

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**May 3, 2005**

**TO:** Honorable Harvey Hilderbran, Chair, House Committee on Culture, Recreation, & Tourism

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: HB342** by Deshotel (Relating to exempting certain individuals from general fishing license fees.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB342, As Introduced: an impact of \$0 through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would require the Texas Parks and Wildlife Department (TPWD) to waive fishing license fees for residents under 17 and residents 65 or older.

**General Revenue-Related Funds, Five-Year Impact:**

| <b>Fiscal Year</b> | <b>Probable Net Positive/(Negative)<br/>Impact to General Revenue Related<br/>Funds</b> |
|--------------------|---|
| 2006               | \$0   |
| 2007               | \$0   |
| 2008               | \$0   |
| 2009               | \$0   |
| 2010               | \$0   |

**All Funds, Five-Year Impact:**

| <b>Fiscal Year</b> | <b>Probable Revenue Gain/(Loss) from<br/>GAME, FISH, WATER SAFETY AC<br/>9</b> |
|--------------------|--|
| 2006               | (\$913,125)  |
| 2007               | (\$913,125)  |
| 2008               | (\$913,125)  |
| 2009               | (\$913,125)  |
| 2010               | (\$913,125)  |

**Fiscal Analysis**

Probable revenue loss from license waivers for residents over the age of 65 and born on or after September 1, 1930 is \$913,125 in fiscal year 2006 and each year thereafter, for a total of \$1,826,250 million over the 2006-07. TPWD indicates the agency would also incur an expense to reprogram the License Sales System to accommodate waivers under the bill; however, this estimate assumes such costs could be absorbed by the agency within existing resources.

**Methodology**

Under current law, the TPWD is authorized (but not required) to establish a lower fee or waive the fee for the general fishing license for residents or non-residents under 17 years of age and residents or non-residents 65 years of age or older. By rule, the TPW Commission has chosen to waive license requirements for residents and non-residents less than 17 years of age. Residents over the age of 65 born on or after September 1, 1930 are eligible to purchase discounted licenses for annual fishing.

The revenue loss to TPWD was determined by projecting the average annual discounted sales of the special resident freshwater, saltwater, and all-water fishing packages (available to residents 65 or older) and multiplying by the current license fee(s). TPWD indicates an annual average of 36,738 discounted freshwater licenses are sold at \$11 for \$404,155; an annual average of 11,640 discounted saltwater licenses are sold at \$16 for \$186,237; and an annual average of 15,370 discounted all water licenses are sold at \$21 for \$322,773. Total annual revenue loss from all three sources would be \$913,125 in each fiscal year. The calculation does not factor in the continued aging of the fishing population.

TPWD would need to continue issuing licenses to persons exempted from the fee and would therefore continue to incur the costs of issuing these licenses without generating the offsetting revenue.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 802 Parks and Wildlife Department

**LBB Staff:** JOB, WK, ZS, TB