

Department of Legislative Services
 Maryland General Assembly
 2003 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 104 (Chairman, Education, Health, and Environmental Affairs Committee)
 (By Request – Departmental – Natural Resources)

Education, Health, and Environmental Affairs

Environmental Matters

Natural Resources - Hunting Licenses - Waterfowl Outfitter and Hunting Guide

This departmental bill repeals provisions of current law relating to master hunting guide licenses and establishes two new licenses within the Department of Natural Resources (DNR) – a “waterfowl outfitter” license and a “waterfowl hunting guide” license. The fees for the new licenses would be \$300 and \$50, respectively. DNR must adopt regulations to implement the bill.

The bill takes effect February 1, 2004.

Fiscal Summary

State Effect: Special fund revenues will increase by \$49,600 annually beginning in FY 2005 as a result of the new licensing provisions. Special fund expenditures will increase by \$41,600 in FY 2005 to administer the regulatory program. Future year expenditures are annualized and adjusted for inflation.

(in dollars)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
SF Revenue	\$0	\$49,600	\$49,600	\$49,600	\$49,600
SF Expenditure	0	41,600	50,700	53,900	57,400
Net Effect	\$0	\$8,000	(\$1,100)	(\$4,300)	(\$7,800)

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

Local Effect: None.

Small Business Effect: DNR has determined that this bill will have minimal or no impact on small business (attached). Legislative Services disagrees with this assessment as discussed below. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary: A “waterfowl outfitter” means an individual who owns or is responsible for the operation of a commercial waterfowl hunting outfitting service that outfits or guides hunters and receives payment for guided hunts or the daily use of a waterfowl hunting site. A “waterfowl hunting guide” means an individual who is an employee of a waterfowl outfitter and furnishes only personal guiding services in assisting a person to hunt.

An individual must be licensed by DNR as a waterfowl outfitter or a waterfowl hunting guide before the individual may receive financial compensation for outfitting or guiding hunters. A waterfowl outfitter may not employ more than ten waterfowl hunting guides at the same time. Only one application for a waterfowl outfitter or waterfowl hunting guide license may be made in any one license year. The term of a license as a waterfowl outfitter and a waterfowl hunting guide is one year from August 1 through July 31 of each year.

The regulations adopted by DNR must include minimum qualifications and other application requirements, procedures for the review of applications, criteria for the issuance and denial of licenses, standards for the conduct of licensees, and any other provisions DNR finds necessary to regulate waterfowl outfitters and waterfowl hunting guides.

An individual who violates the bill’s provisions or any regulation adopted under the bill is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000, revocation of the license, or both.

Current Law: A master hunting guide is an individual who owns or is responsible for the operation of a commercial hunting guide organization that outfits or guides hunters and receives payment for the outfitting or guiding of hunters. Before an individual can receive financial compensation for outfitting or guiding hunters to hunt waterfowl, the individual must be licensed by DNR as a master hunting guide. The fee for a master hunting guide license is \$100.

Any person who violates any provision of Title 10 – Wildlife is guilty of a misdemeanor. Unless another penalty is specifically provided for elsewhere, the person, upon conviction, is subject to a fine not exceeding \$1,500, with costs imposed in the discretion of the court. For a second or subsequent violation, a person is subject to a fine not exceeding \$4,000, or imprisonment not exceeding one year, or both. In addition, the license must be suspended for one year.

Background: This bill was developed out of a request by DNR's Wildlife Advisory Commission. DNR advises that the commission is concerned with the past level of commercial goose hunting and its contributory role in the overharvest of Canada geese. The commission directed DNR to change the statutory framework or adopt new regulations that would prevent the level of commercial goose hunting from reaching the level observed in the 1980s and early 1990s. Accordingly, this proposal is intended to place limits on the commercial waterfowl hunting industry.

DNR advises that current law is so broad that any person wishing to take hunters for hire can do so by providing the required \$100 fee. There are virtually no requirements to become a master hunting guide. In addition, current law does not require guides or employees of a hunting guide organization to be licensed. According to DNR, this proposal will allow DNR to develop criteria that will ensure that only experienced, qualified, law-abiding citizens can become licensed outfitters or guides.

State Revenues: During the 2002-2003 season, DNR issued 124 master hunting guide licenses at \$100 each. Under this bill, the master hunting guide license would be replaced with the waterfowl outfitter and waterfowl hunting guide licenses. Although the exact number of licenses that will be issued to outfitters and guides under the bill is unknown, special fund revenues could increase by an estimated \$49,600 annually beginning in fiscal 2005 (although the bill takes effect February 1, 2004, the bill's changes would not be implemented until the 2004-2005 season, which begins October 2004). This estimate assumes that DNR will issue 124 waterfowl outfitter licenses annually at \$300 each and 496 waterfowl hunting guide licenses annually, or an average of 4 guides per outfitter, at \$50 each. To the extent that the number of licenses issued varies, revenues will vary accordingly.

The bill's penalty provision is not anticipated to significantly affect State revenues.

State Expenditures: DNR advises that one permits coordinator currently handles the master hunting guide licenses in addition to several other types of permits. Special fund expenditures could increase by an estimated \$41,600 in fiscal 2005, which assumes that the bill's changes would be implemented in time for the 2004-2005 hunting season. This estimate reflects the cost of hiring one natural resource biologist to administer the program, review license applications, monitor licenses, and administer revocation proceedings as needed. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses including travel.

Salaries and Fringe Benefits	\$34,800
Equipment	4,700
Operating Expenses	<u>2,100</u>
Total FY 2005 State Expenditures	\$41,600

Future year expenditures reflect: (1) full salaries with 4.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Small Business Effect: Legislative Services advises that while the bill's impact on small businesses cannot be reliably estimated at this time, it could be meaningful. Hunting guide organizations are typically small businesses. While the increase in license fees may not be significant for some of the larger hunting guide organizations, based on information provided by several hunting guide organizations, the fee increases could have a significant impact on some of the smaller hunting guide organizations.

In addition to the limits placed on the waterfowl outfitter industry by the bill, Legislative Services advises that the regulations adopted by DNR pursuant to the bill could result in additional impacts. For example, DNR has indicated that the regulations will likely include, among other things, limits on the number of daily hunting parties that each guide would be allowed to take.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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