

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE

House Bill 717 (Delegate Weir)
 Environmental Matters

Natural Resources - Hunting Licenses - Resident and Nonresident

This bill modifies the hunting license and stamp structure within the Department of Natural Resources (DNR). The bill also increases associated fees.

Fiscal Summary

State Effect: Special fund revenue increase of \$717,200 annually beginning in FY 2004 from the new structure, which reflects implementation for the 2003-2004 license season. Special fund expenditure increase of \$20,000 in FY 2003 only to upgrade DNR's computer licensing system.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
SF Revenue	\$0	\$717,200	\$717,200	\$717,200	\$717,200
SF Expenditure	20,000	0	0	0	0
Net Effect	(\$20,000)	\$717,200	\$717,200	\$717,200	\$717,200

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

Local Effect: The bill would not directly affect local operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: This bill repeals the existing resident consolidated hunting license and modifies the existing resident basic hunting license by providing that it includes the firearms deer season. The bill increases the fee for that license from \$15.50 to \$24.50. Residents who purchase that license and wish to hunt during the bow and arrow or

muzzleloader seasons would have to buy a bow and arrow or muzzleloader stamp. The bill also increases the fee for the senior consolidated annual license from \$1.25 to \$2.25.

The bill increases the fee for a nonresident basic license (except for residents of adjacent states) from \$120.50 to \$130.50. The bill repeals the existing fee structure for a nonresident basic hunting license for residents of Delaware, Pennsylvania, Virginia, and West Virginia and provides that the fee would be the greater of the fee charged by the nonresident's home state for a similar license or \$86, \$101, \$120, and \$100, respectively (which simply codifies the current reciprocal fees for those states).

The bill also modifies provisions relating to individual hunting stamps by:

- repealing the existing deer stamp;
- repealing the existing black powder (muzzleloader) stamp and establishing a resident black powder (muzzleloader) stamp for a fee of \$7 and a nonresident black powder (muzzleloader) stamp for a fee of \$25; and
- repealing the existing bow and arrow stamp and establishing a resident bow and arrow stamp for a fee of \$7 and a nonresident bow and arrow stamp for a fee of \$25.

The bill also increases the fee an agent keeps for issuing various licenses and repeals the current fee that an agent keeps for issuing each senior consolidated annual license.

The bill modifies the provision that requires DNR to use \$1 from the sale of each consolidated hunting license and all of the money derived from the sale of bow and arrow and black powder stamps for specified purposes to require DNR to use \$1 from the sale of each basic hunting license and 50% of the money derived from the sale of bow and arrow and black powder stamps for those purposes. The bill also makes several conforming changes to reflect the repeal of the consolidated hunting license.

Current Law: Except under specified conditions, a person may not hunt or attempt to hunt game birds and mammals in the State without a license. There are several different types of hunting licenses in Maryland. Hunting licenses are valid from August 1 through July 31 of each year. License fees are generally paid into the State Wildlife Management and Protection Fund and must be used only for the scientific investigation, protection, propagation, and management of wildlife.

Residents

For residents under the age of 16 years and residents aged 16 to 64 (resident "juniors" and "regulars," respectively), Maryland has two license types, the "basic" and the "consolidated." The basic license allows one to hunt all legal game, except deer, while

the consolidated license adds the ability to hunt deer. A person who purchases a basic license may upgrade to hunt deer by purchasing a deer stamp and a bow or muzzleloader stamp, if applicable. License fees are as follows: (1) for a resident under the age of 16 years: a basic hunting license, \$6.50/consolidated hunting license, \$15.50; and (2) for a resident aged 16 to 64; basic hunting license, \$15.50/consolidated hunting license, \$24.50. Seniors (persons over the age of 64) may purchase either an annual license for \$1.25 or a lifetime license for \$12.50.

Nonresidents

Maryland currently has two nonresident licenses: (1) a full season license, which allows a nonresident to hunt everything except deer during the bow and muzzleloader seasons; and (2) a nonresident three-day license that may be used to hunt waterfowl and small game only. Holders of the full-season nonresident license must purchase a bow or muzzleloader stamp to hunt in those seasons. The fee for the nonresident full season license is \$120.50; the fee for residents of Delaware, Pennsylvania, Virginia, and West Virginia is \$83 or the fee charged by the nonresident's home state for a similar license, whichever is greater. The fee for the nonresident three-day license is \$35.

Individual Hunting Stamps

The fees for individual hunting stamps are as follows: (1) deer stamp, \$9.50; (2) bow and arrow stamp, \$3.50; (3) black powder (muzzleloader) stamp, \$3.50; (4) migratory wild waterfowl stamp, \$6; (5) resident bonus deer stamp, \$5; and (6) nonresident bonus deer stamp, \$25.

Background: DNR issues approximately 130,000 hunting licenses and 140,000 hunting-related stamps or permits annually. Collectively, these licenses, permits, and stamps generate approximately \$4.4 million annually in special fund revenues, providing for 45% of the budget for DNR's Wildlife and Heritage Service, with some of these funds also supporting Licensing and Registration Services, the Natural Resources Police, and the Office of the Secretary.

Maryland's license fees for hunting were last increased in 1989. According to DNR, since 1989 the cost of doing business has increased by 43.7%. Simultaneously, license sales have trended slowly downward (from approximately 164,000 in 1989 to approximately 130,000 today). DNR advises that increased costs and declining special fund revenues have severely strained DNR's ability to provide expected levels of service to Maryland citizens and to conduct wildlife management and conservation activities.

DNR reports that some license fees in other states are higher than license fees in Maryland. For example, for a license that maximizes allowable hunting, the current fee in Maryland is \$24.50. In New Jersey, the corresponding fee is \$208; in Delaware, \$146; in Virginia, \$131; in Pennsylvania, \$73; and in West Virginia, \$54.

DNR advises that the existing license structure is complex. At present, a hunter in Maryland must select from 16 different licenses, stamps, and permits. DNR reports that not only does the existing structure frustrate hunters, but it also makes it difficult for agents. According to DNR, the vast majority of licenses are sold through DNR's 300 licensing agents. Agents currently receive \$1 compensation for most licenses sold. DNR advises that this service fee has not increased since 1989.

State Revenues: Special fund revenues would increase by an estimated \$717,245 annually beginning in fiscal 2004 as a result of the bill. (Although the bill takes effect October 1, 2002, DNR advises that it would be virtually impossible to modify its computer licensing system to implement the bill's changes during the middle of a license year. Accordingly, it is assumed that the bill's changes would not be implemented until the 2003-2004 license season, which begins August 1, 2003.)

This estimate assumes that an estimated 208,719 licenses and stamps would be sold under the new structure, which is based on the following information and assumptions:

- the number of basic hunting licenses sold to residents aged 16 to 64 will total 95,926, which reflects 99% of the number of resident consolidated licenses sold under current law and 94% of the number of resident basic licenses sold under current law due to the increase in license and stamp fees;
- the number of resident senior consolidated annual licenses sold will decrease by an estimated 6% due to the increase in fees;
- the number of nonresident basic licenses sold (not including those sold to residents of adjacent states) will decrease by an estimated 4% due to the increase in license and stamp fees;
- the number of nonresident basic licenses sold to residents of adjacent states will decrease by 3% due to the increase in stamp fees;
- the number of resident junior basic, resident junior consolidated, resident senior consolidated lifetime, and nonresident three-day licenses sold will not change;
- the estimated number of muzzleloader and bow and arrow stamps that will be sold under the bill are based on the total number of muzzleloader and bow and arrow hunters and are adjusted downward by 6% as a result of the fee increases; and
- agents issue approximately 97.5% of all licenses and stamps sold.

Federal fund revenues will not be materially affected; based on the assumptions above, the bill will not materially affect the total number of licenses sold to hunters for federal certification.

The bill's changes to the number of licenses and stamps sold and associated fee revenue is shown in **Appendix 1**.

State Expenditures: Special fund expenditures would increase by \$20,000 in fiscal 2003 only for DNR to make changes to its computer licensing system to reflect the new license and fee structure.

Legislative Services notes that under the current structure, about \$150,000 from the sale of consolidated hunting licenses, bow and arrow stamps, and black powder stamps is directed to specified purposes such as hunter education, studies related to bow and muzzle loader hunting, the acquisition of lands for bow and muzzleloader hunting, and other purposes. Under this bill, an additional \$350,600 would be directed to those purposes (which is largely due to the significant increase in the number of bow and arrow and muzzleloader stamps sold under the bill's proposed licensing structure).

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 5, 2002
ncs/cer

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APPENDIX 1. EXISTING LICENSE STRUCTURE COMPARED TO LICENSE STRUCTURE UNDER HB 717

EXISTING STRUCTURE						PROPOSED STRUCTURE UNDER HB 717					
LICENSE/STAMP/PERMIT TYPE	#	SOLD	AGENT COST	DNR FEE	AGENT REVENUE	LICENSE/STAMP/PERMIT TYPE	ESTIMATED SALES*	COST	AGENT FEE	DNR REVENUE	AGENT REVENUE
RESIDENT JR. BASIC	460	6.50	0.50	\$2,766	\$224	RESIDENT JR. BASIC	460	6.50	1.00	\$2,542	\$449
RESIDENT JR. CONSOLIDATED	8,690	15.50	1.00	\$126,222	\$8,473	RESIDENT JR. CONSOLIDATED	8,690	15.50	1.00	\$126,222	\$8,473
RESIDENT BASIC	6,440	15.50	0.50	\$96,681	\$3,140	RESIDENT BASIC (REGULAR)	95,926	24.50	1.00	\$2,256,654	\$93,528
RESIDENT CONSOLIDATED	90,780	24.50	1.00	\$2,135,600	\$88,511						
RESIDENT SR. CONS. ANNUAL	1,820	1.25	0.50	\$1,388	\$887	RESIDENT SR. CONS. ANNUAL	1,711	2.25	0.00	\$3,849	\$0
RESIDENT SR. CONS. LIFETIME	1,320	12.50	0.50	\$15,857	\$644	RESIDENT SR. CONS. LIFETIME	1,320	12.50	1.00	\$15,213	\$1,287
NONRESIDENT BASIC						NONRESIDENT BASIC					
DELAWARE	2,331	86.00	0.50	\$199,330	\$1,136	DELAWARE	2,261	86.00	1.00	\$192,247	\$2,205
PENNSYLVANIA	7,727	101.00	0.50	\$776,660	\$3,767	PENNSYLVANIA	7,495	101.00	1.00	\$749,706	\$7,308
VIRGINIA	1,429	120.00	0.50	\$170,783	\$697	VIRGINIA	1,386	120.00	1.00	\$164,984	\$1,351
WEST VIRGINIA	720	100.00	0.50	\$71,649	\$351	WEST VIRGINIA	698	100.00	1.00	\$69,159	\$681
OTHER	1,200	120.50	0.50	\$144,015	\$585	OTHER	1,152	130.50	1.00	\$149,213	\$1,123
NONRESIDENT 3-DAY	3,960	35.00	0.50	\$136,670	\$1,931	NONRESIDENT 3-DAY	3,960	35.00	1.00	\$134,739	\$3,861
DEER STAMP	480	9.50	0.50	\$4,326	\$234	Repealed under HB 717					
MUZZLELOADER STAMP	7,760	3.50	0.50	\$23,377	\$3,783	MUZZLELOADER STAMP - RESIDENT	35,720	7.00	0.50	\$232,627	\$17,414
						MUZZLELOADER STAMP - NONRESIDENT	6,580	25.00	0.50	\$161,292	\$3,208
BOW STAMP	7,860	3.50	0.50	\$23,678	\$3,832	BOW STAMP - RESIDENT	34,780	7.00	0.50	\$226,505	\$16,955
						BOW STAMP - NONRESIDENT	6,580	25.00	0.50	\$161,292	\$3,208
TOTAL	142,977			\$3,929,000	\$118,193	TOTAL	208,719			\$4,646,245	\$161,049
						TOTAL INCREASE UNDER HB 717				\$717,245	\$42,856
LICENSES FOR FEDERAL CERT.	124,740					LICENSES FOR FEDERAL CERT.	124,743				