# **Department of Legislative Services**

Maryland General Assembly 2016 Session

## FISCAL AND POLICY NOTE Third Reader - Revised

(Delegate Carey, et al.)

House Bill 1249 (I Environment and Transportation

Education, Health, and Environmental Affairs

#### Hunting and Fishing - Complimentary Licenses - Purple Heart Recipients

This bill authorizes the Department of Natural Resources (DNR) to issue a complimentary angler's license and trout stamp, Chesapeake Bay and coastal sport fishing license, or hunting license and associated State-issued stamp or permit to a person who is a recipient of the Purple Heart Award.

The bill takes effect July 1, 2016.

### **Fiscal Summary**

**State Effect:** DNR's special fund revenues decrease beginning in FY 2017 from foregone license, stamp, and permit fees. Federal fund revenues decrease beginning in FY 2019 as a result of fewer hunting licenses being sold. Expenditures are not directly affected.

Local Effect: None.

Small Business Effect: Minimal.

#### Analysis

**Current Law:** DNR issues various types of hunting and fishing licenses and associated stamps. These licenses can be purchased online through DNR's COMPASS portal. Although licenses are generally required to hunt or fish in the State, there are certain exceptions. For example, a person serving in the U.S. Armed Forces who has a service-connected disability and possesses a valid military identification while hunting is not required to hold a hunting license, and a Maryland resident who is on leave from active duty with the U.S. Armed Forces is not required to hold a hunting license. In

addition, a retired former member of the U.S. Armed Forces hunting on active farmland is not required to hold a hunting license under specified conditions.

Varying fees apply for DNR hunting and fishing licenses. Lower fees apply to junior and senior hunting and fishing licenses. Fishing license fees range from \$6 for a resident seven-day Chesapeake Bay and coastal sport fishing license to \$30.50 for a nonresident nontidal license. The fee for a trout stamp is \$5. Hunting license fees range from \$5 for a senior resident license to \$130 for an adult nonresident regular hunting license. Hunting stamps and permits range from \$5 to \$25.

**State Revenues:** DNR special fund revenues decrease beginning in fiscal 2017 as a result of Purple Heart Award recipients being issued complimentary fishing and hunting licenses and associated stamps and permits. The extent of any such decrease, however, cannot be reliably estimated at this time. Information is not readily available on the number of Purple Heart Award recipients living in Maryland. In addition, the number of recipients who seek to obtain a complimentary license and associated stamps is unknown. Further, it is unknown whether a Purple Heart Award recipient would otherwise qualify for another existing discount or complimentary license under current law.

However, *for illustrative purposes only*, if 0.2% of those licensed in 2015 receive complimentary hunting and fishing licenses and associated stamps and permits, special fund revenues decrease by approximately \$25,288 annually. The information and assumptions used in calculating this illustrative example are stated below:

- according to the Military Order of the Purple Heart, there are approximately 500,000 Purple Heart Award recipients in the United States;
- if Purple Heart Award recipients are spread evenly across the 50 states, there may be approximately 10,000 award recipients residing in Maryland;
- there are approximately 4.6 million adult residents in Maryland;
- Purple Heart Award recipients may account for approximately 0.2% of Maryland's population;
- the number of anglers and hunters who are Purple Heart Award recipients is similar to the statewide average;
- the number of fishing and hunting licenses, stamps, and permits sold in 2015 remains constant in future years;
- any complimentary licenses, stamps, or permits issued under the bill are issued to a person that would have purchased a corresponding license, stamp, or permit in the absence of the bill;
- a 0.2% reduction in the sale of affected fishing licenses results in a loss of approximately \$11,429 in special fund revenues; and

• a 0.2% reduction in the sale of affected hunting licenses, stamps, and permits results in a loss of approximately \$13,859 in special fund revenues.

As noted above, the actual special fund revenue decrease in any given year depends on the number of Purple Heart Award recipients that redeem complimentary licenses, stamps, or permits each year, which is unknown.

Because the bill decreases the number of hunting licenses that would have otherwise been sold, DNR loses federal Wildlife Restoration and Basic Hunter Education program funding. DNR receives \$13 in federal funds for every hunting license purchased in the State. The number of hunting licenses sold affects federal funding two fiscal years later. Based on the assumptions and information used above, *for illustrative purposes only*, federal fund revenues could decrease by approximately \$9,410 annually beginning in fiscal 2019 based on the sale of 724 fewer hunting licenses.

# **Additional Information**

Prior Introductions: None.

Cross File: None.

**Information Source(s):** Department of Natural Resources, Department of Veterans Affairs, the Military Order of the Purple Heart, Department of Legislative Services

Fiscal Note History:First Reader - March 8, 2016kb/lgcRevised - House Third Reader - April 1, 2016

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