## FISCAL AND POLICY NOTE

House Bill 365 Environmental Matters (Delegate Frush, et al.)

#### **Natural Resources - Leghold Traps - Prohibition**

This bill modifies an existing prohibition relating to the use of steel-jaw leghold traps in specified counties by providing that a person may not use, set, place, or maintain *any* leghold trap in the State.

#### **Fiscal Summary**

**State Effect:** General fund expenditure increase of \$195,400 in FY 2004 for nuisance control activities. Future year estimates are annualized, adjusted for inflation, and reflect ongoing operating expenses. Special fund revenue decrease of \$8,300 annually beginning in FY 2004 and federal fund revenue decrease of \$1,800 annually beginning in FY 2006 as a result of a decrease in hunting licenses sold.

(in dollars)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
SF Revenue	(\$8,300)	(\$8,300)	(\$8,300)	(\$8,300)	(\$8,300)
FF Revenue	0	0	(1,800)	(1,800)	(1,800)
GF Expenditure	195,400	173,100	183,200	194,300	206,400
Net Effect	(\$203,700)	(\$181,400)	(\$193,300)	(\$204,400)	(\$216,500)

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

**Local Effect:** To the extent that the bill causes an increase in nuisance populations and, as a result, damage to local infrastructure occurs, local governments could incur increased costs for infrastructure repair.

Small Business Effect: Meaningful.

### Analysis

**Current Law:** Hunting and trapping seasons and bag limits are established based on furbearer biology, distribution and abundance of each species, public interests and needs, and the incidence of furbearer damage complaints. Harvest of the following furbearers is currently regulated in Maryland: muskrat, beaver, nutria, long-tailed weasel, mink, skunk, otter, fisher, raccoon, opossum, red fox, gray fox, coyote, and bobcat. Harvesting muskrat, mink, long-tailed weasel, river otter, and beaver by any means other than trapping is prohibited. Legal trapping devices include box traps, snares, leghold traps, and body-gripping traps, subject to various restrictions. All traps must possess smooth jaws. The Department of Natural Resources (DNR) establishes by regulation the maximum jaw spread for leghold traps and body-gripping traps. No furbearer taken during the legal trapping season may be transported from the point of capture until it has been killed. In general, a person must possess a valid hunting license to hunt or trap furbearing mammals.

In Anne Arundel, Baltimore, Montgomery, and Prince George's counties, a person may not use, set, place, or maintain any steel jaw leghold trap on land. The steel jaw leghold trap may be used for the capture of furbearing mammals in water only. This prohibition does not apply to traps set on farmland by the owner of the farmland, by the owner's agent or tenant, by the owner's lessee, or by any member of the owner's or tenant's immediate family who resides on the farmland. The prohibition also does not apply to traps set by an authorized agent of the Maryland Forest, Park, and Wildlife Service under guidelines established by DNR.

**Background:** Maryland's diverse ecosystems support a rich and varied assemblage of furbearer species. The mission of the furbearer project within DNR is to ensure the viability and ecological integrity of Maryland's native furbearer populations and to promote sustainable and compatible uses of the resource. DNR reports that Maryland's resident furbearer species yield many user days of recreation while also providing the nucleus for many traditional rural activities. The fur harvest industry is a multibillion-dollar enterprise nationally; the U.S. is one of the major suppliers of pelts used in the international fur trade.

Furbearer species composition and efficient trapping techniques are a function of localized climatic and geographical conditions and vary considerably throughout the U.S. Representatives of the fur harvest industry, animal health professionals, and furbearer biologists are involved with the development of guidelines that ensure efficient and humane harvest of individual furbearer species on a regional basis. DNR has assumed an active role in that process.

DNR also has assumed an active role in the control of nutria, an invasive, semi-aquatic South American rodent that was introduced in Maryland in 1943. The Nutria Task Force, with representatives from DNR, the U.S. Geological Survey, the U.S. Fish and Wildlife Service, the U.S. Army Corps of Engineers, the U.S. Department of Agriculture, and 14 additional governmental and private partners, has developed a comprehensive pilot project proposal that focuses on the development of techniques necessary to remove nutria from our native ecosystems. As part of that project, control personnel are developing and testing eradication equipment and techniques. DNR advises that one of the methods under consideration for the control of nutria is the use of leghold traps. Preliminary task force work indicates that leghold traps are more efficient than other traps for the control of nutria.

According to DNR, \$6 million annually is spent nationwide to address damage caused by coyotes. In the absence of commercial and recreational harvest, it is projected that coyote populations in the southeastern U.S. will increase by 210% in the next ten years. On a national basis, beavers cause an estimated \$109 million in damage annually. In the absence of commercial and recreational harvest, 110% growth in the next ten years is forecasted. After trapping prohibitions were implemented in Massachusetts, beaver populations increased from an estimated 24,000 in 1996 to 70,000 in 2002. Raccoon populations cause over \$40 million in damage annually. In the absence of trapping, it is projected that raccoon populations in the northeastern U.S. will increase by 100% in the next ten years. DNR reports that from 1991 to 2000, Maryland's nuisance animal hotline recorded over 20,000 complaints attributed to furbearers.

State Revenues: DNR advises that most furbearers are caught using leghold traps and that by prohibiting the use of those traps, the bill would effectively eliminate the commercial and recreational harvest of many furbearers in Maryland. Based on data from DNR's annual hunter mail survey, DNR estimates that there are 1,200 licensed resident trappers in Maryland. Of these, DNR estimates that approximately 30%, or 360 trappers, do not engage in any other form of hunting. It is anticipated that those individuals would no longer purchase a hunting license as a result of the bill. The fee for a resident hunting license is \$24.50. Accordingly, special fund revenues could decrease by an estimated \$8,300 annually beginning in fiscal 2004. (Agents, which issue approximately 97.5% of licenses, keep \$1.50 for each license issued). Because DNR receives approximately \$5 in federal funds for each hunting license sold, the bill could also result in a decrease in federal fund revenues of an estimated \$1,800 annually. Federal funds would not be affected until fiscal 2006, however. (The number of licensed hunters in State fiscal 2004 drives federal funds provided in federal fiscal 2006, which coincides with State fiscal 2006.) Legislative Services advises that to the extent licensed trappers continue to purchase hunting licenses under the bill, the impact on revenues would decrease correspondingly.

**State Expenditures:** General fund expenditures could increase by an estimated \$195,400 in fiscal 2004, which accounts for the bill's October 1, 2003 effective date. This estimate reflects the cost of hiring four natural resource technicians to provide technical assistance and public education relating to furbearer nuisance populations. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses including an increase in contractual services for the administration of the existing nuisance hotline. The information and assumptions used in calculating the estimate are stated below:

- in the absence of commercial and recreational harvest in Maryland, in the next ten years, coyote populations will increase by an estimated 210%, beaver populations will increase by an estimated 110%, and raccoon populations will increase by an estimated 100%;
- the cost of contractual services for the administration of the existing nuisance hotline will increase by 100%; and
- employee travel.

Total FY 2004 State Expenditures	\$195,400
Equipment and Other Operating Expenses	<u>21,400</u>
Contractual Services – Nuisance Hotline	15,000
Automobile Purchases and Operation	56,700
Salaries and Fringe Benefits	\$102,300

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.

Legislative Services notes that some organizations dispute the assumption that banning leghold traps will result in a significant increase in nuisance populations. To the extent that the bill's effect on nuisance populations is less than what is currently anticipated, expenditures will decrease correspondingly.

**Small Business Effect:** DNR advises that trapping provides an important seasonal occupation and/or supplemental funding source to many individuals. DNR reports that there are an estimated 1,200 licensed trappers in the State and an estimated 1,000 unlicensed individuals who trap on their own property. The annual revenue for trappers varies from a few hundred to several thousand dollars. By prohibiting the use of leghold traps, this bill could result in a decrease in revenues for those individuals. The bill could also affect small businesses that buy fur from trappers and sell it to garment manufacturers. Wildlife cooperators who are permitted by DNR to assist landowners in

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the resolution of nuisance wildlife problems would realize increases in revenues as nuisance populations escalate and the demand for their services increases. DNR reports that nuisance furbearers cause significant economic damage to the agriculture and timber industries. To the extent that the bill results in an increase in nuisance populations and as a result, damage occurs, small businesses in those industries would be affected.

# **Additional Information**

**Prior Introductions:** Identical legislation was introduced during the 2002 session as HB 377. The House Environmental Matters Committee held a hearing on the bill, but no further action was taken. SB 543 of 2001, among other things, would have broadened the existing prohibition relating to the use of leghold traps. The bill received an unfavorable report by the Senate Economic and Environmental Affairs Committee.

**Cross File:** SB 272 (Senator Grosfeld, *et al.*) – Education, Health, and Environmental Affairs.

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

**Fiscal Note History:** First Reader - February 18, 2003 ncs/jr

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