

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE
Revised

Senate Bill 599

(Senator Astle)

Education, Health, and Environmental Affairs

Environmental Matters

Natural Resources - Hunting Licenses and Stamps

This bill simplifies the hunting license and stamp structure within the Department of Natural Resources (DNR) by reducing the number of licenses and stamps available. The bill also increases associated fees and directs DNR to open specified lands to public hunting.

The bill takes effect August 1, 2002.

Fiscal Summary

State Effect: Net special fund revenue increase of \$672,600 in FY 2003, which reflects an increase in fee revenues from the new structure, and a decrease in lease revenues related to opening Chesapeake Forest to public hunting. Out-year estimates reflect an increase in the number of acres opened to public hunting. Special fund expenditure increase of \$128,900 in FY 2003 for the venison donation program and upgrading DNR's licensing system. Out-year expenditures reflect ongoing costs for the venison donation program. These estimates do not include costs related to opening Chesapeake Forest to public hunting; any such costs cannot be reliably estimated at this time.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
SF Revenue	\$672,600	\$635,100	\$597,600	\$560,100	\$560,100
SF Expenditure	128,900	108,900	108,900	108,900	108,900
Net Effect	\$543,700	\$526,200	\$488,700	\$451,200	\$451,200

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: Potential meaningful. Although agents will receive a minimal increase in revenues as a result of an increase in fees for issuing licenses and stamps, the

impact to hunting-related businesses (such as sporting goods stores) cannot be reliably estimated at this time.

Analysis

Bill Summary: The bill makes several changes to the existing structure related to hunting licenses and stamps. First, the bill eliminates the distinction between a consolidated and basic hunting license, allowing resident license purchasers to hunt all legal game without the need for additional stamps, except: (1) deer during bow season; (2) deer during muzzleloader season; and (3) migratory game birds. The fee for the resident junior license would be \$10.50; the fee for the resident license would be \$24.50.

Second, the bill repeals the existing senior lifetime license and increases the fee for the senior annual license from \$1.25 to \$5.

Third, the bill increases the fee for a nonresident full-season license (except for residents of adjacent states) from \$120.50 to \$130, codifies current reciprocal license fees for residents of Delaware, Pennsylvania, Virginia, and West Virginia, and increases the fee for the existing nonresident three-day license from \$35 to \$45. Holders of the nonresident full-season license will be able to hunt all legal game without the need for additional stamps, except: (1) deer during bow season; (2) deer during muzzleloader season; and (3) migratory game birds. Holders of the three-day license may hunt all legal game except deer and turkey.

Fourth, the bill expands the existing Maryland migratory wild waterfowl stamp to all “migratory game birds,” requiring all migratory game bird hunters, including landowners, to obtain both the Maryland migratory game bird stamp and the Harvest Information Program (HIP) Permit. The fee for the Maryland migratory game bird stamp is \$9.

Fifth, the bill modifies the allowable uses of the Wildlife Management and Protection Fund to provide that revenues accruing to the fund from sales of migratory game bird stamps may be used for migratory game bird research, management, and surveys. Migratory game bird means any wetland game bird, dove, or woodcock or any part, egg, offspring, or dead body of any of them.

Sixth, the bill increases the fee for a resident bow and arrow stamp and a resident muzzleloader (black powder) stamp from \$3.50 to \$6, and establishes a nonresident bow and arrow stamp and a nonresident muzzleloader stamp at a fee of \$25. The bill also repeals the existing bonus deer stamps and specifies a fee of \$10 for a resident bonus antlered deer stamp and a fee of \$25 for a nonresident bonus antlered deer stamp. An individual who purchases a bonus antlered deer stamp but does not use it during a

particular season may use that stamp during any subsequent season in that hunting license year. The bill also repeals the existing deer stamp.

Seventh, the bill increases the fee for a duplicate hunting license from \$1 to \$5.

Eighth, the bill requires DNR to use \$1 from the sale of each resident regular and full season nonresident hunting license to provide funding for the processing of deer for donation to the needy.

Ninth, the bill modifies the fees an agent keeps for issuing the various hunting licenses and stamps to provide that: (1) for each resident senior hunting license, each individual hunting stamp, and each Maryland migratory game bird stamp, the agent shall keep \$0.75; and (2) for each resident junior, resident regular, nonresident hunting license, and nonresident three-day license, the agent shall keep \$1.50.

Finally, the bill states that it is the intent of the General Assembly that DNR use special fund revenue generated as a result of the licensing fee increases under the bill, as appropriate, to open to public hunting at least half the total acreage that is leased for hunting to private individuals on the Chesapeake Forest Lands properties by the 2005 - 2006 hunting season. DNR must include in its annual report the progress made in public hunting opportunities.

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. If any person loses the person's hunting license, the person may make affidavit stating the date the license was issued, its number, description, and the name of the designated person who issued the license. Upon receipt of that information, DNR may issue a duplicate hunting license for a \$1 fee. License fees are 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 between the ages of 16 and 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, between 16 years and 65 years: 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 a fee equal to 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.

Migratory Bird Stamp

Waterfowl hunters must currently purchase a Maryland migratory waterfowl stamp. The fee for that stamp is \$6. In addition, any hunter of migratory birds, including landowners who hunt solely on their own property (and are generally exempt from all license requirements), must obtain a HIP Permit to hunt migratory birds. The HIP permit is issued free of charge, but DNR pays each license vendor \$0.35 for each permit issued.

Bonus Deer Stamp

There are currently three different bonus deer stamps available: one for residents (\$5), one for nonresidents hunting on federal property in Maryland (\$5), and one for nonresidents hunting on any other lands (\$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 revenue, 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 revenue 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 licenses 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 also advises that the existing license structure is complex. At present, a hunter in Maryland must select from 16 different licenses, stamps, and permits. Under this bill, the number of items available would total 12. 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: The net increase in special fund revenues will total an estimated \$672,624 in fiscal 2003, which reflects an increase in revenues of an estimated \$710,124 as a result of the new fee structure and a decrease in revenues of an estimated \$37,500 in lease income as a result of initiating the process to open Chesapeake Forest Lands to public hunting.

Special fund revenues would increase by an estimated \$710,124 annually beginning in fiscal 2003 as a result of the new fee structure. The bill's changes to the number of licenses and stamps sold and associated fee revenue are shown in **Appendix 1**. This estimate assumes that agents issue approximately 97.5% of all licenses and stamps sold. The estimate does not include any increase in revenue that would occur from the increase in the fee for a duplicate license. DNR advises that the number of duplicate licenses issued each year is minimal.

Special fund revenues will decrease by an estimated \$37,500 in fiscal 2003 due to a decrease in the number of acres of Chesapeake Forest Lands leased to private individuals. Currently, DNR receives about \$300,000 in lease income annually from Chesapeake Forest. In order to open at least half of all leased acres (or about 28,000 acres) to public hunting by the 2005 - 2006 hunting season, DNR anticipates opening about 7,000 acres annually from fiscal 2003 through fiscal 2006.

Future year estimates reflect an increase in the number of acres of Chesapeake Forest Lands properties opened to public hunting.

The bill is not anticipated to have a significant impact on federal fund revenues.

State Expenditures: Special fund expenditures would increase by at least \$128,918 in fiscal 2003 and at least \$108,918 annually thereafter. These estimates include \$108,918 annually for the venison donation program (the bill requires that DNR use \$1 from the

sale of each resident regular and full season nonresident hunting license sold to provide funding for the processing of deer for donation to the needy). In fiscal 2003 only, the estimate also includes \$20,000 for DNR to make significant changes to its computer licensing system to reflect the new license and fee structure. The estimates do not include any additional expenses that could be incurred to open the Chesapeake Forest Lands properties to public hunting. Although there would likely be an increase in expenditures associated with this, any such increase cannot be reliably estimated at this time.

Legislative Services advises that fees paid into the Wildlife Management and Protection Fund must be used only for the scientific investigation, protection, propagation, and management of wildlife. DNR advises that beyond the direct expenditures required by the bill, any increase in revenue generated as a result of this bill would be used for wildlife programs such as: (1) improving habitat management of existing Wildlife Management Areas (WMAs); (2) increasing DNR's ability to designate new WMAs; (3) increasing technical assistance to private landowners and organizations; and (4) improving surveys and monitoring of key game species such as white-tailed deer and Canada geese.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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APPENDIX 1. EXISTING LICENSE STRUCTURE COMPARED TO LICENSE STRUCTURE PROPOSED UNDER SB 599

EXISTING STRUCTURE						PROPOSED STRUCTURE UNDER SB 599					
LICENSE/STAMP/PERMIT TYPE	# SOLD	COST	AGENT FEE	DNR NET REVENUE	AGENT REVENUE	LICENSE/STAMP/PERMIT TYPE	ESTIMATED SALES	COST	AGENT FEE	DNR NET REVENUE	AGENT REVENUE
RESIDENT JUNIOR BASIC	460	6.50	0.50	\$2,766	\$224	RESIDENT JUNIOR	9,150	10.50	1.50	\$82,693	\$13,382
RESIDENT JUNIOR CONS.	8,690	15.50	1.00	\$126,222	\$8,473						
RESIDENT BASIC	6,440	15.50	0.50	\$96,681	\$3,140	RESIDENT	95,926	24.50	1.50	\$2,209,895	\$140,292
RESIDENT CONS.	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 SENIOR	2,889	5.00	0.75	\$12,332	\$2,113
RESIDENT SR. CONS. LIFETIME	1,320	12.50	0.50	\$15,857	\$644						
NON RESIDENT BASIC						NONRESIDENT					
DELAWARE	2,331	86.00	0.50	\$199,330	\$1,136	DELAWARE	2,261	86.00	1.50	\$191,145	\$3,307
PENNSYLVANIA	7,727	101.00	0.50	\$776,660	\$3,767	PENNSYLVANIA	7,495	101.00	1.50	\$746,052	\$10,962
VIRGINIA	1,429	120.00	0.50	\$170,783	\$697	VIRGINIA	1,386	120.00	1.50	\$164,308	\$2,027
WEST VIRGINIA	720	135.00	0.50	\$96,849	\$351	WEST VIRGINIA	698	135.00	1.50	\$93,263	\$1,021
OTHER	1,200	120.50	0.50	\$144,015	\$585	OTHER	1,152	130.00	1.50	\$148,075	\$1,685
NON RESIDENT 3-DAY WATERFOWL	3,960	35.00	0.50	\$136,670	\$1,931	NON RESIDENT 3-DAY	3,960	45.00	1.50	\$172,409	\$5,792
DEER STAMPS	480	9.50	0.50	\$4,326	\$234	DEER STAMPS – MUZZLELOADER	35,720	6.00	0.75	\$188,200	\$26,120
DEER STAMPS - MUZZLELOADER	7,760	3.50	0.50	\$23,377	\$3,783	DEER STAMPS – BOW	34,780	6.00	0.75	\$183,247	\$25,433
DEER STAMPS - BOW	7,860	3.50	0.50	\$23,678	\$3,832	NR DEER STAMP – MUZZLELOADER	6,580	25.00	0.75	\$159,688	\$4,812
						NR DEER STAMP – BOW	6,580	25.00	0.75	\$159,688	\$4,812
WATERFOWL STAMPS	28,370	6.00	0.50	\$156,390	\$13,830	MIGRATORY BIRD STAMP/HIP	41,400	9.00	0.75	\$342,326	\$30,274
HIP PERMIT	45,000	0.00	0.35	(\$15,356)	\$15,356						
BONUS DEER STAMP-RESIDENT	44,410	5.00	0.50	\$200,400	\$21,650	BONUS DEER STAMP	22,205	10.00	0.75	\$205,813	\$16,237
BONUS DEER STAMP-NONRES.	4,130	25.00	0.50	\$101,237	\$2,013	BONUS DEE STAMP – NONRES.	2,065	25.00	0.75	\$50,115	\$1,510
BONUS DEER STAMP-NONRES.-FED.	500	5.00	0.50	\$2,256	\$244						
TOTAL				\$4,399,126	\$171,287	TOTAL				\$5,109,251	\$289,777
						TOTAL INCREASE				\$710,124	\$118,491

Source: Department of Natural Resources, Department of Legislative Services