


Colorado Legislative Council Staff
STATE
FISCAL IMPACT
No State General Fund Impact

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Prime Sponsor(s): Rep. Stengel

Bill Status: House Agriculture

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TITLE: CONCERNING AN INCREASE IN CERTAIN WILDLIFE FEES, AND, IN CONNECTION THEREWITH, INCREASING SUCH WILDLIFE FEES OTHER THAN NONRESIDENT BIG GAME LICENSE FEES, ESTABLISHING A COLORADO WILDLIFE HABITAT STAMP, AND PROVIDING A REVENUE SOURCE FOR THE WILDLIFE MANAGEMENT PUBLIC EDUCATION ADVISORY COUNCIL.

Fiscal Impact Summary	FY 2005/2006	FY 2006/2007
State Revenues		
General Fund		
Cash Fund Exempt-Wildlife Cash Fund* **	\$3,055,787	\$7,962,577
Cash Fund Exempt-Wildlife Mgt. Pub. Ed. Cash Fund**	435,555	915,019
State Expenditures		
General Fund		
Cash Fund Exempt-Wildlife Cash Fund	\$96,831	\$4,831
FTE Position Change	0.0 FTE	0.0 FTE
Other State Impact: None.		
Effective Date: January 1, 2006.		
Appropriation Summary for FY 2005/2006:		
Department of Natural Resources, Division of Wildlife: \$96,831 CFE.		
Local Government Impact: None		

* This fiscal note assumes that Wildlife Habitat Stamp revenue will be deposited in the Wildlife Cash Fund.

** Spending authority for these revenues will be obtained through the division's annual budget request.

Summary of Legislation

This bill authorizes the Division of Wildlife within the Department of Natural Resources to raise wildlife hunting and fishing license fees by rule above the levels currently set in statute. This bill also eliminates the current provision that allows the division, in special instances, to sell licenses at prices below statutorily prescribed levels. Non-resident license fees are to be updated annually, based on the Bureau of Labor Statistics' Consumer Price Index for the Denver-Boulder-Greeley metropolitan area. The bill explicitly increases the maximum fee charged for licenses not covered by statute from \$20 to \$40.

This bill also discontinues the current voluntary check-off option, which allows applicants to donate money, over and above the license fee, to the Wildlife Management Public Education Fund. Instead, this bill requires that a seventy-five cent surcharge be assessed on each hunting and fishing license. Surcharge revenues will be deposited in said fund.

The bill also requires all persons 16 years of age and older to purchase a Colorado wildlife habitat stamp before purchasing a hunting or fishing license, other than a one day license, or before entering any state wildlife areas. No surcharge will be assessed on these stamps. Sportsmen are required to maintain possession of the stamp while hunting, fishing or using state wildlife areas. Fees for the wildlife stamp are to be set at \$10 per season or \$200 for a lifetime stamp for both residents and nonresidents. All revenues from stamp sales are to be used to benefit wildlife habitat and are subject to annual appropriation by the General Assembly.

The bill creates the Colorado Wildlife Habitat Stamp Committee, composed of five members and two ex-officio members from the division. Members may serve a maximum of two consecutive four-year terms. The committee is authorized to contract with a nonprofit organization to design the stamps. The authorization for the committee is repealed December 31, 2010.

State Revenues

Pursuant to Section 2-2-322, C.R.S., which requires legislative service agency review of legislative measures which include the creation or increase of any fee collected by a state agency, the following analysis is provided.

License Fee Revenues. The provisions regarding the changes in the fee amounts for resident and non-resident hunting licenses contained in this bill will affect state cash exempt revenues to the Wildlife Cash Fund starting in FY 2005-06. The following assumptions apply to the proposed changes in both resident and non resident fees:

- that the new fees will take effect on January 1, 2006;
- that 50 percent of fishing licenses, combo fishing and hunting licenses, rod stamps, waterfowl stamps and wildlife area use permits, and 25 percent of small game hunting licenses and 0 percent of big game hunting licenses are sold between January and June of a given calendar year;
- that the number of resident and non-resident fishing licenses sold would increase by 20 percent per year, independent of any changes in fees;
- that there would be no similar price-independent growth in the number of resident and non-resident hunting licenses;
- that price sensitivity will reduce the number of hunting and fishing licenses sold by the following amounts:
 - extra rod stamp (resident and non-resident), 40%
 - fishing annual (resident), 20%
 - fishing 1-day and fishing annual (non-resident), 30%
 - fishing annual (senior) and fishing/small game combo (resident), 20%
 - fishing 5-day (resident and non-resident), 30%

- small game hunting and small game 1-day (resident and non- resident), 30%
- turkey (resident and non- resident), 15%
- pronghorn (resident) and deer (resident), 15%
- pronghorn (non-resident), bear (fall), bull elk and cow elk (non-resident), 44%
- bull elk and cow elk(resident), 13%
- mtn. lion, desert big horn sheep (resident) and youth big game (non-resident), 10%;
- mtn. lion and youth big game (non-resident), 44%; and
- that if a license is no longer offered, there is no substitution into other license categories.

Table 1 provides a summary of the current and proposed resident fees, the fee change, the projected number of licenses sold from January through June FY 2005-06, the annual total for FY 2006-07, and associated net fee revenue changes, by species.

Table 1 - Estimated License and Revenue Impact from Changes in Resident Hunting License Fees							
Type of Fee	Current Fee	Proposed Fee	Fee Change	FY 2005-06 Licenses*	FY 2005-06 Revenue Increase*	FY 2006-07 Licenses	FY 2006-07 Revenue Increase*
Fishing - Annual	\$15	\$25	\$10	(43,177)	\$209,766	(44,040)	\$423,732
Fishing - Annual (Sr.)	\$7.5	\$10	\$2.5	(5,952)	(\$24,999)	(6,071)	(\$50,497)
Small Game Hunting	\$10	\$20	\$10	(6,915)	\$5,481	(6,915)	\$21,925
Furbearer	\$20	\$25	\$5	(340)	\$1,452	(340)	\$2,903
Turkey (fall)	\$10	\$15	\$5	(585)	\$2,519	(585)	\$10,077
Turkey (spring)	NA	\$20	\$20	(2,512)	\$14,074	(2,512)	\$56,297
Turkey (youth)	NA	\$10	\$10	0	\$0	0	\$0
Fishing-SG Combo	\$20	\$40	\$20	(8,598)	\$214,769	(8,770)	\$433,834
Pronghorn	\$20	\$30	\$10	0	\$0	(873)	\$58,929
Bear (fall)	\$30	\$40	\$10	0	\$0	(661)	\$62,782
Deer	\$20	\$30	\$10	0	\$0	(6,738)	\$461,784
Elk	\$30	\$45	\$15	0	\$0	(13,254)	\$1,712,052
Mountain Goat	\$150	\$250	\$100	0	\$0	0	\$17,622
Moose	\$200	\$250	\$50	0	\$0	0	\$5,841
Mountain Lion	\$30	\$40	\$20	0	\$0	(79)	\$12,053
Rocky Mtn Big Horn	\$150	\$250	\$100	0	\$0	0	\$29,500
Desert Big Horn	\$200	\$250	\$50	0	\$0	0	\$150
Big Game (Youth)	\$10	\$10	\$0	0	\$0	(137)	(\$1,176)
Total				(89,821)	\$423,062	(90,975)	\$3,257,808

* FY 2005-06 license and net revenue totals reflect only licenses sold from January 2006 to June 2006.

Table 2 summarizes current and proposed non-resident fees, fee changes, the projected change in number of licenses sold in FY 2005-06 and in FY 2006-07, and associated revenue changes, by species.

Table 2 - Estimated License and Revenue Impact from Changes in Non-Resident Hunting License Fees							
Type of Fee	Current Fee	Proposed Fee	Fee Change	FY 2005-06 Licenses*	FY 2005-06 Revenue Increase*	FY 2006-07 Licenses	FY 2006-07 Revenue Increase*
Fishing - Annual	\$40	\$55	\$15	(4,802)	\$57,339	(4,898)	\$115,829
Small Game Hunting	\$40	\$55	\$15	(554)	\$5,000	(554)	\$20,000
Furbearer	\$200	\$200	\$0	0	\$0	0	\$0
Turkey (fall)	\$75	\$100	\$25	(10)	\$646	(10)	\$2,585
Turkey (spring)	NA	\$100	\$100	(33)	\$2,238	(33)	\$8,953
Turkey (youth)	NA	\$75	\$75	0	\$0	0	\$0
Pronghorn	\$270	\$270	\$0	0	\$0	(7)	(\$2,019)
Bear (fall)	\$450	\$450	\$0	0	\$0	(12)	(\$2,910)
Deer	\$270	\$270	\$0	0	\$0	(265)	(\$80,632)
Elk	\$450	\$450	\$0	0	\$0	(839)	(\$354,251)
Mountain Goat	\$1,500	\$1,500	\$0	0	\$0	0	\$0
Moose	\$1,500	\$1,500	\$0	0	\$0	0	\$0
Mountain Lion	\$450	\$450	\$0	0	\$0	(4)	(\$960)
Rocky Mtn Big Horn	\$1,500	\$1,500	\$0	0	\$0	0	\$0
Big Game (Youth)	\$100	\$100	\$0	0	\$0	(10)	(\$997)
Total				(5,399)	\$65,223	(6,632)	(\$294,402)

* FY 2005-06 license and net revenue totals reflect only licenses sold from January 2006 to June 2006.

Table 3 summarizes current and proposed fees and fee changes for licenses where residency is not specified. The table also presents projected change in number of licenses sold in FY 2005-06 and in FY 2006-07 and associated revenue changes, by species.

Table 3 - Estimated License and Revenue Impact from Changes in Hunting License Fees (Residency Not Specified)							
Type of Fee	Current Fee	Proposed Fee	Fee Change	FY 2005-06 Licenses*	FY 2005-06 Revenue Increase*	FY 2006-07 Licenses	FY 2006-07 Revenue Increase*
Extra Rod Stamp	\$4	\$5	\$1	(26,617)	\$8,411	(27,149)	\$16,992
Fishing - 1 Day	\$5	\$8	\$3	(69,201)	\$164,005	(70,585)	\$331,291
Fishing - 5 Days**	--	--	--	(12,498)	(\$50,343)	(12,748)	(\$101,694)
Small Game - 1 Day	\$5	\$10	\$5	(4,990)	\$16,399	(5,090)	\$33,125
Small Game (youth)	\$1	\$1	\$0	(886)	\$104	(886)	\$418
Total				(114,192)	\$138,576	(116,458)	\$280,132

* FY 2005-06 license and net revenue totals reflect only licenses sold from January 2006 to June 2006

** License and revenue projections combine both resident and non-resident impacts, based on a net license fee reduction of \$10 for residents and a net fee increase of \$2 for non-residents.

The total cash fee exempt revenue increase to the Wildlife Cash Fund as a result of the proposed fee changes is estimated to be \$626,861 for FY 2005-06 and \$3,243,538 for FY 2006-07.

Wildlife Habitat Stamps. The bill requires anyone 16 years or older that purchases a hunting or fishing license or desires to use a state wildlife area to purchase a habitat stamp. Habitat stamp revenue is calculated using the projected number of hunting and fishing licenses outlined above, and the assumption that 20,000 people will visit state wildlife areas in FY 2005-06 and FY 2006-07. Stamp revenues will be somewhat offset by an estimated vendor commission of \$2.00 per stamp. Sales of lifetime habitat stamps are assumed to be minimal. Total stamp net revenues are thus estimated to be \$2,425,848 in FY 2005-06 and \$4,715,961 in FY 2006-07.

Raptor/Peregrin Falcon Capture License Revenue. Based on historical data, the revenue anticipated from these licenses is expected to be \$3,078 in FY 2005-06 and FY 2006-07. The number of falconry licenses issued in 2004 was 212, and it is assumed that future sales will remain near current levels. Based on these assumptions, and the proposed fee increases, the anticipated net revenue is \$2,118 for three-year possession/hunting raptor licenses, \$420 for annual possession/hunting raptor licenses, and \$540 for a Peregrine Falcon capture license.

Check-Off Option/Surcharge. This bill eliminates the current voluntary check-off option, which allows applicants to donate money, over and above the license fee, to the Wildlife Management Public Education Fund. Because such donations are voluntary and thus not necessarily dependent upon the number of licensees, this fiscal note assumes a constant level of contributions for FY 2005-06 and FY 2006-07. Thus, the elimination of this checkoff results in an anticipated revenue reduction of \$38,082 for FY 2005-06 and FY 2006-07.

The bill provides instead that a mandatory surcharge be made over and above the price of the hunting or fishing license. While the license fee changes discussed above affect only a portion of total licenses sold by the division, this surcharge would apply to all licenses sold by the division. This provision would thus result in an additional \$473,637 in revenue in FY 2005-06 and \$953,101 in revenue in 2006-07.

The net impact of these two provisions would be a cash exempt revenue increase in the amount of \$435,555 for FY 2005-06 and \$915,019 for FY 2006-07 to the Wildlife Management Public Education Fund.

In summary, the total cash fee exempt revenue increase to the Wildlife Cash Fund is estimated to be \$3,491,342 for FY 2005-06 and \$8,877,596 for FY 2006-07. Since the Division of Wildlife is an enterprise, these revenues are exempt from state revenue limitations per the provisions of TABOR.

State Expenditures

Department of Natural Resources, Wildlife Division. The division will incur additional administrative costs in the amount of \$96,831 in FY 2005-06 and \$4,831 in FY 2006-07 associated with computer programing, changing of signs at state wildlife areas and expenses for the Colorado Wildlife Habitat Stamp Committee.

The division has been using the Total Licensing System (TLS) since 2003 to administer license sales by telephone, the internet, and through division offices and licensing agents. One-time computer programming costs of \$20,000 will be incurred to incorporate the habitat stamp into the TLS. In addition, since access to state wildlife areas is currently free, the division will need to change access signs at each of the 18 areas to reflect the new access fee. Average costs per area are anticipated to be \$4,000, for a total one-time cost of \$72,000. Finally, the division will incur \$4,831 in annual operating costs for the committee, including per diem, milage reimbursement, copying, printing and postage expenses.

State Appropriations

This fiscal note implies that the Department of Natural Resources, Division of Wildlife, would require a cash fund exempt appropriation in the amount of \$96,831 for FY 2005-06.

Departments Contacted

Natural Resources