

Fiscal Estimate Narratives

DNR 4/10/01

LRB Number	01-1155/1	Introduction Number	AB-269	Estimate Type	Original
Subject					
Fee for reserved deer hunting back tags					

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary: Under current law, the Department reserves a deer hunting back tag number for a person who pays a reservation fee. Each year, upon payment of the fee, the Department issues the same back tag number to that person. For this service, the person must pay a reservation fee of \$4.50 together with an issuance fee of \$0.50. This bill provides that a person is required to pay only a one-time fee to reserve a back tag number. Once the fee is paid, the Department must issue the same back tag number to that person each year upon that person's request, at no charge. The bill does not change the amount of the fee that a person must pay for the initial reservation.

Fiscal Estimate: This bill would have two primary fiscal effects, one on costs and the other on revenues.

The Department would incur a one-time cost to modify its Automated License Issuance System (ALIS) to issue reserved back tag numbers at no charge. Since the bill does not specify an effective date, this change would most likely have to be made outside the normal system upgrade process that occurs in the late winter and would cost \$5,000 - \$8,000. If the change were made as part of the annual upgrade the cost would be approximately \$5,000.

In addition to the impact on operating costs, both the Department and its license agents would incur an ongoing revenue loss. Reserving 3,000 back tag numbers each year generates \$13,500 for the Fish and Wildlife Account of the Conservation Fund and \$1,500 for license agents. Under the bill, the only revenue would be generated by new reservations. After the first year or two, the number of new reserved back tags would decrease to somewhere between 250 and 500, generating only \$1,250 - \$2,500 per year (including the \$0.50 issuance fee, which would go to the Department). The anticipated revenue loss to the Department would therefore be \$11,000 - 12,250 per year, estimated at \$12,000 for purposes of this fiscal estimate.

Department workload to manage reserved back tag numbers would change under this bill but would balance out in a year or two. It would take more time to handle payments for reserved numbers, but there would be fewer new reservations than the quantity currently reserved annually.

Long-Range Fiscal Implications

Annual reduction of \$12,000 in revenue to the Fish & Wildlife Account of the Conservation Fund.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Fee for reserved deer hunting back tags			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
The department would incur a one-time cost of \$5,000 - \$8,000 to modify its Automated License Issuance System (ALIS) to issue reserved back tag numbers at no charge.			
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		
	PRO/PRS		
	SEG/SEG-S		-12,000
	TOTAL State Revenues	\$	\$-12,000
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$-12,000	\$
Agency/Prepared By		Authorized Signature	Date
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