

Legislative Analysis



SPORTSMEN AGAINST HUNGER PROGRAM

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House Bill 4071 (Substitute H-3)
Sponsor: Rep. Dave Hildenbrand

House Bill 4145 (Substitute H-3)
Sponsor: Rep. Tory Rocca
Committee: Conservation, Forestry, and Outdoor Recreation

First Analysis (5-31-05)

BRIEF SUMMARY: The bills would allow hunters and fishers to donate \$1 to the Sportsmen Against Hunger Program when they apply for a license, beginning January 1, 2006. The donation would be in addition to the license fee. Beginning January 1, 2007, the Department of Natural Resources would use the fees to implement a program to distribute wild game to people in need; however, the department could contract with a nonprofit group to undertake the food distribution program.

FISCAL IMPACT: The apparent intent of the legislation is to generate through donations sufficient revenue to pay for the gathering, processing, and distribution of donated game. There would be an indeterminate fiscal impact on the Department of Natural Resources if sufficient revenue is not collected, and the department is expected to implement the program. There is no fiscal impact on local units of government.

THE APPARENT PROBLEM:

For 15 years the organization Michigan Sportsmen Against Hunger has been providing food to families in need by making contributions to local food banks, soup kitchens, Salvation Army community centers, and other charitable organizations. Since 2001, the nonprofit group has had 501(c)(3) status under the Internal Revenue Code. The program encourages Michigan hunters to donate venison and other game meat for use by hunger relief agencies. The program also accepts cash donations and other food, such as canned goods. (See Background Information below.)

To contribute wild game, a hunter takes it to one of 52 participating meat processors located throughout Michigan, and a voucher is assigned to the hunter's contribution. The processor prepares the meat (generally venison), freezes it, and local charities pick-up the frozen meat to feed hungry people in their community. During the 2003 hunting season, over 50,000 pounds of venison were distributed to charitable organizations in this manner.

According to committee testimony offered by the Michigan Wildlife Federation, other states operate similar programs: hunters in the State of Wisconsin contribute 500,000 pounds of meat annually, while those in Virginia contribute 300,000 pounds. Maryland began its program, called Farmers and Hunters Feeding the Hungry, in 1997. There,

voluntary contributions totaled \$40,000 a year. Impressed by the program's success, the Maryland General Assembly enacted a law in 2002 to require that \$1 from the sale of each hunting license be used to support programs that process deer for needy people. According to the Maryland Department of Natural Resources, more than \$100,000 is raised annually.

Michigan has far more hunters than any of these states. In order to increase the size and effectiveness of Michigan's program, but keep it voluntary, legislation has been introduced to allow hunters to contribute \$1 when they buy their hunting or fishing license from the Department of Natural Resources.

THE CONTENT OF THE BILLS:

The bills would amend the Natural Resources and Environmental Protection Act (NREPA) to allow hunters and fishers to donate \$1 to the Sportsmen Against Hunger Program when they apply for a license. The donation would be in addition to the license fee, and the opportunity to donate would be available for license applications made beginning January 1, 2006. Beginning in January 2007, the Department of Natural Resources would use the fees to implement a program to distribute wild game to people in need.

The bills are tie-barred so that neither could become law unless both were enacted. A more detailed explanation of each bill follows.

Under House Bill 4071, the Department of Natural Resources would create the Sportsmen Against Hunger Program to distribute wild game to people in need, by January 1, 2007. The bill would require the department to do all of the following:

- collect donations of legally taken game that complies with all state and federal game laws, including any requirements that the parts of the game be intact;
- contract for processing the donated game;
- distribute the processed game to food banks, soup kitchens, and other charitable organizations that provide meals or food to people free of charge; and
- promote the program through the hunting license distribution system and other means that will further the mission of the program.

Further, the bill specifies that the department may request financial donations from hunters to offset the cost of processing donated game, and that those financial donations will be tax deductible. The department also may contract for the administration of the program by a nonprofit organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code. Payments under the contract would have to be adequate to cover the nonprofit organization's costs in administering the program; however, they could not exceed the amount of revenue available from the fund.

To qualify to enter a contract, a nonprofit organization must have demonstrated a commitment to the goals of the program and have at least five years of experience in providing wild game or other food to people free of charge. The contract would have to require that the nonprofit organization do all of the following: a) maintain a license under the Charitable Organizations and Solicitations Act, b) maintain adequate staff to perform the tasks outlined in the contract; and c) undergo an annual financial audit and make the audit information and report available to the department, to the subcommittees of the House and Senate Appropriations committees with responsibility for the budget of the department, and to the committees of the Senate and House of Representatives with primary responsibility for natural resources issues.

Under House Bill 4145, beginning January 1, 2006, when a person applied for a license, the department's agent would be required to ask whether the person would like to donate \$1 to the Sportsmen Against Hunger Program, and if so, collect the donation with the license fee. (A person could not receive a commission for the donation.) A donation would be in addition to the license fee. All donations would be forwarded by the Department of Natural Resources to the Department of Treasury where they would be deposited into a newly-created Sportsmen Against Hunger Fund within the state treasury. As with other funds, the state treasurer could receive money and other assets for deposit into the fund, direct investment of the fund, and credit to the fund any interest and earnings. Also, any money remaining in the fund at the close of the fiscal year would remain in the fund and not lapse to the General Fund.

The department would be allowed to expend money from the fund for two purposes: the costs of administering the fund, including the costs of collecting donations; and the administration of the program including, the costs of any contract with a nonprofit organization to administer the program.

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BACKGROUND INFORMATION:

Sportsmen Against Hunger was founded by the Safari Club International, Michigan United Conservation Clubs, Ted Nugent United Sportsmen of America, Michigan Bowhunters Association, the United Methodist Men's Club, the Food Bank Council of Michigan, and the Michigan Department of Natural Resources. For further information, visit the group's website at <http://www.sportsmenagainsthunger.org>

ARGUMENTS:

For:

The money raised through the donations would support a worthy program. Now, a hunter who wants to make a donation can take wild game meat to a participating meat processor, and after the meat is frozen, local charitable organizations can use it at food kitchens in their communities. While the processing costs are typically borne by the donor, the Michigan Sportsmen Against Hunger does have a voucher program in place that pays processors about 60 cents per pound to offset their processing fee for whole deer

donations. One of the biggest hurdles for the organization is funding, even though the program is run entirely by volunteers. The donations collected by this bill can be used to offset some of the meat processing costs and, hopefully, further expand the program and provide more assistance to persons in need.

For:

The National Wildlife Federation says out that virtually every national homeless, poverty, and hunger statistic in America is currently increasing, some by over 10 percent a year. They claim there are over 34 million Americans living below the poverty level, with more than 23 million seeking emergency hunger relief services. This represents almost 12 percent of Americans, and includes entire families classified as "working poor" and their children. Indeed, one in eight children under age 12 goes to bed hungry each night; and, over 13 million American children live in 'food insecure' households.

Over time inadequate food energy leads to cumulative, long-term learning deficits; lower academic achievement; higher rates of school failure, and mental impairment. The single most challenging item for emergency hunger relief organizations to obtain is meat source protein. The average deer donated in this program provides 200 meals, usually replacing peanut butter as the family's only potential protein source. This legislation is urgently needed in Michigan to combat hunger.

Against:

A spokesman for Department of Natural Resources noted that although this program is very worthwhile and its volunteers are to be commended, feeding the hungry does not fall within the core mission of the department, as determined by the decision-making and prioritizing process recommended by legislative leaders known as the Price of Government, or POG. Further, a department spokesman points out that even if the department were to contract with the lowest bidder to have these services provided, the ultimate liability for the program's safety and success would rest with the State of Michigan. Currently hunting and fishing licenses are sold by a network of licensing agents—who are not department employees—at 1,600 different locations. It would be impossible for department officials to monitor agents for compliance. Finally, the spokesman asked, Is this the proper role of government—to solicit contributions for a private, nonprofit organization? If so, how can one reasonably turn down the appeals of other equally worthy organizations?

Response:

The has already solicited funds for nonprofit groups. For example, the state has offered tax check-offs to solicit contributions to protect children and fund the Olympic training center. In addition, the state forwards alumni contributions to public universities through the sale of specialty fund-raiser license plates and passes on contributions from the sale of license plates to selected programs having a statewide purpose, such as lighthouse restoration and agricultural land preservation.

POSITIONS:

Michigan Sportsmen Against Hunger support the bills. (5-26-05)

The National Wildlife Federation supports the bills. (5-26-05)

The Food Bank Council of Michigan supports the bills in principle. (5-26-05)

The Michigan Bow Hunters Association supports the bills. (5-26-05)

Safari Club International supports the bills. (5-26-05)

The Department of Natural Resources does not support the bills as written. (5-26-05)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.