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# FISCAL IMPACT REPORT

SPONSOR Shar		02/28/11 <b>HB</b>						
SHORT TITLE	Enhanced Resident Hunting Opportunities	SB	490					
		ANALYST	Hoffmann					
<u>APPROPRIATION (dollars in thousands)</u>								
Appropriation		Recurring	Fund					
EX711	EV/12	or Non-Rec	Affected					

(Parenthesis ( ) Indicate Expenditure Decreases)

**FY11** 

# **REVENUE (dollars in thousands)**

NFI

**FY12** 

Estimated Revenue			Recurring	Fund
FY11	FY12	FY13	or Non-Rec	Affected
	(\$1,100.0)	(\$1,100.0)	Recurring	Game Protection Fund

(Parenthesis ( ) Indicate Revenue Decreases)

Conflicts with SB 196, SB 513, HB 149, HB 180, and HB 362

# **SOURCES OF INFORMATION**

LFC Files

Responses Received From

Department of Game and Fish (DGF)

# **SUMMARY**

Synopsis of Bill

Senate Bill 490 would restructure multiple aspects of the Department's hunting and fishing licensing program. The bill changes the licensing program in the following ways:

- 1. It eliminates two license types: the non-resident cow elk and the non-resident either-sex elk licenses.
- 2. It allows the State Game Commission to provide reduced-fee cow elk licenses to residents pursuant to a "herd management rule".

### Senate Bill 490 – Page 2

- 3. It changes how the public draw is conducted regarding the allocation of remaining licenses by category. The proposed bill takes any of the remaining licenses available in both the non-resident draw categories and shifts them to make them available to residents after the first round of drawing is completed. This is a change from the current practice which allows any remaining non-resident licenses in their respective categories to be given to other non-resident applicants.
- 4. The bill requires that all cow elk licenses be issued to resident hunters, and that all licenses with an either sex bag limit (bow and arrow hunts) also be issued to New Mexico resident hunters.

#### FISCAL IMPLICATIONS

The DGF forecasts an adverse impact because this bill eliminates two types of non-resident elk hunting license types. Since it would redirect all antlerless elk licenses to residents only, the Department could potentially recognize an annual loss of \$1,100,000. The loss of \$1.1 million in annual revenue from the agency's main operating fund (the Game Protection Fund) is of great concern. This reduction will result in a reduction of resources for providing services and will hasten the need for an increase in license fees that provide the majority of the funding for the Department.

# **SIGNIFICANT ISSUES**

The Department has identified some significant issues.

- 1. With the elimination of the non-resident cow elk and either-sex elk license types, the Department would not be able to issue those license types to hunters who purchase private landowner authorizations that permit the taking of both cow elk and either-sex elk on private lands. Additionally, the Department could not issue non-resident bow hunters either-sex public elk licenses through the lottery draws.
- 2. This bill does increase the opportunities afforded to resident hunters for antlerless and eithersex elk hunting opportunities issued through the annual public lotteries. It would potentially increase the number of public antlerless and either sex elk lottery licenses issued to resident hunters by an estimated 2,000 2,500 licenses. This change will depend on how applicant patterns change, which is difficult to assess.
- **3.** The elimination of the ability of a non-resident hunter to apply for a cow elk license may result in claims being asserted by non-residents that the elimination of these recreational opportunities results in an impermissible negative impact on non-residents that the state could refute in litigation only by providing a reasonable basis for the claimed discrimination.

### **ADMINISTRATIVE IMPLICATIONS**

The Department has identified the following administrative implications:

1. This bill would require significant modifications to the Department's current licensing programs. The Department would need to begin working on the implementation as early as possible in order to implement the changes for the 2012-2013 license year.

### Senate Bill 490 – Page 3

2. Because the Department's license year runs April 1- March 31<sup>st</sup>, the proposed changes could not be implemented immediately without cause conflicts in the current license year's fee structure and lottery draw system. In order to ensure that these changes be implemented without conflict, the bill would need to become effective April 1, 2012.

# CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 149 also changes the fee structure and the method for allotting different classes of licenses.

House Bill 180 proposes to change the military discount for hunting and fishing licenses.

House Bill 362 proposes special discounted licenses for disabled military personnel.

Senate Bill 196 also proposes to restructure license fees.

Senate Bill 513 proposes to restructure license fees and reduce the maximum portion of non-resident licenses to 18%.

#### OTHER SUBSTANTIVE ISSUES

This bill will likely face opposition from non-resident elk hunters who currently apply for antlerless elk hunting opportunities and would not be able to so under the provisions of this bill.

The elimination of the non-resident antlerless and either-sex elk license type would likely also face opposition from those licensees who purchase these types of hunting licenses through the Department's private land authorization system. Also, non-resident bow hunters who apply through the public draw would not be able to apply for the either-sex elk license as they can currently, potentially creating some negative feedback.

# WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The Department will continue to conduct big-game hunting license lotteries in compliance with current statutes.

JCH/bym