

Fiscal Estimate Narratives

DNR 3/24/2005

LRB Number	05-0183/3	Introduction Number	SB-26	Estimate Type	Original
Subject					
Hunting age, free camping and fishing weekends, acreage for qualified landowners for special permits					

Assumptions Used in Arriving at Fiscal Estimate

BILL SUMMARY: This bill includes a number of provisions that impact programs in the Department of Natural Resources. These are:

Legal hunting age - under current law, a minor under the age of 12 may not hunt with a firearm or with a bow and arrow and may not possess a firearm unless possessing the firearm is necessary to participate in a course under the hunter education and firearm safety program. The bill changes the age from 12 to 10.

Camping fees - this bill requires the Department to waive camping fees for one weekend for any group that is made up of all state residents, and that contains at least one minor under the age of 11.

Fishing licenses - this bill waives the requirement that residents who are 16 years of age or older must have a fishing license if those residents are fishing with a resident who is under the age of 11.

Landowner preference for hunter's choice deer hunting permits - this bill changes the requirements for being a qualified landowner under the preference system for issuing hunter's choice deer hunting permits by requiring an applicant to be a resident, but reducing the acreage requirement from owning 50 acres to owning 40 acres.

FISCAL EFFECT: Annual loss of revenue of \$690,900 and one-time costs of \$5,100. More detail on the assumptions behind this estimate follows.

Legal hunting age - the Department anticipates there will be an increase in revenue to the Fish and Wildlife Account associated with changing the legal hunting age from 12 to 10. It is assumed an additional 16,000 licenses per year would be sold at a cost of \$20 to resident hunters aged 10 and 11, equaling \$320,000. An additional 200 licenses per year would be sold at a cost of \$160 to nonresident hunters aged 10 and 11, equaling \$32,000. The total revenue increase related to this change is estimated at \$352,000 annually.

Camping fees - The Department anticipates there would be a need to track campers who request a waiver of camping fees. A group of resident campers could request the waiver multiple times in a season if different qualifying minor children are accompanying them each time. There may be significant additional costs to develop this system, but the Department is unable to determine them at this time. At minimum, existing procedures and paper forms used for waiving camping fees for certain groups would need to be updated at a one-time cost of \$5,100.

There would also be a significant revenue loss associated with waiving camping fees. Total revenue from camping is \$4,746,900 annually. Of that, an estimated 71%, or \$3,370,300 is derived from resident camping. Of that, an estimated 70%, or \$2,359,200 is derived from weekend camping. Of that, an estimated 50%, or \$1,179,600 is derived from groups with at least one person under the age of 16. For this fiscal estimate, it is assumed that 50% of that revenue, or \$589,800 would be foregone due to waiving fees for qualifying groups under the bills provisions. Using the same assumptions, there would also be a loss of an estimated \$16,000 revenue derived from the related \$1 reservation fee. Of the total revenue loss of \$605,800 annually, \$367,100 would impact the Parks account and \$238,700 would impact the Forestry account.

Fishing Licenses - The Department estimates there could potentially be a significant loss of revenue from decreased sale of fishing licenses. There are 1.4 million licensed anglers in Wisconsin. A 2001 independent survey by the U.S. Census Bureau estimated an additional 340,000 unlicensed anglers ages 6 to 15 in Wisconsin. Of these, 188,000 are ages 6 to 11. Under this bill, any adult or party of adults fishing with one of these 188,000 children may fish for free as often as they want to as long as they are with one of these children. If this privilege was abused, the fiscal impact could be very high. For this fiscal estimate, it is

assumed conservatively that for 10% of the eligible children, there will be one adult who will not buy a fishing license who otherwise would have, causing a revenue loss to the Fish & Wildlife account. This revenue loss is estimated to be 10% of 188,000 or 18,800 licenses at \$17 each, totaling \$319,600. In addition, the federal Sport Fish Restoration Grant formula uses the number of license buyers as a factor in calculating Wisconsin's share of those federal funds. Under the bill, Wisconsin would lose \$6.25 for every lost license buyer, or \$117,500.

Landowner preference for hunter's choice deer hunting permits - the change reducing the required land ownership from 50 to 40 acres to qualify for landowner preference has no fiscal implications for the Department.

Total annual estimated revenue impact = \$367,100 reduction to the Parks Account; \$238,700 reduction to the Forestry Account; \$352,000 increase to the Fish & Wildlife Account, which is offset by a \$319,600 reduction to the Fish & Wildlife Account; and a \$117,500 reduction in the Federal Sport Fish Restoration grant, for a net annual revenue loss of \$690,900.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
The one-time costs of amending or printing new camping forms, and developing new procedures to implement the new provision is estimated to be \$5,100			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			-117,500
PRO/PRS			
SEG/SEG-S		352,000	-925,400
TOTAL State Revenues		\$352,000	\$-1,042,900
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-690,900	\$
Agency/Prepared By		Authorized Signature	
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		Date	
		3/23/2005	