

Department of Legislative Services
 Maryland General Assembly
 2006 Session

FISCAL AND POLICY NOTE

House Bill 1157 (Delegate Frush, *et al.*)
 Environmental Matters

Natural Resources - Black Bear Hunt - Prohibition

This bill prohibits the Department of Natural Resources (DNR) from establishing an open season to hunt black bears. The bill also prohibits DNR from reducing the black bear population in any area of the State except under specified conditions.

Fiscal Summary

State Effect: Special fund revenue decrease of \$30,000 annually beginning in FY 2007 in forgone application fee revenue. Special fund cost savings of \$2,000 annually beginning in FY 2007 due to the absence of a hunt. General fund expenditure increase of \$78,100 in FY 2008 to hire a technician to address the anticipated increase in nuisance complaints. Future year estimates reflect ongoing operating expenses and, in FY 2010, the need for another technician.

(in dollars)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
SF Revenue	(\$30,000)	(\$30,000)	(\$30,000)	(\$30,000)	(\$30,000)
GF Expenditure	0	78,100	54,200	141,400	121,300
SF Expenditure	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Net Effect	(\$28,000)	(\$106,100)	(\$82,200)	(\$169,400)	(\$149,300)

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

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

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: DNR would be allowed to reduce the black bear population under the following conditions: (1) in defense of a person, the person's property, or domesticated animals on that property; and (2) after exhausting all nonlethal methods of resolving chronic documented agricultural damage or degradation caused by the black bear.

Current Law: Because black bears are classified as forest game mammals, DNR has the authority to establish an open season to hunt them. DNR has the authority to reduce wildlife populations, if after an investigation, it is determined that the wildlife is seriously injurious to agricultural or other interests.

Background: According to DNR, the State's population of black bears, which is approaching 500, has increased significantly since the early 1990s. Until the 2004-2005 hunting season, a regulatory ban on hunting black bears had been in effect since 1953. Also adding to the population's steady increase is the absence of natural predators and improved habitats. As the population has grown, so has the number of sightings and complaints. DNR has responded to these complaints by providing technical assistance and educational materials to landowners and electric fencing to beekeepers. Since 1996, the sale of black bear conservation stamps has generated funds to compensate farmers and other landowners who report damage to agricultural crops caused by black bears.

A 2004 report by the International Association of Fish and Wildlife Agencies (IAFWA) noted that expanded bear populations bring new wildlife management challenges. Nationally, bear populations have grown 12% in the last five years; bear complaints have increased 19%; personnel hours to resolve complaints have increased 22%; and state agency expenditures to control bear damage have increased 45%. To slow the growth of bear populations and reduce human-bear conflicts, over half of all states have established regulated bear seasons. Some states have hunting seasons in their management plans.

Maryland's Black Bear Management Plan for 2004-2013 outlines several management goals and objectives. Major goals include ensuring the long-term viability of Maryland's black bear population through comprehensive research and monitoring; conserving black bear habitat in the State; and addressing human-bear conflicts. One plan objective is to use regulated hunting to achieve and maintain the black bear population at a level compatible with land use goals and to minimize potential nuisance situations.

For the 2004-2005 season, DNR established regulations instituting a limited black bear hunt, with a harvest target of 30 bears. DNR closed the hunt after only one day due to concern that the target would be surpassed if hunting continued. Twenty bears were harvested. For the 2005-2006 season, the harvest target was 40 to 55 bears. The season was closed after 40 bears had been harvested in four days. In both 2004 and 2005, DNR received over 2,000 applications and issued 200 bear-hunting permits.

State Revenues: Special fund revenues would decrease by an estimated \$30,000 annually beginning in fiscal 2007, which reflects forgone application fees (\$15 per application) that DNR would otherwise collect from a limited black bear hunt. This estimate assumes that, in the absence of the bill, DNR would receive approximately 2,000 applications for bear-hunting permits each year.

State Expenditures: DNR's Black Bear Response Team currently handles nuisance complaints relating to black bears. Absent the continuation of a bear hunting season, the bear population will increase at a faster rate and is anticipated to result in increased nuisance complaints; however, DNR advises that the team cannot handle any additional workload. Because this bill would prohibit DNR from continuing the black bear hunting season, general fund expenditures could increase by an estimated \$78,104 in fiscal 2008. This estimate reflects the cost of hiring one natural resource technician to address the additional nuisance complaints that are anticipated in the absence of a hunt. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salary and Fringe Benefits	\$44,887
Automobile Purchase/Operations	21,400
Other Operating Expenses/Equipment	<u>6,377</u>
Total FY 2008 General Fund Expenditures	\$72,664

DNR advises that it cannot use special or federal funds to cover the increased workload due to Federal Aid in Wildlife Restoration Act requirements.

Future year general fund expenditures reflect: (1) 4.6% annual increases in the salary and 3% employee turnover; (2) 1% annual increases in ongoing operating expenses; and (3) the cost of hiring an additional natural resource technician in fiscal 2010 to handle additional complaints, including associated equipment and operating expenses.

The above estimate is consistent with the fiscal note for HB 371 of 2005 and the information provided by DNR during the 2005 session on that bill. Legislative Services advises that the information DNR provided this year with respect to the need for additional employees is inconsistent with what was provided last year regarding HB 371. This year, DNR advises that, in order to address the anticipated increase in nuisance complaints, it would need to hire a total of *six* natural resource technicians (one in fiscal 2007, two more in fiscal 2008, two more in fiscal 2009, and one more in fiscal 2010). Because the need for these additional employees is unclear at this time, it is assumed that hiring one technician in fiscal 2008 and another in fiscal 2010, as is assumed in the above estimate, would suffice. If, in the absence of a hunt, nuisance complaints increase to the extent additional staff is needed, DNR may request additional positions through the annual budget process.

Special fund expenditures could decrease by an estimated \$2,000 annually beginning in fiscal 2007 as a result of savings DNR would realize in printing costs that would otherwise be incurred to hold a black bear hunt. This estimate is based on the annual costs incurred for the 2004 and 2005 hunts.

Small Business Effect: Absent the continuation of a black bear hunt, farmers and other small businesses could incur increased costs to address damage caused by black bears. According to the 2004 IAFWA report, bears can cause a wide range of economic damage, including damage to timber, beehives, agricultural crops, and various livestock and poultry. According to the Black Bear Management Plan for 2004-2013, under the current reimbursement program, reported annual bear damage has ranged from \$10,389 to \$50,524 since 1996. Reimbursement is provided to agricultural producers suffering at least \$200 worth of agricultural damage. The maximum amount of reimbursable damage is capped at \$3,000 per person per year. If available funds are inadequate to fully compensate farmers, reimbursement is split among all eligible claims. The fund has not been able to fully reimburse farmers to date; payment has ranged between 12% and 70% of total claims. Not all farmers eligible for compensation have claimed damage due to concerns over the lack of funding.

In addition, any tourism benefit that would otherwise occur as a result of a black bear hunting season would be eliminated.

Additional Information

Prior Introductions: Identical legislation was introduced as HB 371 of 2005. HB 451 of 2004 and HB 629 of 2003 would have established a moratorium on hunting black bears. All three bills received unfavorable reports from the House Environmental Matters Committee.

Cross File: SB 663 (Senator Grosfeld) – Education, Health, and Environmental Affairs.

Information Source(s): Department of Natural Resources, International Association of Fish and Wildlife Agencies, Department of Legislative Services

Fiscal Note History: First Reader - February 21, 2006
ncs/ljm

Analysis by: Lesley G. Cook

Direct Inquiries to:
(410) 946-5510
(301) 970-5510