

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2016-17		FY 2017-18	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		2,486,768		4,973,536
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		2,486,768		4,973,536

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 745 would increase specific fees, increase the upper limit of allowed fee ranges, and increase the allowed growth rate for a multitude of fees levied by the Game and Parks Commission. The Commission has prepared a detailed fiscal note (attached) that addresses each fee increase and the probable increase in revenue based on their planned action in response to the fee changes allowed by LB 745. For that reason the expected increase in revenue from each fee increase will not be duplicated here. After extensive review, there is no basis to disagree with the Commission's estimated revenue increase.

To add a measure of detail to the revenue impact, the additional revenue can be categorized into park related revenue and fishing/hunting related revenue.

	FY2016-17	FY2017-16
Park related revenue increase	544,458	1,088,916
Fishing/hunting related revenue increase	1,942,310	3,884,620
Total revenue	2,486,768	4,973,536

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2016

LB⁽¹⁾ 745 Change Game and Parks Commission fee and permit provisions

FISCAL NOTE

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

Prepared by: (3) Patrick H. Cole Date Prepared: (4) January 8, 2016 Phone: (5) 402-471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	2,486,768	_____	4,973,536
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	2,486,768	=====	4,973,536

Explanation of Estimate:

The proposed legislation would increase the maximum amount the Nebraska Game and Parks Commission could charge for several permit types. Each section will be touched upon with a summary chart of the affected permits and the potential fiscal impact. Only those permits that have a direct fee change proposed or will be affected (one fee dependent upon another) will be addressed.

Section 1 addresses the Commissions ability to establish fees for licenses and the limitations of increases to same. Currently, within the limits of fee caps established for individual permits, the Commission can increase permit fees up to 6% per year. The 6% can be additive for a maximum of two years if no increase occurred in the immediately preceding year, making only a 12% maximum increase possible, and requiring at least 2 years of no increase. The proposed change would allow the 6% to be additive for a maximum of three years if no increase occurred in the immediately preceding two years, making only an 18% maximum increase possible, and requiring at least 3 years of no increase. Since most of the permit fees addressed in the remainder of the bill have not been increased since 2008/09, the Commission would have the authority to increase them up to 18%, provided the new proposed caps are also adopted. The fiscal impact in the accompanying chart will use this potential maximum for illustrative purposes.

Section 2 codifies the current requirement of requiring a permit applicant to include their last four digits of their social security number on their application.

CONTINUED...

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	=====	=====	=====	=====

Section 3 addresses the issue fee that a permit agent may collect for the issuance of permits. Currently it allows for a minimum of \$0.50 and maximum of \$2.00. The proposed change would eliminate the minimum and increase the maximum to \$3.00. Since the Commission increased the fee to \$2.00 for 2016 it is not anticipated that an immediate increase would be sought.

Section 4 addresses the maximum fees that may be charged for resident and nonresident annual, short-term (1-3 day) and multi-year hunting, fishing, combination hunt/fish and fur harvesting permits. All fees are adjusted except the fur harvesting. The accompanying chart summarizes the changes.

Section 5 addresses the maximum fees that may be charged for resident and nonresident lifetime hunting, fishing, combination hunt/fish and fur harvesting permits as well as replacement fees. All fees are adjusted except the fur harvesting. The accompanying chart summarizes the changes.

Sections 6-8 address the fee exempt permits for disabled veterans, veterans 64 years old or older, residents 69 years old or older and deployed military members. Currently these qualifying individuals can receive a permit that contains both hunting and fishing privileges as well as all of the State required stamps. The proposed language would add fur harvesting privileges to the package. Currently a separate fur harvesting permit is priced at \$15, so this could equate to a loss of \$15 for each permit issued to an individual who would have normally purchased a permit. The number of individuals who would fit that scenario is not readily known but it is thought that the potential loss would be minimal.

Section 9 addresses the fees for annual, multi-year and lifetime Habitat, Aquatic Habitat and Nebraska Migratory Waterfowl stamps. The fee for a lifetime Aquatic Habitat stamp is set at twenty times the cost of an annual which would make it consistent with the other two stamps. The fees for annual stamps are all set with only the waterfowl stamp having an additional maximum level providing for future increases. The annual Habitat stamp would increase from \$20 to \$25 resulting in a lifetime fee of \$500 (20x annual) with the multi-year stamps limited to no more than the number of years times the annual fee. The annual Aquatic Habitat stamp would increase from \$10 to \$15 resulting in a lifetime fee of \$300 (20x annual) with the multi-year stamps limited to no more than the number of years times the annual fee. The annual Migratory Waterfowl stamp would increase from \$5 to \$10 resulting in a lifetime fee of \$200 (20x annual) with the multi-year stamps limited to no more than the number of years times the annual fee. The accompanying chart summarizes the changes.

Section 10 addresses the fees for annual and temporary (daily) park entry permits. It should be noted that a duplicate annual permit fee is dependent upon the fee of the annual, so while not specifically addressed it will be impacted. The current statutes provide for the issuance of both resident and nonresident versions of the permits at different prices. The Commission has thus far chosen not to differentiate and issues only one version following resident rates, so only those will be addressed. The proposed language would increase the annual park entry permit from \$25 to \$30 and allow for future increases to a maximum of \$35. The correlated statutes would subsequently increase the duplicate annual from \$12.50 to \$15 with the maximum potential of \$17.50. The temporary permit fee would be raised from \$5 to \$6 and allow for future increases to a maximum of \$7.

Section 11 addresses the fees associated with deer permits. Currently no nonrefundable application fee is required for deer applications. The proposed legislation would allow for the establishment of a nonrefundable application fee for those deer permits that require a random drawing in the awarding process. The fee shall be no more than \$7. The maximum fees for resident and nonresident deer permits, including those that restrict harvest to white-tailed or mule deer species are addressed. The accompanying chart summarizes the changes.

Section 12 addresses the fees associated with antelope permits. The maximum fees for resident and nonresident antelope permits are both increased. The accompanying chart summarizes the changes.

Section 13 addresses the fees associated with elk permits. The maximum amounts for nonrefundable application fees for both residents and nonresidents as well as the permit costs themselves are all increased. The accompanying chart summarizes the changes.

Section 14 addresses the fees associated with mountain sheep (bighorn sheep) permits. The maximum

nonrefundable application fee is increased. The accompanying chart summarizes the change.

Section 15 addresses the fees associated with turkey permits. The maximum fee for both residents and nonresidents is increased. The accompanying chart summarizes the change.

Section 16 addresses the fees associated with controlled shooting area licenses. The maximum fee is increased from \$149.50 to \$198.00. The accompanying chart summarizes the change.

Section 17 addresses the operating dates of controlled shooting areas, increasing the period 14 days going from an end date of April 1 to April 15.

Section 18 addresses the fees associated with falconry permits. This includes the falconry hunting permits as well as the propagation and collection permits. The accompanying chart summarizes the changes.

Section 19 addresses fees associated with paddlefish permits. Currently the Commission does not charge a nonrefundable application fee, although at one time it did. The proposed legislation would allow for the reestablishment of a nonrefundable application fee. The accompanying chart summarizes the change.

Fiscal Impact

The increasing of the permit fee 'caps' does not in and of itself cause a fiscal impact without Commission action. For fiscal note purposes it will be projected that the maximum allowable increase could be enacted, which in most cases would be 18% in 2017. The actual realization of revenues would cross fiscal years with FY18 being the first year to realize a full year's impact. For simplicity it will be estimated that only 50% of the revenue increase will be realized in FY17 with 100% in FY18.

The accompanying chart provides the 'maximum' scenario of implementing increases under the proposed legislation for illustrative purposes only. Actual fees are typically set at even dollars or quarter dollar increments, even dollars will be used as the 'likely' scenario. For purposes of this fiscal note, sales figures of 2014 will be used as the basis of predictions. Quite often a fee increase can reduce initial sales when enacted thus it is thought that using 2014 sales rates rather than 2015, which are slightly higher, might be more reflective.

Utilizing 2014 permit sales and the estimated likely fee rate, FY16/17 could result in an additional \$2,486,768 in revenue while FY17/18 would experience the full effect with an estimated \$4,973,536 in additional revenue from FY15/16 estimates.

The following is the key to the chart. First Column labeled "Section" refers to the section number within LB745 that addresses the particular permit. Column labeled "Permit" is the name of the permit (including statute section number); Column labeled "Current CAP" identifies the maximum fee amount currently authorized in statute; Column labeled "LB745 CAP" presents the proposed new maximum fee amount that would be authorized in the legislation; Column labeled "%change" represents the percent difference between current cap and proposed cap; Column labeled "Current Fees 2016" provides the current fees for the specific permits – it should be noted that most are at the current cap level and have been there since about 2008-9; Column labeled "Max Fee 2017" represents what the fee could be if the maximum increase authority were exercised which could be up to 18% if it's been more than 3 years with an increase; Column labeled "EST Fees 2017" reflect the more realistic rounding of the max fees for possible implementation by the Commission; Column labeled "2014 Sales" presents the number of permits of the specific type that were sold in 2014; Column labeled "estimate base 2016" merely estimates the possible base revenue generated this year (2016) if the current fees are multiplied by the 2014 sales amount; Column labeled "estimated LIKELY 2017" estimates the potential income if the "EST Fees 2017" were implemented and the sales equaled the 2014 sales; Column labeled "Difference 2017-2016" estimates the increase in revenue that could be realized if the new fees were implemented fully.

LB745					37-327			LT=2015			increase revenue
					MAX ≤ 18%			LIKELY			
Section	PERMIT	Current CAP	LB745 CAP	% change	Current Fees 2016	Max fee 2017	EST Fees 2017	2014 SALES	base 2016	LIKELY 2017	2017-2016
PARK ENTRY PERMITS (37-438)											
10	Annual Park	\$ 25.00	\$ 35.00	40%	\$ 25.00	\$ 30.00	\$ 30.00	137,275	\$ 3,431,875.00	\$ 4,118,250.00	\$ 686,375.00
10	Daily Park	\$ 5.00	\$ 7.00	40%	\$ 5.00	\$ 6.00	\$ 6.00	239,983	\$ 1,199,915.00	\$ 1,439,898.00	\$ 239,983.00
(10)	Duplicate Park	\$ 12.50	\$ 17.50	40%	\$ 12.50	\$ 15.00	\$ 15.00	65,023	\$ 812,787.50	\$ 975,345.00	\$ 162,557.50
	BIG GAME										
	TURKEY (37-457)										
15	Resident	\$ 23.00	\$ 31.00	35%	\$ 23.00	\$ 27.14	\$ 27.00	23,230	\$ 534,290.00	\$ 627,210.00	\$ 92,920.00
15	Resident Youth	\$ 25.00	\$ 25.00	0%	\$ 5.00	\$ 5.90	\$ 5.00	5,884	\$ 29,420.00	\$ 29,420.00	\$ -
(15)	Resident Landowner (37-455)	\$ 11.50	\$ 15.50	35%	\$ 11.50	\$ 13.57	\$ 13.00	1,542	\$ 17,733.00	\$ 20,046.00	\$ 2,313.00
15	Nonresident	\$ 95.00	\$ 126.00	33%	\$ 95.00	\$ 112.10	\$ 112.00	11,879	\$ 1,128,505.00	\$ 1,330,448.00	\$ 201,943.00
15	Nonresident Youth	\$ 45.00	\$ 45.00	0%	\$ 5.00	\$ 5.90	\$ 5.00	1,769	\$ 8,845.00	\$ 8,845.00	\$ -
(15)	Nonresident Landowner (37-455)	\$ 47.50	\$ 63.00	33%	\$ 47.50	\$ 56.05	\$ 56.00	110	\$ 5,225.00	\$ 6,160.00	\$ 935.00
	ANTELOPE (37-449)										
12	Nonrefundable APPLICATION FEE (Res & NR)	\$ 7.00	\$ 7.00	0%	\$ 5.00	\$ 5.90	\$ 5.50	4,532	\$ 22,660.00	\$ 24,926.00	\$ 2,266.00
12	Resident	\$ 29.00	\$ 39.00	34%	\$ 29.00	\$ 34.22	\$ 34.00	1,547	\$ 44,863.00	\$ 52,598.00	\$ 7,735.00
12	Resident Youth	\$ 25.00	\$ 25.00	0%	\$ 5.00	\$ 5.90	\$ 5.00	20	\$ 100.00	\$ 100.00	\$ -
(12)	Resident Landowner (37-455)	\$ 14.50	\$ 19.50	34%	\$ 14.50	\$ 17.11	\$ 17.00	287	\$ 4,161.50	\$ 4,879.00	\$ 717.50
12	Nonresident	\$ 149.50	\$ 298.00	99%	\$ 149.50	\$ 176.41	\$ 176.00	237	\$ 35,431.50	\$ 41,712.00	\$ 6,280.50
12	Nonresident Youth	\$ 45.00	\$ 45.00	0%	\$ 5.00	\$ 5.90	\$ 5.00	4	\$ 20.00	\$ 20.00	\$ -
(12)	Nonresident Landowner (37-455)	\$ 74.75	\$ 149.00	99%	\$ 74.75	\$ 88.21	\$ 88.00	8	\$ 598.00	\$ 704.00	\$ 106.00
	DEER (37-447)										
11	Nonrefundable APPLICATION FEE (Res & NR)	N/A	\$ 7.00	#VALUE!		\$ 7.00	\$ 7.00	1,000	\$ -	\$ 7,000.00	\$ 7,000.00
11	Resident	\$ 29.00	\$ 39.00	34%	\$ 29.00	\$ 34.22	\$ 34.00	70,858	\$ 2,054,882.00	\$ 2,409,172.00	\$ 354,290.00
11	Resident Statewide Buck-Only (WT only)	\$ 72.50	\$ 97.50	34%	\$ 72.50	\$ 85.55	\$ 85.00	10,314	\$ 747,765.00	\$ 876,690.00	\$ 128,925.00
11	Resident Statewide Buck-Only (allows Mule Deer)	\$ 72.50	\$ 195.00	169%				2,007	\$ -	\$ -	\$ -
11	Resident Special Antlerless Only	\$ 29.00	\$ 39.00	34%	\$ 10.00	\$ 11.80	\$ 11.00	6,408	\$ 64,080.00	\$ 70,488.00	\$ 6,408.00
11	Resident Youth	\$ 25.00	\$ 25.00	0%	\$ 5.00	\$ 5.90	\$ 5.00	11,049	\$ 55,245.00	\$ 55,245.00	\$ -
(11)	Resident Landowner (37-455)	\$ 14.50	\$ 19.50	34%	\$ 14.50	\$ 17.11	\$ 17.00	12,490	\$ 181,105.00	\$ 212,330.00	\$ 31,225.00
11	Nonresident	\$ 214.00	\$ 284.00	33%	\$ 214.00	\$ 226.84	\$ 226.00	12,282	\$ 2,628,348.00	\$ 2,775,732.00	\$ 147,384.00
11	Nonresident Statewide Buck-Only (WT only)	\$ 535.00	\$ 710.00	33%	\$ 535.00	\$ 567.10	\$ 567.00	182	\$ 97,370.00	\$ 103,194.00	\$ 5,824.00
11	Nonresident Statewide Buck-Only (allows Mule Deer)		\$ 1,420.00	#DIV/0!				122	\$ -	\$ -	\$ -
11	Nonresident Season Choice Antlerless Only	\$ 214.00	\$ 284.00	33%	\$ 60.00	\$ 63.60	\$ 63.00	592	\$ 35,520.00	\$ 37,296.00	\$ 1,776.00
11	Nonresident Special Antlerless Only	\$ 214.00	\$ 284.00	33%	\$ 60.00	\$ 63.60	\$ 63.00		\$ -	\$ -	\$ -
11	Nonresident Youth	\$ 45.00	\$ 45.00	0%	\$ 5.00	\$ 5.30	\$ 5.00	1,093	\$ 5,465.00	\$ 5,465.00	\$ -
(11)	Nonresident Landowner (37-455)	\$ 107.00	\$ 142.00	33%	\$ 107.00	\$ 113.42	\$ 113.00	378	\$ 40,446.00	\$ 42,714.00	\$ 2,268.00
	ELK (37-450)										
13	Nonrefundable APPLICATION FEE (Res)	\$ 8.50	\$ 12.00	41%	\$ 8.50	\$ 10.03	\$ 10.00	2,722	\$ 23,137.00	\$ 27,220.00	\$ 4,083.00
13	Nonrefundable APPLICATION FEE (NonRes)	\$ 25.50	\$ 36.00	41%	\$ 8.50	\$ 10.03	\$ 10.00	11	\$ 93.50	\$ 110.00	\$ 16.50
13	Resident	\$ 149.50	\$ 198.00	32%	\$ 149.50	\$ 176.41	\$ 176.00	204	\$ 30,498.00	\$ 35,904.00	\$ 5,406.00
(13)	Resident Landowner (37-455)	\$ 74.75	\$ 99.00	32%	\$ 29.90	\$ 35.28	\$ 35.00	98	\$ 2,930.20	\$ 3,430.00	\$ 499.80
13	Nonresident	\$ 448.50	\$ 594.00	32%	\$ 448.50	\$ 529.23	\$ 529.00		\$ -	\$ -	\$ -
13	Nonresident Landowner (37-455)	\$ 448.50	\$ 594.00	32%	\$ 448.50	\$ 529.23	\$ 529.00	4	\$ 1,794.00	\$ 2,116.00	\$ 322.00
	BIGHORN SHEEP (37-451)										
14	Nonrefundable APPLICATION FEE RESIDENT	\$ 25.00	\$ 34.00	36%	\$ 25.00	\$ 29.50	\$ 29.00	1,153	\$ 28,825.00	\$ 33,437.00	\$ 4,612.00
	MISCELLANEOUS PERMITS										
	Raptor Permits (37-497)										
18	Resident Age 12 to 17 yrs	\$ 17.00	\$ 23.00	35%	\$ 17.00	\$ 20.06	\$ 20.00	0	\$ -	\$ -	\$ -
18	Resident Age 18 years and older	\$ 46.00	\$ 61.00	33%	\$ 46.00	\$ 54.28	\$ 54.00	8	\$ 368.00	\$ 432.00	\$ 64.00
18	Resident captive propagation	\$ 230.00	\$ 305.00	33%	\$ 230.00	\$ 271.40	\$ 271.00	2	\$ 460.00	\$ 542.00	\$ 82.00
18	Nonresident Raptor Collecting Permit	\$ 200.00	\$ 265.00	33%	\$ 200.00	\$ 236.00	\$ 236.00	0	\$ -	\$ -	\$ -
16	Controlled Shooting Area License (37-484)	\$ 149.50	\$ 198.00		\$ 149.50	\$ 176.41	\$ 176.00	75	\$ 11,212.50	\$ 13,200.00	\$ 1,987.50
(4)	Nonresident Controlled Shooting License (37-491)	\$ 13.00	\$ 18.00		\$ 13.00	\$ 15.34	\$ 15.00	826	\$ 10,738.00	\$ 12,390.00	\$ 1,652.00
									FY17/18	FULL YEAR	\$ 4,973,536.80
									FY16/17	1/2 year	\$ 2,486,768.40