

Department of Legislative Services
 Maryland General Assembly
 1999 Session

FISCAL NOTE
Revised

Senate Bill 427 (Senator Collins. *et al.*)

Economic and Environmental Affairs

Natural Resources - Fish - Permits and Fees

This bill alters the fees charged by the Department of Natural Resources (DNR) for various fishing licenses. Specifically, the bill (1) increases the cost of Chesapeake Bay sport fishing licenses by \$2; (2) increases the cost of a Chesapeake Bay sport fishing license (pleasure boat decal) for a boat registered in any state from \$30 to \$40; (3) repeals the striped bass stamp and tag requirements; and (4) increases the commission of a Chesapeake Bay sport fishing license agent from \$0.50 to \$1.00.

The bill also requires that beginning in fiscal 1999 and each subsequent fiscal year, DNR must use \$2 from the sale of each resident bay sport, nonresident bay sport, and 5-day sport license, \$20 from the sale of each pleasure boat decal, and \$225 of the special charter boat license for (1) achieving the maximum federal fund apportionments; (2) management assessment sportfishing surveys; and (3) angler outreach and public fishing information.

This bill takes effect June 1, 1999.

Fiscal Summary

State Effect: Special fund revenue increase of \$460,300 in FY 2000. Future year estimates reflect a constant number of licences sold. Potential federal fund revenue increase beginning in FY 2000. No material effect on expenditures as a result of eliminating the striped bass stamp.

(in dollars)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
SF Revenues	\$460,300	\$460,300	\$460,300	\$460,300	\$460,300
SF Expenditures	0	0	0	0	0
Net Effect	\$460,300	\$460,300	\$460,300	\$460,300	\$460,300

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

Local Effect: None.

Small Business Effect: Minimal.

Fiscal Analysis

State Effect: The bill alters the fees charged for various fishing licenses. In addition, the bill increases the commission of a Chesapeake Bay sport fishing license agent from \$0.50 to \$1.00.

The following chart summarizes the fee changes and resulting revenue.

Licence Type	Current Fee	Proposed Fee	Average Number Sold ¹	DNR Increase	Vendors Increase
Resident Bay Sport	\$7	\$9	149,729	\$224,594	\$74,864
Short-term 5-day Sport	\$4	\$6	20,154	\$30,231	\$10,077
Nonresident Bay Sport	\$12	\$14	26,493	\$39,740	\$13,246
Pleasure Boat Decal (In-State)	\$30	\$40	32,746	\$311,087	\$16,373
Pleasure Boat Decal (Out-of-State)	--	\$40	6,486 ²	\$252,954	\$6,486
Striped Bass Stamp	\$2	--	227,585	(\$398,273)	(\$56,896)
Total Revenue				\$460,333	\$64,150

¹Represents the average of licenses issued in 1996, 1997, and 1998.

²Represents the average of decals sold to out of state boats between 1988 and 1992.

Vendors currently keep \$0.50 per license sold and \$0.25 per striped bass stamp sold. The bill increases the license amount to \$1.00 and eliminates the striped bass stamp altogether. As a result, the \$2.00 per license increase allows DNR to realize an additional \$1.50 in revenue per license sold and vendors to realize an additional \$0.50 per license sold. As a result of allowing out-of-state boats to purchase the pleasure boat decal, special fund revenue would increase by \$39 for each decal sold. Vendors would keep the additional \$1. (Out-of-state

residents were able to purchase this decal through 1992.) This estimate is based on prior and current licensing data and assumes that a relatively constant number of licenses will be sold in future years.

Federal funds are provided to the State based on the number of licensed anglers in the State. As a result of the increased pleasure boat decal fee, the department will require the owners of these boats as well as charter boats to submit a log with the names and addresses of passengers to the department for certification as licensed anglers, thereby increasing the number of reported licensed anglers in the State. As a result, federal sport fish restoration funds could potentially increase beginning in fiscal 2000. DNR advises that the increase could be as much as \$200,000 annually.

All fees are paid into the Fisheries Research and Development Fund.

Information Source(s): Department of Natural Resources, Department of Legislative Services

Fiscal Note History: First Reader - March 1, 1999
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