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BILL ANALYSIS



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Senate Bill 940 (as enrolled)

PUBLIC ACT 585 of 1996

Sponsor: Senator George A. McManus, Jr.

Senate Committee: Appropriations

House Committee: Conservation, Environment and Great Lakes

Date Completed: 2-6-97

CONTENT

Senate Bill 940 represents a proposal by the Department of Natural Resources (DNR) to generate sufficient revenues to support current Game & Fish Protection Fund program levels and allow for revenue increases over the next five years. The bill amended the Natural Resources and Environmental Protection Act to increase and decrease fees for resident and nonresident hunting and fishing licenses beginning March 1997, with additional increases in 1999 and 2001; specify that senior citizen and certain junior licenses are discounted 60% and 50%, respectively; provide for technical definitions; and allow the Director discretion to defer implementation of the 1999 and 2001 increases.

The bill as amended by the House also included unrelated technical changes to DNR property tax payment, to reflect current tax policies.

FISCAL IMPACT

For FY 1996-97, the bill is anticipated to generate approximately \$2.5 million to \$3.5 million in additional revenues to the Game & Fish Protection Fund (from fishing licenses purchased after the March 1997 effective date). For the first full year, the bill is expected to generate over \$5.4 million in revenue. Assuming similar sales volumes over time, there will be further revenue increases in 1999 and the year 2001; for a total revenue increase after five years of approximately \$14 million over the current level.

The Legislature last authorized an increase in hunting and fishing license fees in 1986. For the past three years, the Legislature has addressed revenue shortfalls within the Game & Fish Protection Fund by program reductions, supplemental General Fund deposits, and funding shifts. For FY 1996-97 (H.B. 5587), the Department of Natural Resources anticipated a Game & Fish Protection Fund revenue shortfall of approximately \$2 million without passage of a fee increase.

Senate Bill 940 also adjusted the source of fee revenues to reflect hunting and fishing program appropriations. In previous years, the Game & Fish Protection Fund received 49% of its revenue from hunting fees, 38% from fishing fees, and 13% from sportsperson licenses. The first full year fee schedule in Senate Bill 940 will result in a 48% contribution from hunting fees, 41% from fishing fees, and 11% from sportsperson licenses.

The attached table outlines the changes in fees and revenues from different categories of hunting and fishing licenses.

Fiscal Analyst: G. Cutler

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

