

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 16, 2007

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

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

IN RE: HB3523 by Homer (Relating to hunting licenses for nonresidents who own real property in this state.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3523, As Introduced: an impact of \$0 through the biennium ending August 31, 2009.

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

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from GAME,FISH,WATER SAFETY AC 9	Probable Savings from GAME,FISH,WATER SAFETY AC 9
2008	(\$427,186)	\$17,942
2009	(\$427,186)	\$17,942
2010	(\$427,186)	\$17,942
2011	(\$427,186)	\$17,942
2012	(\$427,186)	\$17,942

Fiscal Analysis

The bill would amend the Parks and Wildlife Code to allow nonresident land owners to qualify for the same hunting license fees as residents. Nonresident landowners are defined as nonresidents who own real property in Texas. The bill would take effect September 1, 2007.

Methodology

According to the Texas Parks and Wildlife Department, data to determine the actual percentage of nonresident hunters and trappers that would benefit from the bill is not readily available and will be impacted by the rule making process to determine if time-share, multi-party partnerships, condominium owners, and persons in developments where land is owned by trustees are covered.

For purposes of analysis, this estimate assumes that 5 percent of nonresidents expected to purchase licenses are also Texas landowners, which would result in an annual loss of \$427,186 to the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9. This revenue loss would be offset by a related savings in license agent payments of \$17,942. Licensed agents represent retail businesses (e.g., Wal Mart) that sell hunting and fishing licenses, and according to the agency retain an amount equal to on average 4.2 percent of the license cost as a fee.

To arrive at this estimate, the sum of the three year average number of nonresidents per license (General, Special, 5 Day, Spring Turkey, Banded Bird, and Trapper), was multiplied by the per license difference between the cost of a nonresident versus a resident license. The resulting figure would in theory represent 100 percent of revenues associated with nonresident purchasers (\$8,543,720). The assumption of 5 percent of nonresidents being landowners was applied to this amount.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 802 Parks and Wildlife Department

LBB Staff: JOB, WK, ZS, TB