

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 20, 2011

TO: Honorable Ryan Guillen, Chair, House Committee on Culture, Recreation & Tourism

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

IN RE: HB1501 by White (Relating to a landowner's exemption from the requirement to have a hunting license for hunting on the landowner's property.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1501, As Introduced: an impact of \$0 through the biennium ending August 31, 2013.

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
2012	\$0
2013	\$0
2014	\$0
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from <i>Game, Fish, Water Safety Ac</i> 9	Probable Savings from <i>Game, Fish, Water Safety Ac</i> 9
2012	(\$2,311,146)	\$38,076
2013	(\$2,311,146)	\$38,076
2014	(\$2,311,146)	\$38,076
2015	(\$2,311,146)	\$38,076
2016	(\$2,311,146)	\$38,076

The bill would amend portions of the Parks and Wildlife Code to allow a landowner to hunt on the landowner's property without having to acquire a hunting license. The bill would take immediate effect if the bill receives two-thirds the vote of all members in both houses. Otherwise, the bill would take effect September 1, 2011.

Fiscal Analysis

The bill would result in a revenue loss of \$2,311,146 and a savings of \$38,076 per fiscal year in the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9.

Methodology

The Texas Parks and Wildlife Department (TPWD) reports that according to the Texas A&M Institute for Renewable Natural Resources, there are approximately 247,000 farming and ranching operations in the state. TPWD estimates two-thirds of the properties would be appropriate for hunting and of those, 50 percent would have landowners that would hunt exclusively on their own land. This would represent a population of approximately 82,000 Texas residents. TPWD requires stamps to hunt specific animals or with specific equipment (Upland Game Bird, Migratory Game Bird, and Archery). This analysis assumes that the landowner would not be required to have a general hunting license, or any hunting stamps.

In fiscal year 2010, TPWD sold 834,526 resident hunting related licenses in the following categories: 1) Non-Senior General Hunting: 276,285 @ \$25; 2) Senior General Hunting: 26,885 @ \$7; 3) Non-Senior Combo Hunting & Freshwater Fishing: 65,701 @ \$50; 4) Non-Senior Combo Hunting & Saltwater Fishing: 3,493 @ \$55; 5) Non-Senior Combo Hunting & Allwater Fishing: 12,332 @ \$60; 6) Senior Combo Hunting & Freshwater Fishing: 17,444 @ \$16; 7) Senior Combo Hunting & Saltwater Fishing: 706 @ \$21
Senior Combo Hunting & Allwater Fishing: 4,083 @ \$26; 8) Non-Senior Super-Combo (Hunting plus all hunting stamps & Allwater Fishing): 380,298 @ \$68; 9) Senior-Super-Combo (Hunting plus all hunting stamps & Allwater Fishing): 47,299 @ \$32

Revenue Loss - General Hunting License:

Using the proportion of each specific license to the total resident hunting license population of 834,526, this analysis applies a pro-rata allocation to the 82,000 sub-population, then determines revenue by using the per license cost. For example, the revenue loss for the Non-Senior General Hunting license was estimated at $(276,285/834,526)*82,000*25=\$678,690$. In total, across all licenses noted above, the revenue loss was estimated at \$3,840,598.

Revenue Loss - Hunting Stamps:

In fiscal year 2010 TPWD sold 206,712 hunting stamps to residents. Using a ratio of the sub-population to the resident population in general (82,000/834,526) times the hunting licenses sold results in 20,311 stamps. At \$7 per stamp, this results in \$142,177 worth of hunting stamps lost to landowners hunting on their own land.

Revenue Gain - Fishing License:

This analysis assumes those who formerly purchased a Combo and Super-Combo license (hunting and fishing) would still desire to fish, with a corresponding revenue gain. A general fishing license is \$25 for Non-Seniors, \$7 for Seniors. A general fishing license requires at least one stamp. Freshwater stamps are \$5, Saltwater \$10, Allwater (both) \$15.

Non-Senior Combo Hunting & Freshwater Fishing: $(65,701/834,526)*82,000*(25+5)=\$193,672$

Non-Senior Combo Hunting & Saltwater Fishing: $(3,493/834,526)*82,000*(25+10)=\$12,013$

Non-Senior Combo Hunting & Allwater Fishing: $(12,332/834,526)*82,000*(25+15)=\$48,469$

Senior Combo Hunting & Freshwater Fishing: $(17,444/834,526)*82,000*(7+5)=\$20,568$

Senior Combo Hunting & Saltwater Fishing: $(706/834,526)*82,000*(7+10)=\$1,179$

Senior Combo Hunting & Allwater Fishing: $(4,083/834,526)*82,000*(7+15)=\$8,826$

Total revenue gain from this portion of the analysis is \$284,728.

Revenue Gain - Fishing License (former Super Combo holders):

Through surveys TPWD asks Super Combo holders which fishing "activity" (stamps) they used (Freshwater, Saltwater, or Allwater). The breakout is as follows:

Non-Seniors:

Freshwater: 15,321 @ $(25+5) = \$459,630$

Saltwater: 6,353 @ $(25+10)=\$222,355$

Allwater: 15,694 @ $(25+15)=\$627,760$

Seniors:

Freshwater: 2,138 @ $(7+5)=\$25,656$

Saltwater: 744 @ $(7+10)=\$12,648$

Allwater: 1,766 @ $(7+15)=\$38,852$

Total revenue gain from this portion of the analysis is \$1,386,901

Cost Savings:

TPWD would incur cost savings as a result of the landowner not needing a license, or an applicable hunting stamp. This would apply to the Resident Senior and Non-Senior license holders. At .76 per license, the total cost savings would be $.76*(27,148+2,642+20,311)=\$38,076$ per fiscal year. The costs associated with the Combo and Super Combo would be a wash since the cost savings associated with hunting would be offset by the fishing.

Summary:

In summary, this analysis anticipates a revenue loss of \$3,840,598 per year due to the hunting licenses (including Combo and Super Combo) with an additional loss of \$142,177 per year due to hunting stamps. This analysis anticipates a revenue gain of \$1,671,629 due to increased fishing licenses. Overall, the net impact to revenue is a loss of \$2,311,146 per year. Cost savings are estimated to be \$38,076 per fiscal year.

TPWD reports it could experience a decline in federal funds over time, if the decreased license revenue were to correspond with lower corresponding matching funds. Finally, TPWD reports a tag from the hunting license must immediately be attached to specific animals upon harvest. Those tags are used by Game Wardens to enforce bag limits. TPWD reports this lack of information poses law enforcement challenges, the cost of which is currently unknown and are not included in this analysis.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 802 Parks and Wildlife Department

LBB Staff: JOB, KM, ZS, TB