immediately preceding Thanksgiving Day and December 31 of the same calendar year and limited to one permit per applicant per year. The fee for the current 'special' two-day permit is \$35. In its stead, a two-day nonresident hunting permit that would be available all year round (presumably for two 'consecutive days'...needs language change to clarify) would be established at a fee not to exceed \$55. Based on a 2009 hunter survey, some 3,087 nonresidents hunted 1 or 2 days, about half of which hunted with an annual permit and half the restricted 'special' 2-day hunt permit. Assuming a similar number of hunters would purchase the new 2-day hunt permit in a similar ratio, it is anticipated that there will be a slight revenue loss of approximately \$6,000 at a \$55 fee and greater at reduced fees. (see chart)

Section 5 eliminates an individual's ability to possess a fur bearing animal or raw fur for up to 10 days after the expiration of a valid permit. The individual must have a valid permit to possess a fur bearing animal or raw fur. This change is not anticipated to increase fur harvest permit sales though it could result in earlier purchases. No measurable fiscal impact is expected.

Sections 6&7 clarify language for fee-exempt disabled veteran permits and reduced fee veteran and 'senior' (age 69+) permits to indicate that the permits, which are combination hunt/fish permits, include state issued habitat, aquatic habitat and Nebraska migratory waterfowl stamps. No fiscal impact.

Section 8 changes the current deployed military small game/fish permit details. Currently a Nebraska resident who has purchased a hunt, fish or combo hunt/fish permit and is deployed and thus unable to use it, may receive a refund for their purchase or purchase a reduced fee permit (of similar kind) in the year following their return. The reduced fee (\$5) permit does not include stamps. The proposed legislation would not require an original purchase, but would allow any resident who is deployed out of the state of Nebraska or has been deployed within the last twelve months would be eligible to purchase an annual combination hunt/fish permit, to include all Nebraska issued stamps, for a reduced fee of \$5.00 (compared to permit fee of \$29.00, habitat stamp \$20.00; aquatic habitat stamp \$10.00 and Nebraska migratory waterfowl stamp \$5.00, total \$64.00, thus a \$59.00 savings) on a one-time basis. The fiscal impact of this change hinges on the number of residents deployed in

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any given time period and their interest in purchasing a permit. There would be a positive revenue impact if an individual who would normally not buy a permit did so under the proposed legislation, however there could also be a negative impact if they would normally buy a full priced permit. The variables and current history of deployed permit issuances makes a definitive fiscal impact estimate difficult. While it is perceived to be revenue negative, it is not anticipated to be significant in nature due to its limited 'annual' one-time impact.

Section 12 would exempt antlered-elk permits purchased via auction or lottery from being counted toward the one in a lifetime limit. No significant fiscal impact is expected.

Sections 13-14 clarifying language related to control of damage caused by beaver or muskrat and the need for a valid fur-harvest permit to use or sale harvested animals or parts thereof; as well as permit requirements to possess raw fur, pelts, carcass or fur-bearing animal. No significant fiscal impact is expected.

Section 15 eliminates the permit for recall pens (\$15), but requires a captive wildlife permit (\$30) for similar purposes. Due to the limited number of permits affected, no significant fiscal impact is expected.

Sections 16-22 change some of the provisions associated with Controlled Shooting Area (CSA) permitting requirements. The changes could result in increased time associated with processing and inspecting, but would be accomplished with existing staff through reprioritization of activities. No significant fiscal impact is expected.

Section 26 clarifies language related to possessing unmounted game animals. No fiscal impact is expected.

Section 27 clarifies language related to transporting raw furs. No fiscal impact expected.

Sections 28-29 repeal language, no fiscal impact.

The following summarizes some of the specifics related to those sections that may have fiscal impacts, however none are definitive enough to report.

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As identified, a definitive fiscal impact amount is not obtainable. The agency does believe that revenue impact will not be significant in either direction. Any increase in the number of individual licensed hunters or anglers in any given year due to these changes would also likely result in an increase in Federal Aid dollars available, based on existing formulas. There will be costs to make the necessary programming changes in the electronic permit system to accommodate some of these changes but it is believed existing authority would accommodate those needs.