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FISCAL IMPACT REPORT

ORIGINAL DATE 02/25/11

SPONSOR Morales **LAST UPDATED** _____ **HB** _____

SHORT TITLE Enhanced Resident Hunting Opportunities **SB** 513

ANALYST Hoffmann

APPROPRIATION (dollars in thousands)

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

(Parenthesis () Indicate Expenditure Decreases)

Conflicts with: Senate Bill 196, Senate Bill 490, House Bill 149, House Bill 180, and House Bill 362.

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY11	FY12	FY13		
	(\$900.0) – (\$950.0)	(\$900.0) – (\$950.0)	Recurring	Game Protection Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates, Relates to, Conflicts with, Companion to

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Game and Fish (DGF)

SUMMARY

Synopsis of Bill

Senate Bill 513 would restructure multiple aspects of the Department's hunting and fishing licensing program. The bill proposes to change the licensing program in the following ways:

1. This bill increases several license fees by \$10.

2. It eliminates two license types: the non-resident cow elk and the non-resident either-sex elk licenses.
3. It allows the State Game Commission to provide reduced-fee cow elk licenses to residents pursuant to a “herd management rule”.
4. It changes the percentage of licenses issued through the public draw to certain categories of applicants:
 - It increases the percent drawn by resident applicants from 78% to 82%
 - It decreases the percent drawn by non-resident applicants utilizing an registered Outfitter from 12% to 11%
 - It decreases the percent drawn by non-resident applicants not utilizing an Outfitter from 10% to 7%
5. 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 first.
6. The bill requires that all cow elk licenses be issued to resident hunters.
7. The bill requires that all successful applicants who drew for an elk, deer or antelope license shall not apply for the same species the following license year.

FISCAL IMPLICATIONS

The DGF reports that because this bill eliminates two types of non-resident elk hunting license types and it redirects all antlerless elk licenses to residents only, the Department could potentially recognize an annual revenue loss of \$900,000 - \$950,000. The loss of nearly \$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 the 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 proposes that the implementation of subsection G of 17-3-16 begin with the 2011 license year. This would mean that applicants who have already applied for the 2011 license year would be impacted by the bill if enacted and this potentially would be viewed as

negative by those applicants. This type of “hold-out” rule has been unpopular with licensees, both resident and non-resident, in the past and it most likely will face opposition.

3. 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 and it requires that all public antlerless elk licenses be issued to residents only. This bill does increase the opportunities afforded to resident hunters for certain big-game hunting opportunities issued through the annual public lotteries. It would potentially increase the number of public big-game lottery licenses issued to resident hunters by an estimated 2,500 - 3,000 licenses. This change will depend on how applicant patterns change, which is difficult to assess.
4. 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.

PERFORMANCE IMPLICATIONS

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

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.
2. Because the Department’s license year runs April 1- March 31st, 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

Senate Bill 513 conflicts with: Senate Bill 196, Senate Bill 490, House Bill 149, House Bill 180, and House Bill 362.

OTHER SUBSTANTIVE ISSUES

The DGF states 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 and non-resident elk hunters who apply for antlerless elk hunting opportunities.

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 accordance with current mandates.

JCH/mew