

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 13, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1817 by Kuempel (Relating to authorizing a change in the fee for a hunter education course.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1817, As Introduced: an impact of \$0 through the biennium ending August 31, 2015.

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 |
|--------------------|---|
| 2014 | \$0 |
| 2015 | \$0 |
| 2016 | \$0 |
| 2017 | \$0 |
| 2018 | \$0 |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Revenue Gain from Game, Fish, Water Safety Act |
|--------------------|--|
| 2014 | \$389,663 |
| 2015 | \$389,663 |
| 2016 | \$389,663 |
| 2017 | \$389,663 |
| 2018 | \$389,663 |

Fiscal Analysis

The bill would amend the Parks and Wildlife Code relating to the fee for a hunter education course. The bill would provide that an instructor of a hunter education course who is not a Texas Parks and Wildlife Department (TPWD) employee may charge an amount for the course. Included in the amount charged would be an administrative fee set by the TPW Commission not to exceed

\$15. This fee would be paid to TPWD and deposited into the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9. The bill would repeal provisions allowing any instructor (whether a TPWD employee or volunteer) to retain an amount from the fees collected.

TPWD estimates a net revenue gain of \$389,663 per fiscal year to General Revenue-Dedicated Game, Fish and Water Safety Account No. 9, with a potential loss in federal funding that is unknown at this time.

The bill would take immediate effect if it receives the required two-thirds vote of members in both houses. Otherwise, the bill would take effect September 1, 2013.

Methodology

TPWD reports that currently, the hunter education course is offered by either TPWD employees, or volunteers. If the course is led by TPWD employees the course fee is \$15 per student with that full amount remitted to the department to the credit of the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9. If the course is led by a volunteer, the course fee is also \$15 per student with the instructor keeping \$10 per student and remitting \$5 per student to TPWD (although the instructor can remit more than \$5 if the instructor chooses).

TPWD indicates the bill would have three fiscal impacts:

1) First, with the repeal of Parks and Wildlife Code, Section 62.014, TPWD employees will no longer be able to charge for the course. TPWD estimates approximately 156 courses were taught by employees in fiscal year 2012 (based on 2,190 course hours and on average about 14 hours per course). Based on fiscal year 2012 performance, there were approximately 15 students per course. The total estimated net loss due to employees not being able to charge for courses would be: 156 courses x 15 students x \$15 = \$35,100 per fiscal year.

2) Second, the instructors would be able to charge any fee they wish, so long as they remit \$15 per student to TPWD. Based on fiscal year 2012 hunter education revenue and backing out the TPWD-led classes noted above; total revenue would be \$228,487 with 43,550 students. Assuming the TPW Commission approves the administrative fee at \$15 per student the maximum estimated revenue gain is 43,550 students x \$15 = \$653,250, less revenue at current rate \$228,487 = \$424,763.

3) Third, the Hunter Education program is primarily funded by federal funds. As a result of bill provisions, TPWD reports federal partners could potentially reduce the overall federal funds contribution by the amount of net revenue increased (\$424,763-\$35,100=\$389,663).

TPWD reports effectively this could result in a budget cut to the program, since the federal dollars are appropriated to the agency, but the revenue from the hunter education courses is deposited into unappropriated balances in the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9. TPWD reports it is unable to determine what loss may be incurred in federal funds under bill provisions.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 802 Parks and Wildlife Department

LBB Staff: UP, KJo, ZS, TB

