

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**March 11, 2013**

**TO:** Honorable Troy Fraser, Chair, Senate Committee On Natural Resources

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB375 by Lucio (Relating to the expiration date of hunting and fishing licenses, stamps, permits, or tags.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB375, 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0

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

<b>Fiscal Year</b>	<b>Probable Revenue (Loss) from Game, Fish, Water Safety Act</b>
2014	\$0
2015	(\$4,730,402)
2016	\$0
2017	\$0
2018	\$0

## **Fiscal Analysis**

The bill would amend portions of the Parks and Wildlife Code so that certain licenses, permits, and stamps issued by the department (with the exception of Lifetime licenses and special "day" licenses) are valid for one year beginning on the date the licenses were issued; rather than valid by fiscal year (from September 1 through August 31) as currently in statute.

This analysis assumes that in fiscal year 2015 there would be a one-time revenue loss to the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9 as hunters and fisherman took advantage of the new "year from date" licensing requirement. In that fiscal year, for example, a hunter who had purchased a hunting license in January 2014 (fiscal year 2014) would not necessarily need to purchase a license until after January 2015 (fiscal year 2015), if at all, in order to enjoy the equivalent of two seasons of hunting. There would be a similar effect in "year from date" purchases of fishing licenses. However, this analysis assumes that hunters and fisherman would continue to purchase licenses on an annual basis after the adjustment to "year from date" first offered in fiscal year 2014. Accordingly, no ongoing revenue loss to the Game Fish and Water Safety Account is anticipated after fiscal year 2015.

The Texas Parks and Wildlife Department (TPWD) anticipates the bill provisions would result in additional programming costs in fiscal year 2014 to conform to the proposed "year from date" requirement. This analysis anticipates that these costs could reasonably be absorbed within TPWD's existing resources.

The bill provisions would apply only to licenses, stamps, permits, or tags issued after the effective date of the bill, September 1, 2013.

## **Methodology**

Using fiscal year 2012 license and permit data, this analysis assumes that sales would be constant through the first year of the effective date of this bill (fiscal year 2014) and the impact to licenses would start in year two, or fiscal year 2015.

In fiscal year 2012, TPWD sold 1,901,207 resident hunting, fishing, and combination licenses to individuals, each with up to one or more hunting or fishing stamps. This analysis assumes this trend holds steady through fiscal year 2014. Assuming 5.5 percent of license holders would take advantage of the new "year from date" licensing requirement, results in 104,566 fewer licenses being sold in fiscal year 2015 ( $104,566 = 5.5\%$  of 1,901,207).

TPWD issues approximately 58 different kinds and combinations of permits, licenses, and stamps. With costs ranging from \$7 (Senior Resident Hunting) to \$60 (Non-Senior Combination Hunting and Allwater), as well as stamp costs ranging from \$5 to \$10, this 5.5% fewer-purchases assumption translates into a fiscal year 2015 revenue loss of \$4,730,402, based upon information provided by TPWD.

### **Revenue Gain:**

TPWD reports it would likely experience a revenue gain in "fines and violations" as a result of persons fishing or hunting without a license or with an expired license. Rather than a universal expiration date of August 31, each individual license holder would have a unique expiration date.

Although it is possible that TPWD would experience a revenue gain in fines and violations, this analysis assumes that any gain would not be of significant fiscal impact.

## **Technology**

TPWD anticipates the bill provisions would result in additional programming costs in fiscal year 2014 to conform to the proposed “year from date” requirement. This analysis anticipates that these costs could reasonably be absorbed within TPWD’s existing resources.

## **Local Government Impact**

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

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

**LBB Staff:** UP, SZ, ZS, TB