

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-1714/1	Introduction Number SB-192
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Description
 combining the archer and crossbow hunting licenses

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input checked="" type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate	5. Types of Local Government Units Affected	
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties <input type="checkbox"/> Others
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By DNR/ Paul Neumann (608) 266-0818	Authorized Signature Paul Neumann (608) 266-0818	Date 3/23/2021
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Fiscal Estimate Narratives

DNR 3/23/2021

LRB Number	21-1714/1	Introduction Number	SB-192	Estimate Type	Original
Description combining the archer and crossbow hunting licenses					

Assumptions Used in Arriving at Fiscal Estimate

The bill repeals the resident and nonresident crossbow hunting licenses from statute and adds the authority to use a crossbow to the archer hunting license so that only one license is required to hunt with either a vertical bow or a crossbow. It also repeals the requirement to purchase a \$3 "upgrade" that would authorize an individual to hunt with either a vertical bow or a crossbow.

Fiscal Effect

I. Costs

The Department will incur one-time implementation costs to make necessary changes to Go Wild, train Customer Service Representatives and retail license agents, and update department web pages and hunting regulations.

The bill does not contain a delayed effective date, which could increase the one-time implementation costs. Without a delayed effective date that aligns implementation with the start of a new license year (March 1), the department will likely incur additional costs processing refunds on the \$3 "upgrade" license products already sold. In a worst case scenario, if this bill were to be enacted near the end of a license year after most hunting licenses have been sold and assuming each customer who purchased an "upgrade" requested a refund, the department could be required to issue more than 53,000 refunds for "upgrades" made obsolete by this bill.

A. Modifying licensing system: 40 hrs. * \$50/hour (average business analyst rate plus applicable fringe) = \$2,000

B. Updating web pages, agent resources and public communication materials: 32 hrs. development * \$50/hr. (average policy advisor rate plus applicable fringe) = \$1,600

C. Training Customer Service Representatives (CSR) staff:
[20 hrs. training development * \$50/hr. (average policy advisor rate plus applicable fringe)] + [1 hr. * 100 CSRs * \$24/hr. (average CSR rate plus applicable fringe)] = \$3,400

D. Issuing refunds:

Assuming 5,000 refund requests and an average of 5 minutes per refund at \$30 per hour (includes salary and fringe), it would cost \$12,500 to issue refunds.

E. Total one-time implementation costs:

1. without refunds = \$7,000 (\$2,000 + \$1,600 + \$3,400);
2. with refunds = \$19,500 (\$2,000 + \$1,600 + \$3,400 + \$12,500)

II. Revenue

The bill would reduce annual license revenue as a result of no longer selling the "upgrade" products under this proposal. According to License Year 2020 sales data, more than 53,113 individuals (approximately 21% of all who purchased an archer or crossbow hunting license) purchased an archer or crossbow "upgrade" for the \$3 fee. A portion of that \$3 fee is paid to agents through a statutorily-authorized issuing fee, but the majority of the "upgrade" fee (\$2.25) is used for wildlife management purposes.

Based on those assumptions, the Department estimates an annual reduction of \$119,250 (53,000 * \$2.25) in revenue from the loss of crossbow and archer "upgrades".

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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Description combining the archer and crossbow hunting licenses		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
Total one-time implementation costs: 1. without refunds = \$7,000 2. with refunds = \$19,500		
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		-119,300
TOTAL State Revenues	\$	\$-119,300
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-119,300	\$
Agency/Prepared By	Authorized Signature	Date
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