

Department of Legislative Services
 Maryland General Assembly
 2017 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 368 (Delegate Metzgar, *et al.*)
 Environment and Transportation

Hunting and Fishing Licenses and Stamps - Seniors, Veterans, and Military Personnel (Howard's Law)

This bill (1) repeals the annual license fees for a resident consolidated senior sport fishing license and a resident senior hunting license, making them free; (2) authorizes nonresidents serving in the U.S. Armed Forces who are on leave to fish in Maryland without obtaining an angler’s license, trout stamp, or Chesapeake Bay and coastal sport fishing license; (3) authorizes nonresidents serving in the U.S. Armed Forces who are on leave to hunt in Maryland without obtaining a hunting license, bow and arrow stamp, black powder stamp, or bonus antlered deer stamp; (4) expands existing authorizations for lifetime complimentary angler’s, Chesapeake Bay and coastal sport fishing, and hunter’s licenses to apply to all veterans, as specified; and (5) repeals the cap on the total number of complimentary angler’s licenses and Chesapeake Bay and coastal sport fishing licenses for each state other than Maryland that may be outstanding at any time.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: Special fund revenues for the Department of Natural Resources (DNR) decrease by approximately \$1.1 million annually beginning in FY 2018 due to foregone license fees. Federal fund revenues decrease by approximately \$300,000 annually beginning in FY 2020, as a result of fewer hunting licenses being sold. Expenditures are not directly affected.

(\$ in millions)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
SF Revenue	(\$1.1)	(\$1.1)	(\$1.1)	(\$1.1)	(\$1.1)
FF Revenue	\$0	\$0	(\$0.3)	(\$0.3)	(\$0.3)
Expenditure	0	0	0	0	0
Net Effect	(\$1.1)	(\$1.1)	(\$1.3)	(\$1.3)	(\$1.3)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary: “Veteran” means a resident or nonresident who served on active duty in the U.S. Armed Forces and was discharged or released under conditions other than dishonorable.

Current Law:

Hunting and Fishing Licenses and Exemptions, Generally

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 or a fishing 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.

Chapter 424 of 2016 established the Recreational License Donation Program to allow a person to purchase and donate a hunting license, among other licenses and any corresponding stamps. DNR may then issue the donated license or stamp, at no cost, to a Gold Star recipient, a disabled veteran, a disabled member of the U.S. Armed Forces, or a permanently disabled person who requires the use of a wheelchair.

Complimentary Hunting and Fishing Licenses

DNR is authorized to issue a complimentary *lifetime* hunting, angler’s, and Chesapeake Bay Coastal sport fishing license, at no charge, to *Maryland residents* who are former prisoners of war or 100% service-connected disabled American veterans. A holder of a lifetime complimentary angler’s license is exempt from the requirement to obtain a trout stamp.

DNR is authorized to issue a complimentary *lifetime* hunting license to an *out-of-state person* who is a former prisoner of war or a 100% service-connected disabled American

veteran if the person's state extends similar privileges to former prisoners of war or disabled veterans of Maryland.

DNR is authorized to issue an *annual* complimentary hunting, angler's, or Chesapeake Bay Coastal sport fishing license to (1) the President of the United States; (2) the governor of any state; and (3) any out-of-state fish and game official that reciprocally offers similar complimentary licenses. Neither complimentary lifetime hunting licenses nor complimentary annual hunting licenses exempt the holder from the requirement to obtain various hunting stamps and permits.

No more than 20 complimentary angler's and Chesapeake Bay and coastal sport fishing licenses for each state other than Maryland may be outstanding at any time.

Hunting and Fishing Licensing Fees

Varying fees apply for DNR hunting and fishing licenses. The annual fees for resident hunting, angler's, and Chesapeake Bay and coastal sport fishing licenses are \$24.50, \$20.50, and \$15.00, respectively. Lower fees apply to certain junior, senior, and short-term licenses. The fee for a trout stamp is \$5 for residents and \$10 for nonresidents. The fees for residents for the most widely purchased hunting stamps are generally between \$6 and \$10; nonresident hunting stamps are \$25.

The annual license fee for a consolidated senior sport fishing license, available to a resident beginning in the calendar year in which he or she turns 65, is \$5. Similarly, the fee for a senior hunting license, available to a person at least age 65, is \$5.

State Revenues: DNR special fund revenues decrease by an estimated \$1,058,633 annually beginning in fiscal 2018, assuming that DNR issues complimentary fishing and hunting licenses to eligible persons. The estimate is based on the most recent license and stamp sales available from the 2015 and 2016 fishing and hunting seasons. The information and assumptions used in calculating the estimate are stated below:

- there were 403,900 veterans living in Maryland in 2016, and there are approximately 4.6 million adult residents in Maryland;
- veterans account for approximately 8.76% of Maryland's population;
- there were 27,942 active-duty military members residing in Maryland in 2014;
- active-duty military members account for approximately 0.61% of Maryland's population;
- there were 21,884,833 veterans living in the United States in 2015, and there were approximately 249.1 million adults living in the United States in 2015;
- veterans account for approximately 8.78% of the nation's adult population;

- there were approximately 1.3 million active-duty military members in the United States in 2015;
- active-duty military account for approximately 0.52% of the nation's adult population;
- the number of hunters and anglers that are serving in the U.S. Armed Forces or are veterans is similar to the statewide averages;
- the number of fishing and hunting licenses sold remains constant over time;
- any complimentary licenses issued under the bill are issued to persons that otherwise would have purchased regular licenses;
- any person that hunts or fishes under the exemption from the requirement to purchase a license would have purchased a regular license in the absence of the bill;
- an 8.76% reduction in sales of resident hunting and fishing licenses and trout stamps and an 8.78% reduction in sales of nonresident hunting and fishing licenses and trout stamps result in a loss of approximately \$845,779 in special fund revenues;
- a 0.52% reduction in sales of nonresident hunting and fishing licenses and associated stamps results in a loss of approximately \$18,873 in special fund revenues; and
- repealing the fees associated with resident consolidated senior fishing licenses and resident senior hunting licenses results in a loss of approximately \$193,980 in special fund revenues.

This analysis does not reflect any loss in revenues associated with the repeal of the cap on the number of complimentary fishing licenses that may be outstanding at any time; there is no reliable way to estimate that loss. The analysis also does not reflect any agent fees; under current law, if agents sell specified licenses and stamps, they retain a specified portion of the fees. Thus, the actual decrease in revenue resulting from the bill may vary.

The hunting, angler's, and Chesapeake Bay and coastal sport fishing license fees are deposited in the Wildlife Management and Protection Fund, Fisheries Management and Protection Fund, and Fisheries Research and Development Fund, respectively.

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 approximately \$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, federal fund revenues decrease by approximately \$257,985 annually beginning in fiscal 2020 based on the sale of 19,845 fewer hunting licenses.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Natural Resources; Department of Veterans Affairs; Office of the Secretary of Defense; Defense Manpower Data Center; U.S. Census Bureau; Department of Legislative Services

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