

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-2074/1	Introduction Number SB-0068	
Description a resident lifetime fishing license, a lifetime fishing trust fund, providing an exemption from emergency rule procedures, and granting rule-making authority		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
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 3/2/2023

Fiscal Estimate Narratives

DNR 3/2/2023

LRB Number	23-2074/1	Introduction Number	SB-0068	Estimate Type	Original
Description a resident lifetime fishing license, a lifetime fishing trust fund, providing an exemption from emergency rule procedures, and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

The bill creates a resident lifetime fishing license that confers the privilege of an annual fishing license. This license is not transferable, exchangeable, or refundable and it cannot be combined with any other discount on approvals. The holder of a resident lifetime fishing license must still purchase fishing stamps if required for a stamp species. The bill establishes the fee for a resident lifetime fishing license at 30 times the fee for a resident annual fishing license, which under current law is \$20 (\$19.25 plus a 75-cent issuing fee = \$20). At the current rate, a resident lifetime fishing license fee under the bill is \$578.25 (\$577.50 plus a 75-cent issuing fee = \$578.25).

The bill also creates a lifetime fishing trust fund and provides that all fees from the sale of resident lifetime fishing licenses are deposited into the trust fund. The bill provides that, each fiscal year, all interest that has accrued in the lifetime fishing trust fund and a prorated amount of the money from each resident lifetime fishing license fee must be transferred from the lifetime fishing trust fund to the Fish & Wildlife Account of the state Conservation Fund.

In addition, the bill allows DNR to adopt rules establishing a system for prorating resident lifetime fishing license fees for the purposes of this transfer.

Finally, the bill requires that the system for prorating these fees must comply with the federal rules governing how lifetime licenses may be counted for purposes of this state qualifying for funding under the federal Dingell-Johnson Act (aka Sport Fish Restoration grant).

A. One-Time Implementation Costs

1. Department staff will need to modify the statewide licensing system to accommodate lifetime fishing license products and to modify the report to the U.S. Fish & Wildlife Service that is used for Sport Fish Restoration grant disbursement. It is estimated 480 hours of business analyst time would be required at an average salary/fringe rate of \$50/hr., equaling \$24,000 (480 hrs. * \$50/hr = \$24,000).

2. Staff training will be required for this new license product. It is estimated 40 hours of training development by a policy analyst will be needed at an average salary/fringe rate of \$50 per hour, equaling \$2,000 (40 hrs. * \$50/hr = \$2,000). In addition, 1 hour training for approximately 100 Customer Service Representatives will be needed at an average salary/fringe rate of \$24 per hour, equaling \$2,400 (1 hr. * \$24/hr. = \$2,400).

3. Given the unique requirements associated with a lifetime approval, the department anticipates vendor programming costs to modify the statewide licensing system may be as high as \$40,000. This would include the following modifications: updating the 2015 federal fish and wildlife report to differentiate between this multi-year license from the current annual licenses; developing programming to account for how purchasing the resident lifetime license impacts the customer's ability to purchase combination licenses or discounted spousal fishing licenses; and accounting for the resident lifetime fishing licenses that are not discounted for first-time buyers (as the lifetime fishing license cannot be combined with any other discount on approvals). Note that the department has not requested a quote from the vendor, so the \$40,000 estimate could change.

4. If the department is required to promulgate administrative rules, staff time for that activity will be required. Approximately 400 hours of policy advisor time at an estimated salary/fringe rate of \$55.53/hr. would result in a one-time cost of \$22,200 for rule-making activities (400 hrs * \$55.53/hr = \$22,200).

5. Total one-time costs to implement this bill are estimated to be \$90,600 (\$24,000 + \$4,400 + \$40,000 + \$22,200).

B. Revenue

The overall revenue impact of the bill is indeterminate, as the department cannot estimate how many resident anglers would opt to purchase a lifetime fishing license.

1. The bill would reduce issuance fee revenue for the department, and for GoWild Licensing Agents, by an indeterminate amount. For each fishing license sold, there is a 75-cent issuing fee included in the cost of the license that is retained by the department and/or the GoWild licensing agent, depending upon where the license sale occurred. If a customer purchases a resident lifetime fishing license instead of an annual fishing license, the department and/or GoWild licensing agent will only receive one 75-cent issuance fee instead of the possible 30 issuance fees collected from the sale of 30 resident annual fishing licenses (\$22.50 vs. \$0.75, for a difference of \$21.75); however, the revenue impact of this is indeterminate.

2. If a Wisconsin resident purchases the resident lifetime fishing license, that resident will be prohibited from purchasing any other department fishing license during their lifetime as this license cannot be transferred, exchanged, or refunded nor combined with any other approval discounts. This will decrease the department's revenue from the sale of its combination licenses as well as the sales of its resident fishing licenses. It will also impact the sale of the Wisconsin resident disabled veteran fishing license, the annual Wisconsin disabled veteran recreation card, and fishing licenses issued to senior residents. The revenue impact of this is indeterminate.

4. If a customer's situation changes due to unforeseen circumstances, the department will be unable to transfer, exchange, refund, or allow the customer to surrender their lifetime license. The revenue impact of this is indeterminate.

5. The lifetime license remains valid even if the person moves outside Wisconsin. The revenue impact of this is indeterminate.

6. Stamp revenues will not be impacted by the bill, as individuals will be required to purchase a stamp for the type of fishing that requires one.

7. The language of the bill is consistent with federal requirements in 50 CFR 80 and other federal Dingell-Johnson program requirements; therefore, there is no impact to federal Sport Fish Restoration grants that the department receives from USFWS.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

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Description a resident lifetime fishing license, a lifetime fishing trust fund, providing an exemption from emergency rule procedures, and granting rule-making authority		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Estimated one-time implementation costs of \$90,600.		
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		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By Authorized Signature Date		
DNR/ Paul Neumann (608) 266-0818	Paul Neumann (608) 266-0818	3/2/2023