

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE
Revised

House Bill 1044 (Delegate Stocksdale)

Environmental Matters

Economic and Environmental Affairs

Resident Consolidated Senior Lifetime Sport Fishing License

This bill requires the Department of Natural Resources (DNR) to establish a resident consolidated senior lifetime sport fishing license to be issued to Maryland residents beginning in the calendar year in which they become 65 years of age. The bill specifies a one-time license fee of \$25. The license may be obtained from DNR or from any authorized agent of DNR. As compensation, an agent will retain \$1.50 for each license issued. The license is valid for the duration of the lifetime of the holder. A license holder may: (1) engage in angling on the nontidal waters of the State without holding an angler's license; (2) engage in angling for trout on the nontidal waters of the State without holding a trout stamp; and (3) fish for finfish in the Chesapeake Bay and its tributaries without holding a Chesapeake Bay sport fishing license.

Fiscal Summary

State Effect: Special fund revenue increase of \$342,400 in FY 2002 from the sale of lifetime licenses instead of the sale of annual licenses. Future year revenue reductions reflect fee revenue from additional lifetime licenses sold less the loss in fee revenue associated with the current annual license. DNR could handle the bill's requirements with existing budgeted resources.

| (in dollars) | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 |
|--------------|-----------|------------|------------|------------|------------|
| SF Revenue | \$342,400 | (\$34,100) | (\$34,100) | (\$34,100) | (\$34,100) |
| Expenditure | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Effect | \$342,400 | (\$34,100) | (\$34,100) | (\$34,100) | (\$34,100) |

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

Local Effect: None.

Small Business Effect: Minimal. The number of small businesses that sell DNR licenses (as agents) is unknown. Agents would retain \$1.50 for each lifetime license sold, instead of 50 cents for each annual license sold pursuant to current law. In total, DNR agents would realize an increase in revenues of an estimated \$17,600 in FY 2002 and a decrease in revenues of an estimated \$5,800 annually thereafter from the sale of lifetime licenses instead of the sale of annual licenses.

Analysis

Current Law: There is a resident consolidated senior sport fishing license issued to residents beginning in the calendar year in which they attain the age of 65. A resident consolidated senior sport-fishing license is valid for not more than one year and expires on December 31. A holder of a resident consolidated senior sport fishing license may engage in angling on the nontidal waters of the State without holding an angler's license, engage in angling for trout on the nontidal waters of the State without holding a trout stamp, and fish for finfish in the Chesapeake Bay and its tributaries without holding a Chesapeake Bay sport fishing license. The annual fee for the license is \$5. The license may be obtained from DNR or from any authorized agent of DNR. As compensation, an agent retains 50 cents for each license issued. Fees obtained from the license are paid into the Fisheries Management and Protection Fund.

State Fiscal Effect: DNR reports that approximately 17,997 resident consolidated senior sport fishing licenses are issued annually. The annual license fee for that license is \$5 (agents sell 97.5% of these and retain 50 cents for each license they sell). Accordingly, current fee revenues total approximately \$81,200. Under this bill, eligible individuals could instead purchase a lifetime license for a one-time fee of \$25 (agents would retain \$1.50 for each license sold). Assuming that all individuals opt to purchase a lifetime license instead of renewing or purchasing the annual license, special fund revenues would increase by an estimated \$342,400 in fiscal 2002 (\$423,600 from the sale of lifetime licenses, less \$81,200 from the sale of annual licenses that would no longer be sold). Beginning in fiscal 2003, special fund revenues would decrease by an estimated \$34,100 annually. This estimate reflects the sale of an additional 2,000 lifetime licenses (\$47,100) less the loss in revenue associated with the sale of annual licenses (\$81,200). The estimates assume that agents will continue to sell approximately 97.5% of the licenses.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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