



## Legislative Fiscal Bureau

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April 26, 2005

Joint Committee on Finance

Paper #510

### **Hunting and Fishing License Fees (DNR -- Fish, Wildlife, and Recreation)**

[LFB 2005-07 Budget Summary: Page 352, #1]

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#### **CURRENT LAW**

The primary source of revenue to the fish and wildlife account is the fees charged for hunting, fishing and special licenses and stamps. There are a wide variety of licenses authorizing residents and nonresidents to hunt and fish. Hunting and fishing licenses vary according to the type of species that may be pursued, the method of pursuit, the number of people for whom the license is valid and the time period for which the license is valid. To hunt or fish certain species (such as turkey or trout), a stamp must also be purchased in addition to the license.

Since 2000, DNR is prohibited from expending more than 16% from the fish and wildlife account of the conservation fund for administrative purposes, including department administration, support services, and division administration.

#### **GOVERNOR**

Increase the fees for certain hunting and fishing licenses, as shown in the attachment. The administration estimates that the bill would generate additional fish and wildlife account revenues of approximately \$5,451,000 in 2005-06 and \$12,296,200 in 2006-07. The bill would increase the fees upon enactment.

Under the bill, 10.2% in 2005-06 and 10.1% in 2006-07 of expenditures from the fish and wildlife account would be allocated for administrative purposes as defined in statute by 1999 Act 9.

## DISCUSSION POINTS

1. A general hunting and fishing license fee increase was last enacted in 1997 Act 1, effective April, 1997. The Governor proposed a general fish and wildlife fee increase in the 1999-01 biennial budget. However, this fee increase was not approved by the Legislature during its budget deliberations. Instead, an annual transfer of \$2.5 million in tribal gaming revenues to the fish and wildlife account was provided. Further, the fees charged for most nonresident and certain resident licenses were increased in 2003 Act 33, the 2003-05 biennial budget (as shown in the attachment).

2. The following table shows the fees charged by Wisconsin and its four neighboring states for resident and non-resident annual fishing, deer hunting, and small game hunting licenses. Also shown are the fees for Wisconsin licenses under AB 100 (other states may also be considering fee increases). While each state sells a number of other hunting and fishing privileges not shown in the table, comparisons across states are often difficult because the species that may be pursued under the license, the number of people for whom the license is valid, the region in which the species may be pursued, and the time period for which the license is valid may differ. Both Illinois and Iowa require individuals hunting deer to purchase a general hunting license. However, the general hunting license also carries the same privileges as a small game license. Fees charged may also vary by whether the individual owns land within the state. The table also identifies the two neighboring states that have a habitat stamp requirement (which is required in addition to other hunting licenses). In addition some states may offer different price licenses based on age, selected seasons or zones or other criteria. For example, Minnesota offers a variety of deer hunting licenses that vary in price depending on where and when an individual intends to hunt, and how many deer the hunter would like to harvest. The license fee shown in the table is for a standard Minnesota license for one deer in a geographical area during a given season, and represents the most widely sold resident deer license.

**TABLE 1**

### Hunting and Fishing License Prices

	<u>Illinois</u>	<u>Iowa</u>	<u>Michigan</u>	<u>Minnesota</u>	<u>Wisconsin Current Law</u>	<u>Wisconsin Budget Bill</u>
<u>Resident</u>						
Deer	\$15.00*	\$26.00*	\$14.00	\$27.00	\$20.00	\$32.00
Small Game	\$7.50**	17.50**	14.00	19.00	16.00	20.00
Annual Fishing	13.00	17.50	14.00	18.00	17.00	20.00
<u>Nonresident</u>						
Deer	\$200.00*	\$220.50*	\$129.00	\$135.00	\$160.00	\$160.00
Small Game	50.75**	80.50**	65.00	79.50	80.00	80.00
Annual Fishing	24.50	39.50	30.00	35.00	40.00	40.00
Habitat Stamp	\$5.50	\$8.50	N.A.	N.A.	N.A.	N.A.

\*Must also purchase a general hunting license and a habitat stamp to hunt deer.

\*\*The purchase of a general (small game) hunting license is required in addition to the purchase of certain other hunting licenses (such as deer or bear).

3. Under the bill, the changes in the hunting and fishing license fees would become effective upon enactment of the budget. The DNR license year, however, begins April 1. If the fees changed on the effective date of the bill, it would create the possibility that different fees could be charged for the same license privileges, depending on when a person makes his or her purchase. However, DNR officials indicate that the dire financial condition of the fish and wildlife account requires prompt action, necessitating the implementation of a fee increase as soon as possible, rather than waiting until the beginning of the following license year. Additional revenues generated by an earlier implementation may also mitigate the size of the increase required to balance the account.

4. The following table provides a condition statement for the fish and wildlife account under current law. The table assumes current license fees and adjusted base expenditures through the 2005-07 biennium. The account could be expected to have commitments that exceed available revenues by over \$11 million under current law on June 30, 2007. In addition, as expenditures from wildlife damage-related appropriations would exceed revenues in both years of the biennium, the estimate assumes that DNR would be required to decrease expenditures related to wildlife damage (and potentially chronic wasting disease, which is funded from wildlife damage revenues) by almost \$1.2 million annually below appropriated levels to meet anticipated revenues (this item is discussed in a separate paper).

**TABLE 2**

**Estimated Fish and Wildlife Account Condition – Current Law  
(in Millions)**

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>
Opening Balance	\$5.88	\$3.27	\$0.89
Revenue	\$68.28	\$68.65	\$69.09
Total Available	\$74.16	\$71.92	\$69.98
Budgeted Expenditures	\$68.38	\$70.64	\$70.64
Wildlife Damage Adjustment		-1.17	-1.16
Compensation and Other Reserves	<u>2.50</u>	<u>1.57</u>	<u>3.52</u>
Total Expenditures	\$70.88	\$71.04	\$73.00
Cash Balance	\$3.27	\$0.89	-\$3.02
Encumbrances/Continuing Balance*	\$7.49	\$7.83	\$8.21
Available Balance	-\$4.22	-\$6.94	-\$11.23

\*Includes amounts encumbered (committed but not yet paid), as well as continuing balances from assigned segregated revenue appropriations (such as trout, waterfowl, or wild turkey stamp programs) that are not available for general appropriation.

5. Under the bill, several new fees (including a fee for extra turkey tags and sturgeon hook and line tags) would be created, as would new approvals (including a pheasant put-and-take permit and a grouse and woodcock hunting stamp). Fees for Great Lakes commercial fishing would be increased, and a fee for hunter safety education would be created. In addition, the wildlife damage surcharge currently applied to most hunting licenses would be increased from \$1 to \$2 per license (and from \$2 to \$4 for conservation patron licenses). These issues are addressed in separate issue papers. The following table shows the estimated condition of the fish and wildlife account under the bill, and includes all of the Governor's proposed changes. Under the estimate, it is expected that DNR will realize some savings from budgeted levels in 2004-05 to reflect unspent funds for positions that the agency has held vacant as well as other voluntary efforts to reduce expenditures in the current fiscal year. Revenue estimates in the table reflect the assumption that the fee increase would be in effect (budget act signed by the Governor) by mid-August, 2005.

**TABLE 3**

**Estimated Fish and Wildlife Account Condition – AB 100  
(in Millions)**

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>
Opening Balance	\$5.88	\$3.27	\$4.23
Revenue	\$68.28	\$73.53	\$81.12
Total Available	\$74.16	\$76.80	\$85.35
Budgeted Expenditures	\$68.38	\$70.95	\$71.80
Wildlife Damage Adjustment			-0.68
Compensation and Other Reserves	<u>2.50</u>	<u>1.62</u>	<u>3.57</u>
Total Expenditures	\$70.88	\$72.57	\$74.69
Cash Balance	\$3.27	\$4.23	\$10.66
Encumbrances/Continuing Balance*	\$7.49	\$7.89	\$9.08
Available Balance	-\$4.22	-\$3.66	\$1.58

\*Includes amounts encumbered (committed but not yet paid), as well as continuing balances from assigned segregated revenue appropriations (such as trout, waterfowl, or wild turkey stamp programs) that are not available for general appropriation.

6. Based on recent license sales information, and after taking into account modest price resistance to the increased fee levels, revenues under the bill would be expected to total \$15.75 million for the biennium. This is approximately \$2 million lower than the \$17.75 million assumption from last fall utilized by DNR and DOA during budget development. (Both figures exclude revenues relating to the wildlife damage surcharge, that are discussed in a separate paper.) This difference is primarily related to the lack of any adjustment for anticipated price resistance in

the administration's revenue estimates. It is reasonable to assume that the size of certain fee increases included in the bill could dissuade some sportsmen or women from purchasing a license. The administration did not include this factor in their revenue estimates. While price is certainly not the only factor affecting sales volume, experience with prior fee increases would indicate that some decrease in sales may be expected, at least initially, when prices are increased.

7. The fee increases included in the bill are estimated to increase revenues to the fish and wildlife account by \$4.62 million in 2005-06 and by \$11.13 million in 2006-07 over current law. Of the increased revenues, \$345,500 in 2005-06 and \$542,500 in 2006-07 are expected to be generated through the sale of hunting or fishing stamps, and consequently would be allocated for specific purposes (such as the maintenance and improvement of habitat for wild pheasant, waterfowl, trout, and sturgeon). Remaining revenues would be generally available for other account expenditures.

8. It should be noted that the combined impact of all of the Governor's changes to the fish and wildlife account (as shown in Table 3) is anticipated to result in an available balance of approximately \$1.5 million to the account on June 30, 2007. Further, the account is estimated to be structurally stable under the new fees (with revenues to the account exceeding expenditures in 2006-07). The following table outlines the expected condition of the account through the 2007-09 biennium under the bill, and is based on the assumption that revenues and expenditures would remain constant in 2007-09, with the exception of an adjustment for anticipated payplan reserves and health insurance premium increases.

**TABLE 4**

**Structural Condition of the Fish and Wildlife Account -- AB 100  
(in Millions)**

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Opening Balance	\$4.23	\$10.66	\$15.23
Revenue	\$81.12	\$81.12	\$81.12
Total Available	\$85.35	\$91.78	\$96.35
Budgeted Expenditures	\$71.80	\$74.91	\$74.91
Wildlife Damage Adjustment	-0.68	-0.68	-0.68
Compensation and Other Reserves	<u>3.57</u>	<u>2.32</u>	<u>4.43</u>
Total Expenditures	\$74.69	\$76.55	\$78.66
Cash Balance	\$10.66	\$15.23	\$17.69
Encumbrances/Continuing Balance*	\$9.08	\$10.26	\$11.45
Available Balance	\$1.58	\$4.97	\$6.24

\*Includes amounts encumbered (committed but not spent), as well as continuing balances from assigned segregated revenue appropriations (such as wildlife damage and trout, waterfowl, or wild turkey stamp programs) that are not available for general appropriation.

9. In the past, DNR has generally requested license fee increases every four years. In general, revenues would exceed expenditures early in the four-year cycle. Revenues and expenditures would equalize, and towards the end of the four years expenditures would exceed revenues, drawing down any remaining available balance. Some have argued that this budgeting process may be unnecessary, due to the Department's ability to change fees each year with relative ease through the automated license issuance system, and undesirable (due to the difficulty in estimating revenue and expenditure trends over longer periods of time). From this perspective, it may be desirable to implement a two-year license fee package.

10. Alternatively, it may be argued that due to the lengthy process required to prepare, enact, and inform the general public on fee changes, it may be more desirable to continue with a four-year (or more) fee increase cycle. Also, under the current fiscal conditions, it may be difficult to lower some license fees significantly without increasing others, or making expenditure reductions in order to maintain a positive balance to the account. However, several alternatives to the Governor's proposed package may be considered.

11. Under the bill, senior citizen small game licenses are increased to \$10, while youth small game licenses would remain at their current \$9 fee. While it has been suggested that maintaining youth licenses at their current prices may serve to encourage an interest in hunting among younger participants, in general, youth and senior citizen small game licenses have been priced at one-half of the cost of a resident small game license. If the youth small game license were increased to \$10 (the same fee as charged for a senior citizen small game license), additional revenues totaling \$3,800 in 2005-06 and \$16,300 in 2006-07 would be generated.

12. Similarly, the bill increases the cost of the senior citizen annual fishing license to \$10 (again, one-half of the price of the proposed cost of an annual resident fishing license), while the youth fishing license remains at the \$7 fee first set for it in 1997. Increasing the price of a youth annual fishing license to equal the fee charged for a senior citizen annual license would be expected to generate revenues totaling \$88,000 in 2005-06 and \$94,600 in 2006-07. It could be argued that to the extent that many young people are introduced to hunting and fishing as a family activity, the impact of a modest fee increase is likely to have less of an effect on individuals in this age group's decision to engage in sporting activities than other outside factors (such as the presence of an adult mentor). Individuals age 15 or younger are not required to purchase a fishing license. Further, it should be noted that discounted fishing licenses comprised approximately 17% of resident sales in 2004 (25% for discounted resident small game). The use of discounted licenses (primarily youth and senior citizen licenses) is expected to continue to increase.

13. Previously, the same license fee has been set for resident and nonresident bear harvest and elk harvest licenses. Under the bill, the fee for a resident bear harvest license is increased from \$45 to \$49; however, the fee for a resident elk license is not increased. While increasing the fee for resident elk licenses to \$49 is not expected to generate revenues in the near future, it would preserve the equity in the license pricing structure of charging similar rates for comparable privileges.

14. It has been suggested that a more equitable distribution of fee increases should be

implemented between resident and nonresident license holders. While increasing fishing and hunting license fees for non-residents may generate additional license revenue to the fish and wildlife account, fee increases may also discourage non-residents from participating in hunting and fishing activities throughout the state, potentially decreasing tourism revenues related to these activities. Under 2003 Act 33 (the 2003-05 biennial budget), nonresident fees were increased, as shown in the attachment. License year 2004 (April, 2004 through March, 2005) was the first full license year of the hunting and fishing license fee increase. Sales to nonresidents dropped by approximately 1% overall. However, as significantly, in some cases license sales to nonresidents for annual approvals decreased in favor of the less expensive, shorter-term alternatives. Nonresident annual fishing license sales decreased 6% as compared to the previous license year, while four-day fishing permits increased by almost 8%. Overall, this contributes to a decrease in revenues to the fish and wildlife account.

15. However, while fee increases appear to have impacted the sale of certain licenses to nonresidents, others were largely unaffected. Sales of nonresident bear pursuit, sports, patron, turkey, and furbearing licenses all increased during license year 2004, despite fee increases. Sales of bear harvest and archery deer hunting licenses remained fairly constant. This trend may be partially attributed to the limited availability of some licenses (bear harvest and turkey), as well as to the number of nonresident landowners within Wisconsin. Further, it may be argued that since the cost of a hunting license may be a secondary concern to other costs for out-of-state hunters (such as equipment, food, lodging, and transportation), it is difficult to estimate the level of decreased license sales that may result from increases in fees.

16. It has also been argued that non-residents enjoy access to public hunting and fishing areas purchased and maintained by state tax revenues and fishing opportunities in lakes and streams protected under a range of state programs primarily funded by Wisconsin residents. From this perspective, it may be reasonable to assess a higher fee increase on non-resident hunters and fishermen to account for their use of these public benefits for which they are not otherwise generally contributing. Conversely, many purchasers of nonresident licenses may own recreational land in Wisconsin. These landowners argue they are contributing, similar to resident landowners, particularly through property and sales taxes. When the fee increases implemented under 2003 Act 33 and those proposed under the AB 100 are considered as a whole, there are several instances where increases to resident license fees would exceed those recently implemented for nonresidents. For example, both annual resident small game and resident annual fishing licenses would be \$20 under the bill, compared to \$14 prior to Act 33 (an increase of \$6 per license). Under Act 33, the nonresident small game license increased \$5 from \$75 to \$80, and nonresident annual fishing licenses increased by \$6 from \$34 to \$40. Increasing the annual nonresident fishing license to \$45 and increasing the nonresident annual small game license to \$85 would provide a larger overall increase to these license fees as compared to their resident annual equivalents (a \$10 fee increase for nonresidents as compared to a \$6 fee increase for residents). Increasing the nonresident annual fishing license to \$45 would generate approximately \$333,900 in 2005-06 and \$427,100 in 2006-07. Increasing the nonresident annual small game license to \$85 would generate approximately \$4,800 in 2005-06 and \$23,800 in 2006-07.

17. Under the bill, the nonresident individual four-day fishing license would remain at \$18, while the resident annual license increases to \$20. Historically, nonresident approvals have not been offered at a lower price than resident licenses. Increasing the four-day fishing license by another \$3 to \$21 would increase the cost of the approval above that of the resident fishing license. In addition, the higher fee may discourage some customers from the practice of switching from an annual nonresident fishing license to the less expensive four-day fishing license option by reducing the cost-savings of doing so. Alternatively, increasing the fee for this lower-priced license may discourage some individuals from purchasing any fishing license at all. Increasing the nonresident four-day fishing license to \$21 would be expected to generate additional revenues to the fish and wildlife account of \$101,700 in 2005-06 and \$318,800 in 2006-07. Further, to maintain relative pricing and as an additional incentive to discourage nonresidents from shifting to lower-priced, shorter term licenses, the fifteen-day annual individual fishing license could be increased by \$2 to \$26. Doing so would generate additional revenues of approximately \$18,400 in 2005-06 and \$51,200 in 2006-07.

18. Interest has been expressed in creating a resident youth license with a reduced price for deer hunting (both gun and archer). It has been argued that maintaining the licenses at a lower price will encourage youth to continue hunting, and reduce the financial burden on families with multiple children who hunt. If a youth deer hunting license (gun and archer) priced at \$20 was created for individuals 17 years of age or younger, a revenue loss of approximately \$158,500 in 2005-06 and \$873,200 in 2006-07 may be anticipated. However, it should be noted that a reduced price option for youth exists under current law. The junior sports license, priced at \$35, includes an annual fishing license, small game license, and a gun deer license (privileges valued at \$48 under AB 100). However, in recognition of the fact that individuals under the age of 16 do not need to purchase a fishing license, and as such would not benefit significantly from the reduced price youth sports license, a second option would be to create a youth deer hunting license at \$20 for individuals age 15 years or younger. This option would be expected to decrease anticipated revenues to the fish and wildlife account by \$104,800 in 2005-06 and by \$581,500 in 2006-07.

19. The youth conservation patron and sports licenses were created under the 2003-05 biennial budget act. Both carried the same privileges as their adult counterpart, however the prices were lower for individuals under the age of 18. Youth patron licenses were priced at \$75 and youth sports licenses at \$35 for both residents and non-residents. It has been argued that the lower price serves to increase hunting and fishing opportunities for young people, particularly for nonresidents (who may be discouraged from including family members on hunting and fishing trips due to the high cost of nonresident licenses). However, given that the value of the approvals included in a nonresident youth sports license would total \$280 (\$48 for residents), and the value of the approvals included in a nonresident youth patron license would total \$916 (\$286 for residents), it would seem reasonable to increase the fee for each above what is charged to resident youth for these combination licenses. Increasing the nonresident youth sports license to \$70 and the nonresident youth patron to \$150 (or twice the fee charged to resident youth for these same privileges) would generate additional revenues to the fish and wildlife account of approximately \$11,600 in 2005-06 and \$93,500 in 2006-07. At this price, the nonresident youth patron license would still cost less than the fee for a nonresident deer hunting license (currently \$160).



20. While the cost of the resident conservation patron license was increased under the 2003-05 biennial budget bill, the license is priced considerably below the combined cost of the privileges conferred. When the license was first created at \$100 in 1984, it was intended to be a way for active sportsmen to contribute to fish and wildlife activities. That is, conservation patron holders would generally be providing a greater contribution to the fish and wildlife account than if they purchased individual licenses. Since the patron license fee has only increased modestly since 1984, the perception of the license has evolved into more of a discount package. The conservation patron license includes a variety of approvals, licenses, and stamps, which would cost over \$300 under the bill if purchased separately. The Department periodically surveys patron license holders to ascertain which privileges they typically use. Of the available privileges, the most popular have been annual fishing, small game, deer gun, archery, spring and fall turkey licenses and stamps, waterfowl and pheasant stamps, the hunter's choice permit, and an annual park sticker. These approvals, if purchased separately, would cost \$193.25 under the bill. Purchasing the conservation patron license equals an approximate discount of over 25% for license holders who utilize these privileges (more if additional licenses or approvals are used). Under current law, the resident patron license is priced at approximately 60% of the value of the privileges included in the license. Purchased individually, the approvals included with the patron license would cost resident license holders \$310 under the bill. The fee for a patron license would remain at \$140, however, this would represent 45% of the value of the privileges included with the license. Increasing the price by \$25 to \$165 would establish the cost of the license at about 55% of the value of the privileges included (rather than 60% currently or 45% under the bill), and would be estimated to generate approximately \$1.18 million in 2005-06 and \$1.22 million in 2006-07 in revenue to the fish and wildlife account.

21. Under the bill, the fish and wildlife account is expected to have a balance of approximately \$1.5 million as of June 30, 2007. Most of the options detailed above would affect this balance. The following table outlines the fiscal effect of enacting certain changes to the bill.

**TABLE 6**

**Fee Adjustment Alternatives**

<u>Option</u>	<u>2005-06</u>	<u>2006-07</u>	<u>Biennial Impact on Estimated Revenue</u>
Maintain Youth annual fishing and small game license at one-half the fee for a resident annual approval (\$10)	\$91,800	\$110,900	\$202,700
Increase Resident Elk hunting license to \$49	0	0	0
Increase Four-day nonresident fishing license to \$21	101,700	318,800	420,500
Increase nonresident 15-day individual fishing license to \$26	18,400	51,200	69,600
Increase nonresident annual fishing license to \$45	333,900	427,100	761,000
Increase nonresident annual small game license to \$85	4,800	23,800	28,600
Double nonresident youth sports and youth patron licenses	11,600	93,500	105,100
Increase resident patron licenses to \$165	1,180,000	1,221,800	2,401,800
<i>Adjust Fee Increase for the Following Resident Licenses:</i>			
Deer Gun and Archer (from \$32 to \$28)	-\$414,800	-\$2,241,700	-\$2,656,500
Deer Gun and Archer (from \$32 to \$25)	-710,500	-3,839,100	-4,549,600
Youth Deer Hunting at \$20 (17 years and younger)	-158,500	-873,200	-1,031,700
Youth Deer Hunting at \$20 (15 years and younger)	-104,800	-581,500	-686,300
Annual Fishing (from \$20 to \$18)	-748,200	-977,600	-1,725,800
Senior citizen annual fishing (from \$10 to \$9)	-57,100	-61,400	-118,500
Husband and Wife Fishing (from \$35 to \$31)	-326,300	-379,300	-705,600
Annual Small Game (from \$20 to \$18)	-29,700	-140,000	-169,700
Senior citizen small game (from \$10 to \$9)	-4,100	-7,900	-12,000

22. Approving changes to the fee package under AB 100 would increase or reduce estimated revenues as shown in the table above. All or a combination of revenue increases could be used to offset other shortfalls to the fish and wildlife account (such as imbalances related to CWD management and the wildlife damage program). Alternatively, reduced revenues of more than \$1.5 million for the biennium would require similar reductions to programs funded from the fish and wildlife account.

23. The Department recently contracted with the University of Wisconsin Survey Center to conduct a survey of conservation patron license holders in order to determine the extent to which various privileges included in the license are being used. Preliminary results indicate that fewer respondents than previously estimated were using benefits such as state trails, the annual park sticker, passes to Heritage Hill State Park, and certain stamps with dedicated revenue appropriations. While DNR is awaiting a final report and would have to decide how to incorporate the new data with the existing distribution formula, it appears likely that some adjustments would be made to the current formula for the distribution of revenues from the sale of patron licenses between the accounts of the conservation fund in 2005-07. Based on preliminary information, it appears likely that revenues to the general fish and wildlife account may increase somewhat, primarily at the

expense of the parks account. However, the amount of the potential shift in revenues between the fish and wildlife and the parks accounts is uncertain at this time.

24. Several alternatives are provided for the Committee's consideration in addition to the Governor's recommended fee package under AB 100. However, a variety of other possibilities exist. As examples of available options, Alternatives 2, 3, and 4 each include the creation of a new youth deer gun and archery license for residents age 17 and younger priced at \$20. In addition, Alternative 2 attempts to reduce the resident fee increases proposed under AB 100 for the most widely used licenses (other than deer licenses for adults). However, Alternative 2 also includes fee increases in excess of those included under the bill for certain nonresident licenses. Alternative 3 generally modifies the fee increases for certain resident hunting and fishing licenses under the bill (including deer licenses to \$28 for adults), but to a lesser extent than Alternative 2. Alternative 4 minimizes additional increases to nonresident licenses, and provides a more modest reduction to certain resident hunting and fishing licenses under the bill as a result. The listed alternatives suggest three potential options, however, numerous other combinations of fee and expenditure modifications could be considered.

## ALTERNATIVES

1. Approve the Governor's recommendations to increase the fees for certain hunting and fishing licenses, as shown in the attachment. Estimate the increase in revenues at \$4.62 million in 2005-06 and \$11.13 million in 2006-07.

<b>Alternative 1</b>	<b>SEG-REV</b>
<b>2005-07 REVENUE</b> (Change to Bill)	- \$1,998,000

2. Adopt the Governor's recommendation, with the following modifications: (a) decrease the fee for resident annual fishing to \$18; (b) decrease the fee for resident small game hunting to \$18; (c) decrease the fee for resident senior small game hunting to \$9; (d) maintain the youth fishing and small game licenses at one-half the fee for a resident annual approval (\$9); (e) increase the resident elk license to \$49 (consistent with bear harvest); (f) increase four-day nonresident fishing license to \$21; (g) increase the fifteen-day nonresident fishing license to \$26; (h) increase the nonresident annual fishing license to \$45; (i) increase the nonresident annual small game license to \$85; (j) increase nonresident youth sports and patron licenses to \$70 and \$150 respectively (twice the fee charged to resident youth); and (k) create a \$20 youth deer gun and archery license for residents age 17 and younger. Revenues generated under this alternative are estimated to be sufficient to support expenditures levels under the bill from the fish and wildlife account through the 2007-09 biennium.

<b>Alternative 2</b>	<b>SEG-REV</b>
<b>2005-07 REVENUE</b> (Change to Bill)	- \$3,352,800

3. Adopt the Governor's recommendation, with the following modifications: (a) decrease the fee for resident small game hunting to \$18; (b) decrease the fee for resident senior small game hunting and resident senior annual fishing to \$9; (c) decrease the fee for the resident husband and wife fishing license to \$31; (d) increase the resident elk license to \$49 (consistent with bear harvest); (e) increase four-day nonresident fishing license to \$21; (f) increase the fifteen-day nonresident fishing license to \$26; (g) increase the nonresident annual fishing license to \$45; (h) increase the nonresident annual small game license to \$85; (i) increase resident patron licenses to \$165; (j) create a \$20 youth deer gun and archery license for residents age 17 and younger; and (k) decrease the fee for resident gun deer and archery licenses from \$32 to \$28. Revenues generated under this alternative are estimated to be sufficient to support expenditures from the fish and wildlife account through the 2007-09 biennium.

<b>Alternative 3</b>	<b>SEG-REV</b>
<b>2005-07 REVENUE</b> (Change to Bill)	- \$2,934,000

4. Adopt the Governor's recommendation, with the following modifications: (a) decrease the fee for resident senior small game hunting and resident senior annual fishing to \$9; (b) increase the youth annual fishing license to \$9 (to equal the cost of the senior citizen annual fishing license); (c) decrease the fee for the resident husband and wife fishing license to \$31; (d) increase the resident elk license to \$49 (consistent with bear harvest); (e) increase four-day nonresident fishing license to \$21; (f) increase fifteen-day nonresident fishing license to \$26; and (g) create a \$20 youth deer gun and archer license for residents age 17 and younger. Revenues generated under this alternative are estimated to be sufficient to support expenditures from the fish and wildlife account through the 2007-09 biennium.

<b>Alternative 4</b>	<b>SEG-REV</b>
<b>2005-07 REVENUE</b> (Change to Bill)	- \$3,252,600

5. Maintain current law. No fee increase would be included under the bill (fish and wildlife expenditures under the bill would need to be reduced by approximately \$14.2 million).

<b>Alternative 5</b>	<b>SEG-REV</b>
<b>2005-07 REVENUE</b> (Change to Bill)	- \$17,747,200

Prepared by: Rebecca Hotynski  
Attachment

## ATTACHMENT

### AB 100 Hunting and Fishing License Fees

	<u>1997 Fee</u>	<u>Current Fee</u>	<u>AB 100</u>	<u>AB 100 Change to Current Fee</u>
<b>Resident Hunting</b>				
Small Game	\$14.00	\$16.00	\$20.00	\$4.00
Senior Small Game	7.00	8.00	10.00	2.00
Youth Small Game	8.00	9.00	9.00	0.00
Deer	20.00	20.00	32.00	12.00
Bonus Deer	12.00	12.00	12.00	0.00
Elk	N.A.	45.00	45.00	0.00
Class A Bear	41.00	45.00	49.00	4.00
Class B Bear	8.00	14.00	14.00	0.00
Archery	20.00	20.00	32.00	12.00
Wild Turkey	11.00	13.00	15.00	2.00
Trapping	18.00	20.00	20.00	0.00
<b>Nonresident Hunting</b>				
Annual Small Game	75.00	80.00	80.00	0.00
Five-day Small Game	43.00	50.00	50.00	0.00
Deer	135.00	160.00	160.00	0.00
Bonus Deer	20.00	20.00	20.00	0.00
Elk	N.A.	251.00	251.00	0.00
Class A Bear	201.00	251.00	251.00	0.00
Class B Bear	100.00	110.00	110.00	0.00
Archer	135.00	160.00	160.00	0.00
Furbearing Animal	150.00	160.00	160.00	0.00
Wild Turkey	55.00	60.00	60.00	0.00
<b>Hunting Stamps</b>				
Pheasant Stamp	7.25	7.25	10.00	2.75
Waterfowl	7.00	7.00	10.00	3.00
Wild Turkey	5.25	5.25	5.25	0.00
<b>Resident Fishing</b>				
Annual	\$14.00	\$17.00	\$20.00	\$3.00
Senior Annual	7.00	7.00	10.00	3.00
Youth Annual	N.A.	7.00	7.00	0.00
Husband and Wife	24.00	29.00	35.00	6.00
Disabled	7.00	7.00	10.00	3.00
Disabled Veteran	5.00	3.00	3.00	0.00
Sturgeon Spearing	N.A.	20.00	20.00	0.00

	<u>1997 Fee</u>	<u>Current Fee</u>	<u>AB 100</u>	<u>AB 100 Change to Current Fee</u>
<b>Nonresident Fishing</b>				
Individual:				
Annual	34.00	40.00	40.00	0.00
Fifteen-day	20.00	24.00	24.00	0.00
Four-day	15.00	18.00	18.00	0.00
Family:				
Annual	52.00	65.00	65.00	0.00
Fifteen-day	30.00	40.00	40.00	0.00
Sturgeon Spearing	N.A.	50.00	50.00	0.00
<b>Fishing Stamps</b>				
Inland Trout Stamp	7.25	7.25	10.00	2.75
Great Lakes Trout and Salmon	7.25	10.00	10.00	0.00
Two Day Great Lakes Fishing	10.00	14.00	14.00	0.00
<b>Resident Multiple Licenses</b>				
Conservation Patron	\$110.00	\$140.00	\$140.00	\$0.00
Junior Patron	N.A.	75.00	75.00*	0.00
Sports License	43.00	45.00	64.00	19.00
Junior Sports	N.A.	35.00	35.00*	0.00
<b>Nonresident Multiple Licenses</b>				
Conservation Patron	575.00	600.00	600.00	0.00
Junior Patron	N.A.	75.00	75.00*	0.00
Sports License	240.00	275.00	275.00	0.00
Junior Sports	N.A.	35.00	35.00*	0.00
<b>Duplicate Licenses</b>				
Gun Deer Hunting	11.00	13.00	15.00	2.00
Archer - tags	11.00	13.00	15.00	2.00
Archer - no tags	8.00	10.00	12.00	2.00
Patron - tags	11.00	13.00	15.00	2.00
Patron - no tags	8.00	10.00	12.00	2.00
Sports - tags	11.00	13.00	15.00	2.00
Sports - no tags	8.00	10.00	12.00	2.00
Other hunting licenses	7.00	8.00	10.00	2.00
Fishing license	7.00	9.00	10.00**	1.00
<b>Application Fee</b>	3.00	3.00	3.00	0.00

\*Due to an error, the bill would raise the junior patron license to \$77 and the junior sports license to \$36 (this correction is addressed in the wildlife damage program paper).

\*\* \$10 or the cost of the original license, whichever is less.