Department of Legislative Services

Maryland General Assembly 2004 Session

FISCAL AND POLICY NOTE

House Bill 496 (Chairman, Environmental Matters Committee)

(By Request – Departmental – Natural Resources)

Environmental Matters

Wildlife Management Programs - Fees

This departmental bill authorizes the Secretary of Natural Resources to adopt regulations that establish procedures, participant criteria, and fees for participation in or access to programs and services provided by the Department of Natural Resources (DNR) under the Wildlife Title of the Natural Resources Article. Fees may not exceed \$30 or the sum of the administrative cost to process applications and permits, the cost to provide the recreational activity to the public, and the cost to manage the species or resource, whichever is less. DNR may designate persons to process applications or permits and allow those individuals to retain up to 5% of the fee as compensation. Fees must be paid into the State Wildlife Management and Protection Fund.

The bill takes effect July 1, 2004.

Fiscal Summary

State Effect: Special fund revenue increase of \$290,000 annually beginning in FY 2005. Potential increase in special fund expenditures in FY 2005 only for enhancements to DNR's Customer Oriented Information Network (COIN) System.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
SF Revenue	\$290,000	\$290,000	\$290,000	\$290,000	\$290,000
SF Expenditure	-	0	0	0	0
Net Effect	\$290,000	\$290,000	\$290,000	\$290,000	\$290,000

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

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

Small Business Effect: DNR has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: Funds generated from any license, stamp, application, or permit fee under the Wildlife Title must be credited to the State Wildlife Management and Protection Fund and used only for the scientific investigation, protection, propagation, and management of wildlife. The Wildlife and Heritage Service within DNR does not have the authority to establish fees for services it provides outside existing specific statutory authorizations.

Background: Currently, hunting license fees and stamps subsidize all of the service's activities; however, only a small percentage of licensed hunters participate in other activities. For example, the Wildlife Management Area (WMA) system has a large number of users, but those individuals are not charged a fee to help pay for WMA management. In addition, the Wildlife and Heritage Service conducts a large number of managed hunts but is not authorized to charge participation fees for those events. DNR advises that participants in managed hunts on lands administered by the State Forest and Park Service, however, are routinely charged \$30 to \$50.

State Revenues: Based on DNR's current plans regarding the establishment of fees, special fund revenues would increase by an estimated \$290,000 annually beginning in fiscal 2005. DNR advises that it would use the authority established by the bill to establish two new fees: a \$20 annual wildlife pass for use of WMAs and a \$10 fee for participation in a managed hunt conducted by the service.

Wildlife Pass

To use a WMA, each person would be required to obtain an annual wildlife pass; the fee would be \$20. Hunters with valid hunting licenses would be exempt from the requirement to obtain a pass. DNR anticipates selling 10,000 passes annually; most of these would be sold by DNR sport license agents, who would be allowed to retain \$1 each. Accordingly, special fund revenues from the sale of passes would total \$190,000 annually beginning in fiscal 2005; agents would keep \$10,000 annually.

Managed Hunts

Participants in managed hunts conducted by the service would be assessed \$10 each. DNR anticipates 10,000 applications or permits annually. Accordingly, special fund revenues would total \$100,000 annually beginning in fiscal 2005.

State Expenditures: The bill could result in an increase in special fund expenditures in fiscal 2005 only for enhancements to the COIN System for licensing and registration. Although DNR advises that its vendor charges a minimum of \$10,000 for enhancements to the system, DNR also indicated that some changes can be made at no cost.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Services

Fiscal Note History: First Reader - February 11, 2004

ncs/ljm

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