

To: Hon. Brian J. Feldman

Chair, Senate Education, Energy, and the Environment Committee

2 West

Miller Senate Office Building

Annapolis, MD 21401

Re: Senate Bill 152 – Fishing Licenses and Stamps – Fee Exemptions –

Residents Eligible for Assistance Programs

Position: Encourage Amendments

Date: 1/23/2024

Chairman Feldman, Vice Chair Kagan, and Honorable Members of the Maryland State Senate Education, Energy, and Environment Committee,

As the Senior Coordinator, Mid-Atlantic States for the Congressional Sportsmen's Foundation (CSF), I respectfully urge you to amend Senate Bill 152 Fishing Licenses and Stamps – Fee Exemptions – Residents Eligible for Assistance Programs, to include a provision that provides the Maryland Department of Natural Resources (DNR) with a reimbursement model for discounted and/or free hunting and fishing licenses within the State of Maryland. Such a reimbursement model would not only solve the loss of conservation funding for this bill, but all discounted and/or free hunting and fishing licenses in the future. While CSF appreciates the intent of this bill, we cannot support this bill in its current form.

Sportsmen and women provide, on average, nearly 60% of the funds used by state fish and wildlife agencies to carry out their critical conservation missions through the "user pays – public benefits" of the American System of Conservation Funding (ASCF). For example, revenue from the sale of fishing licenses in Maryland goes directly to the DNR for the use of fish and habitat management in addition to providing quality and safe access points for residents and non-residents alike to enjoy Maryland's waterways. Additionally, the Pittman-Robertson (PR) and Dingell-Johnson (DJ) Acts are two ASCF cornerstones that authorize federal funding for state fish and wildlife agencies to manage and restore wildlife resources. The distribution of these funds is formula-based and dependent on state size and the number of paid hunting and fishing license holders per state. This means that states that distribute free, and in some cases discounted licenses, are losing funds both from the initial revenue of license sales, as well as from funds that would be appropriated under

PR and DJ. To compensate for this, some states have enacted legislation that reallocates funds from the state general fund to compensate the state fish and wildlife agency for the lost revenue. Tennessee provides a great example of an amendment that could be added to this bill to protect conservation funding to the MD DNR: Tennessee Title 70, Chapter 2, § 70-2-104: "The agency shall be reimbursed for lost revenue resulting from the issuance of free or partially discounted combination hunting and fishing licenses created by statute on or after January 1, 2017, in an amount equal to the discounts received."

The increased costs of goods and services in today's economy are also impacting states' abilities to manage their fish and wildlife populations and habitats. During the 2023 Legislative Session, the legislature passed a comprehensive bill that CSF supported, increasing the costs of hunting licenses and stamps to provide the DNR with increased revenue to help curb the increasing costs for managing wildlife and their habitats. The last time Maryland's bay or tidal fishing license fees were increased was 14 years ago (2010). With the Administration's concern for the health and wellbeing of the Chesapeake Bay (which includes fish populations and habitats) we believe that continuing to provide free and discounted licenses without a reimbursement model is detrimental not only to our natural resources and their management, but also to our current and future sportsmen and women of the Old-Line State.

In closing, the Congressional Sportsmen's Foundation understands and appreciates the intent of this bill and realizes the importance of outdoor recreation and the ability to provide healthy and affordable meal options for families, especially to individuals and families that are less financially secure. However, offering free and discounted licenses limits the ability of the DNR to fund their conservation work, which benefits all residents. To protect the integrity of sportsmen-generated dollars through the ASCF, we encourage you to work towards providing statutory protections against lost conservation dollars by amending this legislation to require the agency be reimbursed from the general fund for any free license the legislature decides to implement. For these reasons, we ask you to amend SB 152, and without such amendments we cannot offer our support at this time.

Sincerely,

Kaleigh E. Leager

Senior Coordinator, Mid-Atlantic States | Congressional Sportsmen's Foundation

110 North Carolina Ave, SE | Washington, DC 20003

Haling E. Leagu

kleager@congressionalsportsmen.org | 202-543-6850 X 20

Enclosed: Relevant issue brief on the following related topic that the bill before you addresses.

Reimbursement to Fish and Wildlife Agencies for Free and Discounted Licenses

Reimbursement to Fish and Wildlife Agencies for Free and Discounted Licenses

Introduction

Through the "user pays – public benefits" American System of Conservation Funding (ASCF), sportsmen and women provide, on average, nearly 60% of the funds used by state fish and wildlife agencies to carry out their critical conservation missions. Revenue from sporting licenses is a major source of these funds, which is funneled back into conservation through the state agencies. Most states across the country have developed policies and programs that serve to provide either discounted or free hunting/fishing licenses to seniors, active-duty military, veterans, and disabled persons. In recent years legislatures have considered bills to significantly expand the free licenses they offer to also include first responders, hunter education instructors, and more. While these programs are viewed by some as a great way to reward specific groups of individuals for their services, they also decrease the funds available to wildlife agencies and therefore limit the agencies' abilities to deliver their conservation services which benefit all fish and wildlife, their habitats, and all people of the states.

Background

The Pittman-Robertson (PR) and Dingell-Johnson (DJ) Acts are two ASCF cornerstones that authorize federal funding for state fish and wildlife agencies to manage and restore wildlife resources. The distribution of these funds is formula-based and dependent on state size and the number of paid hunting and fishing license holders per state. This means that states that distribute free, and in some cases discounted licenses, are losing funds both from the initial revenue of license sales, as well as from funds that would be appropriated under PR and DJ. To compensate for this, some states have enacted legislation that reallocates funds from the state general fund to compensate the state fish and wildlife agency for the lost revenue.

Points of Interest

- Almost all state fish and wildlife agencies are primarily funded through ASCF.²
- Qualifications for discounted licenses varies from state to state but nearly all (46) offer reduced fees for seniors.
- Three states (Michigan, New Jersey, and Tennessee) have enacted legislation that reimburses the fish and wildlife agencies for revenue lost from license exemptions/discounts from the state general fund.
- In 2022, Massachusetts considered stand-alone legislation, as well as a provision within the draft Fiscal Year 2023 Budget, that would reimburse lost license revenue from the general fund.³
- States must receive a net revenue of \$2.00 from each license sale to report a certified license holder which qualifies for additional federal funds. On average, each certified hunting license brings the state an additional \$26 and each fishing license brings in \$10 of federal

3

¹ "The State Conservation Machine," *Association of Fish and Wildlife Agencies*, accessed August 26, 2022, https://www.fishwildlife.org/application/files/3615/1853/8699/The_State_Conservation_Machine-FINAL.pdf.

² "American System of Conservation Funding". *Congressional Sportsmen's Foundation*, last modified 2017, accesses February 1, 2022 https://congressionalsportsmen.org/policies/state/ascf

³ "Bill S.546" *The 192nd General Court of the Commonwealth of Massachusetts*, accessed February 1, 2022. https://malegislature.gov/Bills/192/S546

aid. When license fees are eliminated completely, states lose out on this additional revenue in addition to the loss of the original cost of the license.⁴

Language

The following states have enacted or introduced legislation that would reimburse the costs of lost license sales.

- Massachusetts <u>Bill S.546</u>: "The inland fisheries and game fund shall be reimbursed annually from the general fund for all loss of revenue for any fishing or hunting license provided at a discount and for any license provided free of charge."³
- Michigan MCL 324.43546: "The department shall determine the total fees that would have been collected if those senior citizens had been required to purchase full-price resident hunting and fishing licenses during the preceding license year. From this total, the department shall subtract the fees collected from the sale of senior hunting and fishing licenses during the preceding license year. The difference is the amount that would otherwise be collected.... The legislature shall annually appropriate from the general fund a sum equal to the fees that would otherwise be collected."
- New Jersey <u>Title 23</u>, <u>Chapter3-1f:</u> "At the end of each fiscal year, the Director of the Division of Fish, Game and Wildlife shall certify to the Director of the Division of Budget and Accounting in the Department of the Treasury the amount that the "hunters' and anglers' license fund" has been reduced as a result of any license issued without charge pursuant to section 1 of this act. An amount equal to the amount certified shall be appropriated each year from the General Fund to the "hunters' and anglers' license fund" for additional operating costs."
- Tennessee <u>Title 70</u>, <u>Chapter 2</u>, § 70-2-104: "The agency shall be reimbursed for lost revenue resulting from the issuance of free or partially discounted combination hunting and fishing licenses created by statute on or after January 1, 2017, in an amount equal to the discounts received."

Moving Forward

Revenue from hunting and fishing license sales is one of the major funding sources for the agencies that work to ensure the health of our fish and wildlife populations and their habitats. When giving out free and discounted licenses states limit the ability of the fish and wildlife agencies to fund their conservation work, which benefits all citizens. To protect the integrity of sportsmengenerated dollars through the American System of Conservation Funding, legislators are encouraged to work towards providing statutory protections against lost conservation dollars by passing legislation to require the agency be reimbursed from the general fund for any free license the legislature decides to implement.

4

⁴ "Department of Planning and Budget 2022 Fiscal Impact Statement" *Virginia House of Delegates Committee on Agriculture, Conservation and Natural Resources*, accessed August 25, 2022, https://lis.virginia.gov/cgi-bin/legp604.exe?221+oth+HB120F122+PDF.

⁵ MCL 324.43546, *Michigan Legislature*, accessed August 19, 2022.

⁶ "2020 New Jersey Revised Statutes" *Justia*, accessed February 1, 2022.

⁷ "Tennessee Code Unannotated" *Lexis Law*, accesses February 1, 2022.