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FISCAL IMPACT REPORT

ORIGINAL DATE 02/27/11

SPONSOR SFC LAST UPDATED _____ HB _____

SHORT TITLE Hunting Licenses for Residents and Non-residents SB CS/196/SFCS

ANALYST Hoffmann

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
0	0		

(Parenthesis () Indicate Expenditure Decreases)

Conflicts with House Bill 149, Senate Bill 490 and Senate Bill 513

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY11	FY12	FY13		
0.0	\$500.0 - \$700.0	\$500.0 - \$700.0	Recurring	Game Protection Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total	n/a	n/a	n/a			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Department of Game and Fish (DGF)

SUMMARY

Synopsis of Bill

The Senate Finance Committee substitute for the Senate Conservation Committee substitute for Senate Bill 196 would restructure the DGF's entire hunting and fishing licensing program. The bill changes the structure of the licensing program in three ways:

- 1) changes the percentages (by hunt code) of special drawing licenses distributed to New Mexico residents and non-residents;
- 2) it changes the license fee and definition for multiple license types; and
- 3) it requires that all applicants for any big game hunting license first purchase a "game hunting" license prior to making application.

The bill would change the percentage of resident and non-resident licenses drawn for each hunt code for public land big-game hunt opportunities issued through the annual lottery process. Currently, statute mandates that the Department issues at least 78% of these licenses to residents and up to 22% to non-residents. The 22% portion is broken out into 12% for nonresidents using the services of a registered outfitter and 10% for nonresidents not hunting with an outfitter. The bill proposes to increase the percentage reserved for residents to 84% with the remaining 6% to nonresidents not utilizing a registered outfitter, and 10% to applicants using a registered New Mexico resident Outfitter.

Secondly, the bill would change the license fees for a number of license types. The changes in fees specifically focus on combination licenses (those types permitting both fishing and small game hunting), resident deer, and small game hunting licenses. The changes in the licenses fees reduce the fees charged for the all the combination, resident deer and resident small game licenses; and eliminates combination licenses that include a deer hunting privilege. The bill also reduces the current fee for nonresident small game licenses, and renames all small game licenses to "game hunting" licenses.

Lastly, the bill proposes that anyone wishing to purchase a big-game (defined as the following species: deer, bear, cougar, elk, pronghorn antelope, Barbary sheep, bighorn sheep, javelina, oryx, and Persian ibex) or wild turkey license must first purchase a "game hunting" license. The purchase of this "game license" is required to be purchased only once per license year by an applicant but is necessary to be eligible for the big-game lotteries and other big game hunting opportunities.

FISCAL IMPLICATIONS

The DGF states the reduction in the percentage of big-game lottery licenses issued to non-residents does have a negative revenue impact to the department (approximately \$1,200.0 annually) but the requirement to first purchase a "game hunting" license (or combination license) compensates for that reduction (generates approximately \$1,800.0).

Therefore the overall net increase to the revenue generation for the total Department's license sales would be approximately \$500.0 - \$700.0 with the requirement to first purchase a "game hunting" license for big-game and turkey licenses.

SIGNIFICANT ISSUES

The Department has identified the following significant issues:

- The requirement for license buyers to first purchase a “game license” prior to purchasing a big-game or turkey license represents an increase in fees paid by an individual and a new legal requirement in order to participate in the big-game lotteries or to purchase an OTC license (\$15.00 increase for residents, \$10.00 for junior residents and \$65.00 non-residents). However, this additional fee is only charged once per license year and it does allow the license buyer to, at the minimum, hunt small game and participate in the big-game lotteries.
- This bill addresses an issue for some resident hunters; the ability to successfully draw hunting licenses in the annual lottery drawings for hunt opportunities. The bill increases the percentage of public big-game lottery licenses issued to resident hunters. This bill does increase the opportunities afforded to resident hunters for certain big-game hunting opportunities issued through the annual public lotteries. It increases, per hunt code, the percentage of licenses drawn by resident hunters from 78% to 84%. It would potentially increase the number of public big-game lottery licenses issued to resident hunters by an estimated 2,200-2,600 licenses. This change will depend on how applicant patterns change, which is difficult to assess.
- If this bill were to be passed, the Department would work diligently to educate sportspeople about the new requirements, fee changes and changes in permitted hunting privileges for the “game hunting” license.

Because this bill creates a basic requirement for applicants to apply for annual big-game lottery drawings, the Department would have to upgrade the computer programs that run the lottery drawings. This would also require changes to printed license documents and the information distributed in the annual rules and information booklets that the Department produces. If the bill is passed, it would require the Department staff to begin working on the system updates as soon as possible so that the changes could be implemented for the 2012-2013 license year.

PERFORMANCE IMPLICATIONS

The DGF notes this bill would potentially impact the results corresponding to the performance measure associated with the percentage of licenses drawn by resident applicants.

ADMINISTRATIVE IMPLICATIONS

This bill would require significant modifications to the Department’s current licensing programs and development of processes to confirm the purchase of the required base license for all draw hunt applicants. 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.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill conflicts with House Bill 149, Senate Bill 490 and Senate Bill 513, as all amend sections of law also addressed in this bill.

OTHER SUBSTANTIVE ISSUES

The DGF advises that this bill will likely face opposition from hunting outfitters and other business interests associated with hunt opportunities drawn from the 12% pool pursuant to current statute.

In reviewing the bill, it appears to the DGF that the fee for the resident game hunting license could be combined with the resident, senior, handicapped, game hunting because they are both \$15.00. If the intent is to provide a discount to senior and handicapped hunters, the price should be changed to a lower amount.

On page 7, lines 10-14, the bill describes a senior game hunting license. All other license types associated with a game hunting privilege include the language “and to apply for or purchase a license to hunt for deer, antelope, elk, bighorn sheep, Barbary sheep, javelina, bear, oryx, ibex, cougar and wild turkey”. For consistency, the DGF recommends that this language should be added to the senior game hunting license type.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

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

JCH/mew