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FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/11
 LAST UPDATED 02/24/11 HB _____

SPONSOR Muñoz

SHORT TITLE Vendor Fee for Game & Fish License Collectors SB 188/aSCONC

ANALYST Hoffmann

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI	N/A	None

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY11	FY12	FY13		
	\$20.0 to \$30.0	\$20.0 to \$30.0	Recurring	Game Protection Fund

(Parenthesis () Indicate Revenue Decreases)

Relates to Senate Bill 196

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Game and Fish (DGF)

SUMMARY

Synopsis of Senate Conservation Committee Amendment

The Senate Conservation Committee amendment to Senate Bill 188 adds a new section that sets the effective date for provisions of the act as April 1, 2012.

Synopsis of Original Bill

Senate Bill 188 changes the maximum amount that a Department of Game and Fish license vendor can charge for selling hunting, trapping or fishing licenses from \$1.00 to \$2.00 per license document sold.

FISCAL IMPLICATIONS

Senate Bill 188 makes no appropriations.

The DGF estimates a slight revenue increase (approximately \$20.0 - \$30.0) but the major positive fiscal impact would be felt by the third-party license vendors located through-out the State. This is because the vendor fee charged for selling the license is kept by the vendor and is not recognized by the Department. Currently the Department has over 200 license vendors throughout the State of New Mexico and El Paso, TX. This bill would allow these vendors to collect an additional dollar for each license document sold, from a statewide perspective, the vendors could collect an additional \$200,000 - \$250,000 collectively.

The DGF has received feedback from multiple vendors throughout the state requesting that the fee be increased. The common reasons stated to the department are that most customers currently purchase their department licenses using credit cards. This results in the vendor to paying a percentage handling fee to the credit card companies for accepting the card. Most vendors have stated that the one dollar vendor fee no longer covers the credit card handling fees incurred by the vendor.

Additionally, the collection of this additional dollar would help to offset the cost of the bonds the Department requires vendors purchase in order to be license vendors. This bond is collected to insure against a business which does not pay the DGF the appropriate license fees collected by the vendor.

Conversely, this change would negatively impact the license buyers, charging them another dollar for the purchase of a hunting, fishing or trapping license. The DGF states it has received no feedback regarding this issue from the license buyers, but it would result in a higher license cost.

SIGNIFICANT ISSUES

The DGF states that they print the vendor fee on each license document sent to the vendors to sell. Because all of the license documents have been printed for the upcoming license year (April 1, 2011 – March 31, 2012), the DGF respectfully requests that this bill not become effective until April 1, 2012.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Senate Bill 196 proposes to change the percentage of licenses allocated to residents and non-residents, and to eliminate the 12% allocation to game outfitters. It also changes the fee structure for licenses by reducing some fees and requiring the purchase of a “game hunting” license for eligibility to participate in big game license lotteries.

JCH/mew:bym