

Fiscal Estimate Narratives

DNR 10/24/2011

LRB Number	11-2818/2	Introduction Number	AB-0311	Estimate Type	Updated
Description creating a sporting recruitment and retention council, programs to encourage recruitment of hunters and trappers, restrictions on expenditures under the Warren Knowles-Gaylord Nelson stewardship program, reduced fees for certain first-time hunting and trapping approvals, high school credit under and administration of the hunter and trapper education programs, waiving fishing license requirements for a weekend ice fishing event, and sturgeon spearing license age requirements					

Assumptions Used in Arriving at Fiscal Estimate

The following estimate is based on Assembly Substitute Amendment 1 to AB 311

Summary of Bill

The bill, as amended, makes various changes to laws regulating hunting, fishing, and trapping.

1. The bill requires DNR to charge a reduced fee--\$4.25 for resident and half price for nonresident (rounded up to the nearest dollar)--for small game, deer, wild turkey, archery, Class B Bear, and fishing licenses issued to persons who have not received that type of approval in any of the ten years preceding the date on which the application for the approval is made.

2. The bill requires DNR to offer an online course of instruction under the hunter education program and under the trapper education program for persons who are at least 18 years old, with field/written testing to be available at each DNR service center.

3. This bill requires DNR to establish a hunter/trapper recruitment program to include a component under which a person who is issued his or her first hunting or trapping approval may designate one person as the person who encouraged the applicant to obtain the approval. The bill establishes requirements for DNR to keep record of these designations and to establish a method for issuing a \$20 discount for sports licenses and a \$60 discount for conservation patron licenses to a person who receives a designation a specified number of times.

4. The bill creates a 16-member sporting heritage council to study, and advise and make recommendations to the natural resources board and the legislature on, ways to improve the recruitment and retention of hunters and trappers.

5. The bill prohibits DNR from awarding a grant under the stewardship program unless DNR first considers whether the grant will benefit local businesses and the economy of this state.

6. The bill specifies that a person may obtain a sturgeon spearing license if the person is at least 12 years old.

7. The bill requires DNR to designate the third full weekend in January as a special event weekend during which a person may engage in ice fishing without holding or paying a fee for a fishing license.

Assumptions

1. Reduced License Fees For First-Time Buyers--note that the license amounts listed below reflect the cost of the license, plus a 25 cent issuance fee that is retained by the Department. It excludes the 50 cent issuance fee that is retained by the agent that sold the license.

A. Resident First-Time Buyers

The Department assumes that 2% of resident hunters, trappers and anglers would categorize themselves as first-time buyers or those who have not purchased a license in the preceding 10 years and would thus be eligible for the reduced license fees prescribed in the bill. Based on this assumption, the estimated additional license fee revenue that would be generated from those sales is \$126,200, which is comprised of the following:

a. Small game--92,329 licenses x 2% x \$4.50 = \$8,300

- b. Small game senior citizen--14,370 licenses x 2% x \$4.50 = \$1,300
- c. Small game junior--14,370 licenses x 2% x \$4.50 = \$1,300
- d. Deer--404,828 licenses x 2% x \$4.50 = \$36,400
- e. Junior Deer--57,464 licenses x 2% x \$4.50 = \$5,200
- f. Class B Bear--8,782 licenses x 2% x \$4.50 = \$800
- g. Archery--177,415 licenses x 2% x \$4.50 = \$16,000
- h. Junior archery--14,867 licenses x 2% x \$4.50 = \$1,300
- i. Wild Turkey--118,286 licenses x 2% x \$4.50 = \$10,600
- j. Trapping--5,021 licenses x 2% x \$4.50 = \$500
- k. Fishing--494,268 licenses x 2% x \$4.50 = \$44,500

B. Non-Resident First-Time Buyers

The Department assumes that 2% of non-resident hunters, trappers and anglers would categorize themselves as first-time buyers or those who have not purchased a license in the preceding 10 years and would thus be eligible for the reduced license fees prescribed in the bill. Based on this assumption, the estimated additional license fee revenue that would be generated from those sales is \$109,400, which is comprised of the following:

- a. Small game--6,455 licenses x 2% x \$43.00 = \$5,600
- b. Deer--28,526 licenses x 2% x \$80.00 = \$45,600
- c. Class B Bear--345 licenses x 2% x \$55.00 = \$400
- d. Archery--8,423 licenses x 2% x \$80.00 = \$13,500
- e. Fur Bearing Animal--81 licenses x 2% x \$80.00 = \$100
- f. Wild Turkey--5,075 licenses x 2% x \$30.00 = \$3,000
- g. Trapping--no non-resident sales; therefore, no fiscal effect
- h. Fishing--82,477 licenses x 2% x \$25.00 = \$41,200

C. The Department assumes that license fee revenues would decrease to the extent that 12 year old first time license buyers would purchase licenses at that reduced rates prescribed in the bill. Based on this assumption, the estimated loss of license fee revenue is estimated at \$239,600 and is comprised of the following:

- a. Small game junior--2,352 12-year old licenses x (\$8.50-\$4.50) = \$9,400
- b. Junior Deer--10,159 12-year old licenses x (\$19.50-\$4.50) = \$152,400
- c. Junior archery--1,939 12-year old licenses x (\$19.50-\$4.50) = \$29,100
- d. Wild Turkey--4,868 12-year old licenses x (\$14.50-\$4.50) = \$48,700

D. The Department assumes that the reduced licenses fees prescribed in the bill would trigger a 2% increase in 12 year old first-time license buyers. Based on the is assumption, the estimated increase in license fee revenue is estimated at \$1,700 and is comprised of the following:

- a. Small game junior--2,352 12-year old licenses x 2% x \$4.50 = \$200
- b. Junior Deer--10,159 12-year old licenses x 2% x \$4.50 = \$900
- c. Junior archery--1,939 12-year old licenses x 2% x \$4.50 = \$200
- d. Wild Turkey--4,868 12-year old licenses x 2% x \$4.50 = \$400

E. One-Time Costs

Creating these new license types will require one-time programming costs of \$9,500 for the Automated License Issuance System (ALIS) (100 hrs. x \$95/hr.)

2. On-line Trapper and Hunter Education Courses

A. Trapper Education

The Department estimates annual costs of \$30,000 to conduct an on-line trapper education program. The Department estimates there would be approximately 200 students enrolling to take online trapper education each year. A field day component is seen as necessary because currently available online courses developed by the American Association of Fish & Wildlife Agencies do not contain Wisconsin-specific information and in-the-field practice with safe trap placement is important. Because of the course requirement, the Department will need to be prepared to provide field day instruction almost on-demand and may be limited from being able to group students for efficiency. It is anticipated that we would need to provide 100 field day sessions per year, each lasting approximately 6 hours with 2 hours of preparation time.

Each session will require the presence of at least one DNR employee from either the wildlife or law enforcement program and, if available, one or more volunteer trapper education instructors. Each hour of wildlife or law enforcement staff time costs approximately \$25 plus a 50% fringe benefit rate. Therefore, it is anticipated that at least 800 hours of DNR staff time valued at \$30,000 would have to be re-allocated each year in the wildlife and law enforcement bureaus.

B. Hunter Education

We estimate that there will be enough students that the agency will be required to provide field day instruction twice every month at all 30 service centers. DNR staff will need to be present because the bill requires use of DNR facilities. Class sizes will at times be large enough to require two instructors and the class time is four hours. The hourly value of salary and fringe for a regional safety warden is \$44.57, multiplied by two employees. There are 30 service centers and courses will need to be offered at each, every other month. Therefore, the Department estimates annual costs of \$64,200 to conduct field days held as part of online hunter education courses as required under the bill ($\$44.57/\text{hr.} \times 2 \text{ FTE} \times 4 \text{ hrs. per course} \times 6 \text{ courses/yr.} \times 30 \text{ service centers}$).

3. Sporting Recruitment and Retention Council

The Department estimates annual costs of \$8,100 to support meetings of the Sporting Retention and Recruitment Council. We anticipate providing one person from the Secretary's Office or their designee and one law enforcement staff person at \$44.57 salary and fringe for each, and one wildlife management staff person at \$38. We estimate that four meetings would be held annually, each lasting 6 hours with an anticipated 10 additional hours of travel and preparation required for each meeting. Additional costs would be incurred if travel and lodging are required.

4. Recruitment Incentive Credits

The Department has no accurate way of estimating the number of individuals who would claim a \$20 credit for recruiting others as hunters or trappers; therefore, the Department characterizes the dollar value of refunds issued as indeterminate.

Since the Department cannot issue credits under the Automated License Issuance System (ALIS), it would have to issue \$20 checks to claimants at an estimated average cost of \$25 to process each check.

It should be noted that under federal regulations, a refund cannot be made from the Fish and Wildlife account or the State of Wisconsin could be declared "in diversion" and thus not receive its annual apportionment of Pittman-Robertson Wildlife Restoration funding (\$11.7 million in FFY11).

5. Sturgeon Spearing

The Department estimates that reducing the minimum age for sturgeon spearing from 14 to 12 could bring in an additional 80 licenses and \$1,600 or more in license fee revenues ($80 \times \$19.50$). No increase in administrative costs are expected as a result of this provision.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$9,500 for an estimated 95 hours of programming for the Automated License Issuance System (ALIS)			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$102,300	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$102,300	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S (Fish & Wildlife)	102,300	
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 (Fish & Wildlife)	238,900	-239,600
	TOTAL State Revenues	\$238,900	-\$239,600
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
	NET CHANGE IN COSTS	\$102,300	\$
	NET CHANGE IN REVENUE	\$-700	\$
Agency/Prepared By		Authorized Signature	Date
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